



प्रधान आयुक्त का कार्यालय, सीमा शुल्क, अहमदाबाद

“सीमाशुल्कभवन,” पहली मंजिल, पुराने हाईकोर्ट के सामने, नवरंगपुरा, अहमदाबाद – 380 009.

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DIN: 20260371MN0000222B85

PREAMBLE

A	फाइलसंख्या/ File No.	:	VIII/10-45/ICD-Sanand (Prev.)/O&A/HQ/2025-26
B	कारणबताओनोटिससंख्या-तारीख / Show Cause Notice No. and Date	:	VIII/10-45/ICD-Sanand (Prev.)/O&A/HQ/2025-26 dated 01.10.2025
C	मूलआदेशसंख्या/ Order-In-Original No.	:	212/ADC/SR/O&A/2025-26
D	आदेशतिथि/ Date of Order-In-Original	:	02.03.2026
E	जारीकरनेकीतारीख/ Date of Issue	:	02.03.2026
F	द्वारापारित/ Passed By	:	Shravan Ram, Additional Commissioner, Customs Ahmedabad.
G	आयातककानामऔरपता / Name and Address of Importer / Passenger	:	<p>1. M/S. Unison Forgings Pvt. Ltd. 1 SF Office, Dhaval Complex, F.P. 341/SB/3, Kalpana Society, Navrangpura, Ahmedabad, Gujarat - India - 380009</p> <p>2. Shri Tirth Uttam Mehta, Director Of M/S. Unison Forgings Pvt.Ltd. 35, Haridham Estate, Near Gurudwara, Odhav, Ahmedabad-380415</p> <p>3. M/s. Mathuradas Narandas & Sons Forwarders Ltd, Office A-1303, West Bank, Opposite Vallabh Sadan, Ashram Road, Ahmedabad, Gujarat</p>
(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 प्रासिकी 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 टिकट लगा होना चाहिए और इसके साथ होना चाहिए:		

(i)	अपील की एक प्रति और;
(ii)	इस प्रति या इस आदेश की कोईप्रति के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिटलगा होना चाहिए।
(4)	इस आदेश के विरुद्ध अपीलकरने इच्छुक व्यक्ति को 7.5 % (अधिकतम 10 करोड़) शुल्कअदा करना होगा जहां शुल्क या इ्यूटी और जुर्माना विवाद में है या जुर्माना जहां इसतरह की दंड विवाद में है और अपील के साथ इस तरह के भुगतान का प्रमाण पेश करने मेंअसफल रहने पर सीमा शुल्क अधिनियम, 1962 की धारा 129 के प्रावधानों का अनुपालन नहीं करने के लिए अपील को खारिज कर दियाजायेगा।

Brief Facts of The Case

M/s. Unison Forgings Private Limited (IEC-0808015648) having their registered address at 1 SF Office, Dhaval Apartment, F.P. 341/SB/3, Kalpana Society, Navrangpura, Ahmedabad, Gujarat – India - 380009 (hereinafter referred to as ‘M/s. UFPL’ or ‘the importer’ for the sake of brevity) had filed a Bill of Entry No. 9118918 dated 26.03.2025 at ICD Sanand, Customs Ahmedabad, for import of 107.238 MT of ‘Stainless Steel Melting Scrap Grade 410 for Melting Purpose’ with declared assessable value of Rs.61,53,679.04/- through their Customs Broker M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad, having license No. AAACM3488KCH005 (hereinafter referred to as ‘the CHA’ for the sake of brevity) for Customs clearance of the said consignment. The said consignment was supplied by Supplier M/s. B-A Metals Co. Ltd., 50/48C Hamlet 4, XuanThoi Son, Hoc Mon, Ho Chi Minh City, Vietnam and Country of Origin of the said consignment was Vietnam (as written on a paper affixed on each pallet). The following documents imported per Vessel “ONE COMPETENCE (Voyage-V 092W)”:

- Bill of Lading No. SGNA36190900 dated 28.01.2025 according to which said goods were contained in 20 Feet Containers bearing No. BMOU2908684, BSIU2582382, TCLU3579065 & TCLU3930210.
- Commercial Invoice No. BAM/SC/25-01.410 dated 22.01.2025 issued by M/s. B-A Metals Co. Ltd., 50/48C Hamlet 4, XuanThoi Son, Hoc Mon, Ho Chi Minh City, Vietnam.
- Packing list dated 22.01.2025 issued by No. BAM/SC/25-01.410 dated 22.01.2025 issued by M/s. B-A Metals Co. Ltd., 50/48C Hamlet 4, XuanThoi Son, Hoc Mon, Ho Chi Minh City, Vietnam., according to which details of goods contained in each container are as under: -

Item No.	Container Number	Commodity	Nt. Wt. (Kgs)	Gr. Wt. (Kgs)	Packages
1	BSIU2582382	Stainless Steel	26,758	27,010	18
2	TCLU3579065	Melting Scrap Grade	26,798	27,050	18
3	TCLU3930210	410 HSN Code :	26,718	26,970	18
4	BMOU2908684	72042190	26,964	27,230	19
Total			107,238	108,260	73

2. The Bill of Entry No. 9118918 dated 26.03.2025, was marked for 100% examination by the ICES (Indian Customs Electronic Data Interchange System). During the course of examination, it was noticed that the cargo stuffed in aforesaid containers appears to be ‘Stainless Steel Sheets’ rather than the declared ‘Stainless Steel Melting Scrap Grade 410’. Therefore, the examination of all the four containers under Bill of Entry no. 9118918 dated 26.03.2025 as mentioned above was conducted under Panchnama proceedings dated 02.04.2025[**RUD-01 of the SCN**].

3. PANCHNAMA PROCEEDINGS DATED 02.04.2025

3.1 Upon examination of all the four containers under the bill of entry no. 9118918 dated 26.03.2025, the cargo was found 'Stainless Steel Sheets' rather than the declared 'Stainless Steel Melting Scrap Grade 410' and it is also noticed that all the four containers are stuffed with stainless steel sheets and on almost all the packages that were visible in all four containers without de-stuffing a paper label is affixed with following description:

Commodity	Secondary Hot Rolled Stainless Steel Sheet Grade 410 Top End
Size	Thickness: 5.00 MM Length: 1000 MM Width : 1000 MM
Grade	410
Origin	Vietnam

3.2 The number of packages stuffed in each container are counted and found as declared in Bill of Lading. During examination, total 73 packages of 'Stainless Steel Sheet' are found to be stuffed in all four containers bearing no. BSIU2582382, TCLU3579065, TCLU3930210 and BMOU2908684. The details of weighment slip, container-wise provided by CHA representative is as under:

Container No.	Slip No.	Net Weight as per Slip (MT)	Net Weight of cargo (MT) (excluding tare weight of Container)
BMOU2908684	S/WGH/2425/117289	29.440	29.440 - 2.220 = 27.220
BSIU2582382	S/WGH/2425/117320	29.170	29.170 - 2.130 = 27.040
TCLU3579065	S/WGH/2425/117318	29.220	29.220 - 2.200 = 27.020
TCLU3930210	S/WGH/2425/117316	29.170	29.170 - 2.200 = 26.970
TOTAL			108.250 MT

3.3 During the course of examination proceedings, it was prima facie observed that the consignment comprising 108.250 MT of goods appeared to be mis-declared. In view of the suspected mis-declaration, the goods were required to be detained for the purpose of further investigation, including but not limited to determination of correct classification, valuation, compliance with BIS requirements, and other relevant legal provisions. Subsequently, the officers at ICD Sanand informed that the cargo imported under Bill of Entry No. 9118918 dated 26.03.2025 by M/s. Unisons Forging Private Limited was found to be apparently mis-declared and accordingly, the entire consignment was detained. The detained goods were then handed over to the Custodian, M/s. Hasti Petro Chemical and Shipping Ltd. (HPCSL), ICD Sanand, for safe custody pending further investigation.

4. Inspection Of The Detained Goods By The Chartered Engineer-

4.1 The goods imported by the importer vide the Bill of Entry No. 9118918, dated 26.03.2025, and detained under Panchnama dated 02.04.2025 were inspected by the Empaneled Chartered Engineer Shri Bhaskar Gunvantray Bhatt of M/s. B. G. Bhatt & Co. on 11.04.2025. M/s. B. G. Bhatt & Co. issued detailed inspection & opinion report in the matter on 14.04.2025 [**RUD-02 of the SCN**].

4.2 During the course of inspection, the Chartered Engineer vide his report Reference No. BB/D-11/UFPL/25/SANAND dated 14.04.2025 recorded his findings and opinions as under:

Findings:-

- i) Received cargo were inspected inside the 4 Nos. 20' container quantity is mentioned in the Annexure – A (of the Chartered Engineer Report).
- ii) The materials received were palletized 1000 mm X 1000 mm 5 mm thick SS plates wrapped in galvanized sheet tied with iron straps pasted with sticker as "SECONDARY HOT ROLLED STAINLESS STEEL GRADE 410 TOP END.
- iii) There were pallets carrying well packed sheets.
- iv) Collectively declared weight is accepted as true and correct for the quantity of 107.238 MT.
- v) The label on the wrapper of the bundles were read for randomly selected pallets which was conveying the category as Stainless Steel 410 grade thickness 5mm which is accepted as true and correct.
- vi) Randomly selected pallets were checked by hand hold X-Ray gun and readings of that gun convey that the materials/SS Plates tested are of SS 410 grade from each container was tested by hand hold metal testing X- Ray gun Sr. No.: 105612 Calibration valid up to 24-Aug-2025 shows average chromium 11.08% suggests that the sheets are of stainless steel 409 grade therefore it is considered as SS 410.
- vii) Randomly selected SS Sheets were checked and it was showing category as SS 409 but not scrap; it is usable SS Sheets of 410 Grade which has industrial application directly as received for fabrication and for melting.

Opinions:-

- i) The declared item as SS 410 melting scrap is 107.238 Mt but the same is noticed as plain SS 410 grade 1000 MM X 1000 MM 5 MM thick hot rolled sheets and condition is other than the melting scrap.
- ii) The applicable BIS for SS 410 grade SS flats a sheet is IS 6911:1992.
- iii) HS code for SS 410 Sheets is 72191200
- iv) The imported materials are squared shaped 1 M² area and 5 mm thick of 410 grade stainless steel by BE No. 9118918 dated 26.03.2025 is not a melting scrap.

Note:-

- i) The consignment was received through containers BSIU2582382- 26.758 MT, TCLU3579065- 26.798 MT, TCLU3930210- 26.718 MT, BMOU2908684-26.964 MT total net weight 107.238 MT is accepted as true and correct for SS 410 Sheets.
- ii) The declared materials as scrap do not match with physical materials inspected.
- iii) Declared HS Code 72042190 is not matching with the materials arrived as scrap, it is found SS Sheets of area 1 M² 5MM thick, hence it should have HS code of 72191200.

iv) The BIS for the item under import is IS 6911:1992. The estimated CIF Value of the consignment of SS 410 sheets should be US \$ 288023.

4.3 The CIF value of the imported goods under BE 9118918 dated 26.03.2025, estimated by the empanelled chartered engineer is detailed as under:-

Considered FOB rates as per public domain and estimated CIF Value submitted by Government approved Chartered Engineer.				
Sr. No.	Description	Quantity MT	Rate US \$/MT	Amount US \$
1.	Stainless Steel Plates Grade 410 HS Code 72191200 BSIU2582382 26.758 TCLU3579065 26.798 TCLU3930210 26.718 BMOU2908684 26.964	107.238	2600/MT	278818.80
2.	Freight charges	4	1500	6000.00
3.	Insurance charges @ 1.125%	1	3204.20	3204.20
Total Estimated CIF Value				288023

5. SEIZURE OF THE GOODS

5.1 On the basis of the examination conducted under Panchnama dated 02.04.2025 and the findings of the Chartered Engineer's inspection report dated 14.04.2025, it prima facie appeared that M/s. Unison Forgings Private Limited mis-declared the imported goods under Bill of Entry No. 9118918 dated 26.03.2025 in the following respects:

- Mis-declaration in description: The goods were declared as "Stainless Steel Melting Scrap Grade 410" whereas, upon physical inspection, the goods were found to be "Secondary Hot Rolled Stainless Steel Sheets, Grade 410";
- Mis-declaration in classification: The goods were declared under CTH 7204 (ferrous waste and scrap), whereas they are classifiable under CTH 7219 (flat-rolled stainless steel products);
- Mis-declaration in value: The declared CIF value of the goods were USD-69704.70, whereas, the estimated CIF value of goods were found to be USD 288023.

5.2 It further appeared that Stainless Steel Sheets of Grade 410 fall within the ambit of mandatory BIS compliance, and the importer failed to produce any valid BIS certification or exemption therefrom at the time of import. Therefore, the goods were held to be in violation of the relevant Import Policy conditions, as notified under the Foreign Trade (Development and Regulation) Act, 1992, read with the Customs Act, 1962.

5.3 Accordingly, the entire consignment, weighing 107.238 MT, was placed under seizure under the provisions of the Customs Act, 1962, vide Seizure Memo dated 28.04.2025 **[RUD-03 of the SCN]**, on reasonable belief that the same was liable to confiscation under the Act.

5.4 The seized goods, as detailed above, were handed over to the custodian, M/s. Hasti Petro Chemical and Shipping Ltd.(HPCSL), ICD-Sanand, for safe custody, under due acknowledgment vide Supratnama dated 28.04.2025**[RUD-4 of the SCN]**.

6. VALUATION OF THE GOODS

6.1 In view of the findings recorded in the inspection report submitted by the Chartered Engineer-Cum-Valuer, it prima facie appeared that the importer had mis-declared the value of the goods with the intent to evade payment of the appropriate customs duty leviable thereon. The comparative details of the declared and the estimated value are provided in Tables below:

Sr. No.	Description	Quantity MT	Rate US \$/MT	Amount US \$
1.	Stainless Steel Melting Scrap Grade 410 HS Code 72042190	107.238	650/MT	69704.70
	BSIU2582382 26.758			
	TCLU3579065 26.798			
	TCLU3930210 26.718			
	BMOU2908684 26.964			
Declared CIF Value Total				69704.70

Considered FOB rates as per public domain and estimated CIF Value submitted by Government approved Chartered Engineer.				
Sr. No.	Description	Quantity MT	Rate US \$/MT	Amount US \$
1.	Stainless Steel Plates Grade 410 HS Code 72191200	107.238	2600/MT	278818.80
	BSIU2582382 26.758			
	TCLU3579065 26.798			
	TCLU3930210 26.718			
	BMOU2908684 26.964			
2.	Freight charges	4	1500	6000.00
3.	Insurance charges @ 1.125%	1	3204.20	3204.20
Estimated CIF Value Total				288023

7. SUMMONS TO IMPORTER

7.1 Summonses were issued to Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., Ahmedabad on 08.04.2025 [**RUD-05 of the SCN**], 16.04.2025 [**RUD-06 of the SCN**], 19.05.2025 [**RUD-07 of the SCN**] and 06.08.2025 [**RUD-08 of the SCN**] summoning him, respectively, on 09.04.2025, 17.04.2025, 26.05.2025 and 11.08.2025 to give evidence in the issue. However, Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., Ahmedabad did not appear before the inquiry officer on 09.04.2025 in respect of summons dated 08.04.2025 and sought adjournments vide his letters dated 09.04.2025 [**RUD-09**] citing the grounds that he is not in town as he left for Dubai on 08.04.2025 itself. Further Shri TirthUttam Mehta, appeared before inquiry officer on 17.04.2025, 23.05.2025 and 11.08.2025 in respect of summons dated 16.04.2025, 19.05.2025 and 06.08.2025 respectively to give evidence or produce documents or things of in his possession or under his control and to tender statement.

8. Statement Dated 17.04.2025 of Shri TirthUttam Mehta, Director of M/S. Unison Forgings Pvt. Ltd. Under Section 108 of the Customs Act, 1962 in respect of Summons Dated 16.04.2025.

8.1 Statement of Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., 35, Haridham Estate, Near Gurudwara, Odhav, Ahmedabad-380415, was

recorded under Section 108 of the Customs Act, 1962 on 17.04.2025 [**RUD-10 of the SCN**], wherein he, inter alia, stated as under:

➤ He is one of the Directors in M/s. Unison Forgings Pvt. Ltd. (IEC No. 0808015648), Ahmedabad and looks after commercial activities i.e. sales, purchases, marketing work and other director i.e. Shri BhagwanbhaiValaniya, looks after accounts and administrative work. Shri TirthUttam Mehta is also director in M/s. Unison Metals Ltd., 5015, phase IV, GIDC, Vatva, Ahmedabad-382445, where also he looks after commercial activities i.e. sales, purchases, marketing work. M/s. Unison Forgings Pvt. Ltd. (IEC No. 0808015648) is engaged in trading and manufacturing of profiles and long products of Stainless Steel. They purchase SS Scrap from local market in India and arrange contract manufacturing of the final product at various facilities. M/s. Unison Forgings Pvt. Ltd. (IEC No. 0808015648) is registered with GST department bearing GSTN 24AAACU8380J1Z2.

➤ He stated that they have declared principal place of business in DGFT and GST as M/s. Unison Forgings Pvt. Ltd., Dhaval Complex, FF/3, FP-341/SB/3, Kalpana Society, Navrangpura, Ahmedabad till inquiry from the Preventive Section, Head Quarter, Customs Ahmedabad. He further informed that the owner of said premises had sold out the property so they had to vacate the said premise. He further stated that, they have made application dated 16.04.2025 for change of address at DGFT and GST for updating their new address at 35, Haridham Estate, Near Gurudwara, Odhav, Ahmedabad-380415.

➤ Shri TirthUttam Mehta, in continuance of the above, further stated that the another address 1196, Kaelash Nagar, Nevedita School, Vatva, Ahmedabad, Gujarat – 382440 is not pertaining to their company M/s. Unison Forgings Pvt. Ltd. and informed that they have never carried any business activity from this address and they have no idea about this address as same is not pertaining to them.

➤ He further stated that another address as M/s. Unison Forgings Private Limited, block No. 156, Village-VasnaMargiya, Opp. G.G.S. ONGC, Near Bidaj Farm, Kheda- 387120 is not pertaining to their company as the same has been sold out to M/s. Hempel Forge Ltd. In the year 2017.

➤ On being enquired about business activity, he informed that he is not carrying business activity from declared premises whereas they have carrying out business activity from address located at 35, Haridham Estate, Near Gurudwara, Odhav, Ahmedabad-380415.

➤ On being enquired about Bill of Entry details of the imports made by M/s. Unison Forgings Pvt. Ltd, He informed that their company imported Ingots from Vietnam and filed 12 Bill of Entries at ICD-Khodiyar during 2022-23 to 2023-24. The goods are not cleared and same is still lying at ICD-Khodiyar due to some BIS issues. Further, added that M/s. Unison Forgings Pvt. Ltd. Imported raw materials i.e. Stainless Steel Melting Scrap Grade 410 through Bill of Lading No. SGNA36190900 from M/s. B-A Metal Co. Ltd., 50/48C Hamlet 4, XuanThoi Son, Hoc Mon, Ho Chi Minh City, Vietnam vide Bill of entry number 9118918 dated 26.03.2025 filed by CHA M/s. MathuradasNarandas& Sons Forwarders Limited (AAACM3488KCH005) for clearance at ICD-Sanand and the goods are still lying at ICD-Sanand.

➤ On being enquired about the print out of emails [**RUD-11 of the SCN**] correspondence with supplier which was resumed under Panchnama dated 02.04.2025 at the premises of M/s. Unison Metals Ltd. in correspondence for business transaction related to the goods mentioned in the Bill of Entry Number 9118918 dated 26.03.2025. In this regard he stated that they had purchased contract No. BAMCO/SC/25-02/G410 dated 22.01.2025 with the supplier M/s. B-A Metal Co. Ltd., 50/48C Hamlet 4, XuanThoi Son, Hoc Mon, Ho Chi Minh City, Vietnam for supply of Stainless Steel, Grade 410. He agreed in the statement that an email correspondence perused is related to the confirmation of loading of goods as mutually agreed between Company and Supplier. The supplier and logistics company forwarded the details of the goods through email which was confirmed by their company by email correspondences.

9. Statement Dated 23.05.2025 of Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd. Under Section 108 Of The Customs Act,1962 In Respect Of Summons Dated 19.05.2025.

9.1 Statement of Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., 35, Haridham Estate, Near Gurudwara, Odhav, Ahmedabad-380415, was recorded under Section 108 of the Customs Act,1962 on 23.05.2025 [**RUD-12 of the SCN**], wherein he, inter alia, stated as under:

- He stated that he has perused the Panchnama dated 02.04.2025 drawn at ICD-Sanand, Customs, Ahmedabad in respect of imports made under Bill of Entry No. 9118918 dated 26.03.2025 by M/s. Unison Forgings Pvt. Ltd (IEC-0808015648), Ahmedabad put his dated signature on its last page and agreeing with the contents mentioned therein. Further he perused the seizure memo dated 28.04.2025 in respect of goods imported by M/s. Unison Forgings Private Limited under the aforementioned bill of entry.
- He further perused and agreed with the inspection and opinion report issued by Chartered Engineer & Government approved valuer and agreed with description of the goods, CTH, Grade, applicable BIS etc. in the inspection and opinion report dated 14.04.2025 prepared by the Chartered Engineer M/s. B.G. Bhatt & Co. for the imported goods Stainless Steel Plates Grade 410 HS:72191200.
- He further stated that they have made payment of \$13000 on 21.01.2025 and \$50000 on 28.01.2025 to their supplier B-A Metals Co. Ltd, 50/48C Hamlet 4, XuanThoi Son, Hoc Mon, Ho Chi Minsh City, Vietnam and they will submit the copy of payment details made to the supplier by their company for the goods imported vide Bill of Entry No. 9118918 dated 26.03.2025 in 2-3 days.
- On being enquired the difference between Stainless Steel Melting Scrap (HS Code-72042190) and Stainless Steel Plates/sheets Grade 410(HS Code-72191200) and characteristics of SS stainless steel Sheet 410 Grade and stainless steel melting scrap. He stated that he is aware of that and stated that while Stainless steel scraps is a raw material whereas Stainless Steel Plates Grade 410 is semi-finished goods. Scrap is used for melting purpose and stainless steel plates is used for various application such as manufacturing of pipes, cutlery etc. Regarding the characteristics, he stated that it is a standard grade. The chemical composition of stainless steel 410 is the same irrespective of form and shape.
- As per Chartered Engineer, SS Sheets were checked and it was showing that category as SS sheets 410 grade, uses are industrial application directly as for fabrication and not for melting purpose, in this regard he stated that, Yes, there are several industrial applications of Stainless steel grade 410 sheets such as manufacturing of Pipes, Cutlery etc. This material can also be used for melting purpose.
- On being enquired have you applied for BIS for SS 410 grade flat sheets is IS 6911: 1992 regarding imported goods under Bill of Entry No. 9118918 dated 26.03.2025 in respect of goods imported by M/s. Unison Forgings Pvt. Ltd (IEC-0808015648), Ahmedabad. In this regard he stated that they don't have BIS certificate.
- Shri TirthUttam Mehta stated that after inspecting the goods during de-stuffing at ICD-Sanand, they i.e. M/s. Unison Forgings Pvt. Ltd., Ahmedabad, agreed that the declared material as imported under Bill of Entry No. 9118918 dated 26.03.2025 in respect of goods imported by M/s. Unison Forgings Pvt. Ltd do not match with physical material inspected as declared in Bill of Entry No. 9118918 dated 26.03.2025.
- On being enquired regarding the imported goods vide Bill of Entry No. 9118918 dated 26.03.2025 has mis-declaration with an intention to evade payment of appropriate customs duty leviable and also appears that the mis-declared goods may be falling under the purview of BIS. As the goods declared is SS melting Scrap 410 grade. He stated that there was no intention to either evade duty or mis-declare. They were not aware of fact

that such goods will be shipped to us which will attract duty and will fall under mis-declaration.

- On being enquired to provide CHA/forwarder details engaged in the filling of Bill of Entry No. 9118918 dated 26.03.2025. In this regard he stated that they have contacted Shri Chirag Bhatt of M/s Vibrant Shipping & Logistics, 410, Abhishek Plaza, B/h Navgujarat College, off. Ashram Road, Ahmedabad. Shri Chirag Bhatt has arranged a CHA namely MathuradasNarandas& Sons Forwarders Ltd. for filing of documents. Further, they have authorized M/s Vibrant Shipping for filing of documents and clearance of goods. And they don't have contact with MathuradasNarandas& Sons. Forwarders Ltd. CHA.

10. Statement Dated 11.08.2025 of Shri TirthUttam Mehta, Director of M/S. Unison Forgings Pvt. Ltd. Under Section 108 of The Customs Act, 1962 In Respect Of Summons Dated 06.08.2025.

10.1 Statement of Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., 35, Haridham Estate, Near Gurudwara, Odhav, Ahmedabad-380415, was recorded under Section 108 of the Customs Act,1962 on 11.08.2025 [**RUD-13 of the SCN**], wherein he, inter alia, stated as under:

- On being enquired, he stated that his staff Mr. Surendra Darbar, Accountant of M/s. Unison Forgings Pvt. Ltd. (IEC – 0808015648) who contacted CHA M/s. MathuradasNarandas& Sons Forwarders Ltd, Ahmedabad, Office A-1303, West Bank, Opposite VallabhSadan, Ashram Road, Ahmedabad, for clearance of the goods as mentioned in the Bill of Entry No. 9118918 dated 26.03.2025.
- On being enquired regarding the role of the Shri ChiragNarendra Kumar Bhatt, Proprietor of M/s. Vibrant Shipping & Logistics having the address 410, Abhishek Plaza, B/h Hyatt Regency, Ashram Road, Ahmedabad for clearance the goods as mentioned in the Bill of Entry No. 9118918 dated 26.03.2025. He stated that Shri ChiragNarendra Kumar Bhatt, Proprietor of M/s. Vibrant Shipping & Logistics is engaged in clearing and forwarding having their office at 410, Abhishek Plaza, B/h Hyatt Regency, Ashram Road,Ahmedabad. He contacted him through his mobile number for clearance of the imported goods vide Bill of Entry No. 9118918 dated 26.03.2025 and Shri ChiragNarendra Kumar Bhatt, agreed to arrange clearance of the goods and forwarded his quotation of Rs.5,500/- of Agency charges for 20ft Container through WhatsApp on 04.03.2025. Shri ChiragNarendra Kumar Bhatt has arranged clearing, forwarding and CHA for clearance of the imported goods. He further stated that he has forwarded all the documents i.e. Invoice, packing list, Bill of Lading to Shri ChiragNarendra Kumar Bhatt for filing of Bill of Entry of the imported goods.
- On being enquired whether he has received any Photograph related to loading of the container number BSIU2582382, TCLU3579065, TCLU3930210 & BMOU2908684 for the clearance of goods in respect of imports made under Bill of Entry No. 9118918 dated 26.03.2025 by M/s. Unison Forgings Pvt. Ltd (IEC – 0808015648), Ahmedabad. In this regard he stated that he travelled to Ho Chi Minh, City Vietnam and visited the warehouse premises of M/s B A Metals Co. Ltd. 50/48C Hamlet 4, XuanThoi Son, Hoc Mon, Ho Chi Minh City, Vietnam on 16.01.2025. Mr. Tony, Agent there, shown the goods available with them for export at the warehouse of M/s B A Metals Co. Ltd. which appeared as Stainless Steel Plates Grade 410. During inspection, Shri TirthUttam Mehta found that there is no demand of Stainless Steel Plates/Sheets Grade 410 in Indian market hence he was not much interested in the goods. He was also aware that Stainless Steel Plates Grade 410 requires BIS certification for import hence could not be imported. So, He rejected the goods because there is no demand of Stainless Steel Plates/Sheets Grade 410 and requested the supplier to cut to the extent making it as SS Scrap. Further, Mr. Tony(agent)

has forwarded photographs of Stainless Steel Plates Grade 410 which was rejected by Shri TirthUttam Mehta at the time his visit to Vietnam.

- He further stated that they are not directly connected with CHA M/s. MathuradasNarandas& Sons Forwarders Ltd, Ahmedabad, Office A-1303, West Bank, Opposite VallabhSadan, Ashram Road, Ahmedabad, Gujarat. And also none of their premises, were never visited by CHA M/s. MathuradasNarandas& Sons Forwarders Ltd.

11. SUMMONS TO CUSTOMS BROKER

- **11.1** Summonses were issued to M/s. MathuradasNarandas& Sons Forwarders Ltd., A-1303, Sun West Bank, Opposite VallabhSadan, Ashram Road, Ahmedabad on 28.04.2025[**RUD-14 of the SCN**] and 26.05.2025[**RUD-15 of the SCN**] summoning him, on 01.05.2025 and 30.05.2025 respectively to tender statement related to Bill of Entry No. 9118918 dated 26.03.2025 by M/s. Unison Forgings Pvt. Ltd. (IEC 0808015648), Ahmedabad, to produce KYC documents and to produce documents related to import.

12. Statement of Custom Broker under Section 108 Of The Customs Act, 1962

12.1 Statement of Shri Vishal Ganpatbhai Patel, Manager of M/s. Mathuradas Narandas & Sons Forwarders Ltd, Ahmedabad office – A- 1303, Sun West Bank, opposite: Vallabh Sadan, Ashram Road, Ahmedabad, was recorded under Section 108 of the Customs Act,1962 on 30.05.2025 [**RUD-16 of the SCN**] wherein he, inter alia, stated that:

- He was shown the Panchnama dated 02.04.2025 drawn at ICD-Sanand, Ahmedabad, Seizure Memo dated 28.04.2025 and Chartered Engineer, government approved valuer report dated 14.04.2025 in respect of imports made under Bill of Entry No. 9118918 dated 26.03.2025 of M/s. Unison Forgings Pvt. Ltd (IEC – 0808015648), Ahmedabad. He inter alia stated that he has seen and perused Panchnama dated 02.04.2025 drawn at ICD-Sanand, Ahmedabad, Seizure Memo dated 28.04.2025and Chartered Engineer, government approved valuer report dated 14.04.2025 in respect of imports made under Bill of Entry No. 9118918 dated 26.03.2025 of M/s. Unison Forgings Pvt. Ltd (IEC – 0808015648), Ahmedabad and put his dated signature as a token of having seen and agreed with the contents mentioned therein. He further, stated that he agreed with description of the goods, CTH, Grade, applicable BIS, etc mentioned in the inspection and opinion report dated 14.04.2025 prepared by Chartered Engineer M/s. B. G. Bhatt & Co. He also perused the visit note dated 03.04.2025[**RUD-17 of the SCN**] and put his dated signature as a token of having seen and agreed with the contents mentioned therein.

- On being enquired, how did he know M/s. Unison Forgings Pvt. Ltd (IEC-0808015648) and how did he come in contact with him. He stated that he was contacted for this consignment through Shri ChiragNarendra Kumar Bhatt, Proprietor of M/s. Vibrant Shipping & Logistics having office address 410, Abhishek Plaza, B/h. Hyatt Regency, Ashram Road, Ahmedabad at his office in the first week of March 2025, they enquired about clearance of Stainless Steel Scrap. Thereafter M/s. Unison Forgings Pvt. Ltd contacted him for CHA work for clearance of 107.238 MT ‘Stainless Steel Melting Scrap Grade 410’ from ICD Sanand.

- On being enquired KYC details submitted by importer i.e. M/s. Unison Forgings Pvt. Ltd (IEC-0808015648). He submitted KYC details which was received from M/s. Unison Forgings Pvt. Ltd (IEC-0808015648) and the same was submitted by them physically at his office address i.e. M/s. Mathuradas Narandas& Sons Forwarders Ltd, Ahmedabad office – A- 1303, Sun west Bank, Opposite: VallabhSadan, Ashram Road, Ahmedabad.

- Shri Vishal Ganpat bhai Patel provided the details i.e. items declared is **107.238 MT** ‘Stainless Steel Melting Scrap Grade 410 filed under the Bill of Entry number 9118918 dated 26.03.2025 filed by M/s. Mathuradas Narandas& Sons

Forwarders Ltd related to the consignment imported by M/s. Unison Forgings Pvt. Ltd (IEC – 0808015648), Ahmedabad.

➤ On being enquired regarding the declared material as imported under Bill of Entry No. 9118918 dated 26.03.2025 in respect of goods imported by M/s. Unison Forgings Pvt. Ltd. do not match with physical material inspected during examination at ICD Sanand. He submitted that 'Yes, after inspecting the goods during de-stuffing at ICD – Sanand, they agreed that the declared material as imported under Bill of Entry No. 9118918 dated 26.03.2025 in respect of goods imported by M/s. Unison Forgings Pvt. Ltd do not match with physical material inspected.

➤ On being enquired whether importer require BIS for SS 410 a grade flat sheets (IS 6911: 1992) and has importer submitted BIS certificate regarding Bill of Entry No. 9118918 dated 26.03.2025 in respect of goods imported by M/s. Unison Forgings Pvt. Ltd (IEC-0808015648), Ahmedabad. In this regard he submitted that Yes, Importer require BIS for SS 410 grade flat sheets (IS 6911: 1992) for Secondary Hot Rolled Stainless Steel Sheet Grade 410 Top End which was imported under Bill of Entry No. 9118918 dated 26.03.2025. They have received documents along with loading photographs of the container no. BSIU2582382, TCLU3579065, TCLU3930210, BMOU2908684 at the time of filing of the Bills of Entry. Shri Vishal Ganpat bhai Patel, produced copies of the loading photographs sent to him through Shri Chirag Bhatt which appears to be scrap in photographs. He further, submitted that, it seems that Shri Chirag Bhatt has produced forged photos to me at the time of filing of Bills of Entry. The actual goods imported by the importer appears different from the photos of the goods forwarded to him hence he has not insisted for mandatory documents i.e. BIS certificate.

➤ He further stated that the clearance charges are approx. Rs.4500/- per container for import consignment. They have not received payment from M/s. Unison Forgings Pvt. Ltd (IEC – 0808015648). Further, they informed that they get payment after clearance of goods but the transaction mode of receiving of payment is online/cheque.

➤ He further, stated that they have received Authority letter for clearance of import/export consignment which was handed over by M/s. Unison Forgings Private Limited, Ahmedabad as Customs Broker for them and to represent them before Customs, Port and all other Allied Agencies to complete all the documentation formalities up to delivery in case of import consignment. And also they have not cleared any consignment in the past for M/s. Unison Forgings Pvt. Ltd (IEC – 0808015648).

➤ On being enquired whether they were aware about CTH of Secondary Hot Rolled Stainless Steel Sheet Grade 410 Top End which was found during examination of the container at ICD Sanand in respect M/s Unison Forging Private Limited. He stated that Yes he is aware about CTH of Secondary Hot Rolled Stainless Steel Sheet Grade 410 Top End which was imported. The CTH declared is 72191200.

➤ On being enquired whether he agrees that goods were undervalue and mis-declared in the import made by M/s. Unison Forging Private Limited. In reply he stated that, Yes, he agreed that goods were undervalued and mis-declared as imported by M/s. Unison Forging Private Limited. The goods were under Valued as per Government approved Charter engineer Valuer Shri B. G. Bhatt & Co. report submitted vide Inspection report dated 14.04.2025.

➤ On being enquired as per Rule 10 of CBLR Rules 2018, the custom Broker has to obtain an authorization from each of the companies, firms or individuals by whom he is for the time being employed as a Customs Broker and produce such authorization whenever required by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be. Have you received such authorization from M/s Unison Forging Private Limited. He stated 'Yes, and stated that they have taken Authorization letter for clearance of import/export consignment which was handed over by M/s. Unison Forgings Private Limited, Ahmedabad as Customs Broker for them and to represent them before Customs, Port and all other Allied Agencies to complete all the documentation formalities up to delivery in case of import consignment.

- On being enquired did M/s. Mathuradas Narandas & Sons Forwarders Ltd, Ahmedabad verified the address premises of M/s Unison Forging Private Limited before starting to act as a customs broker for them. In reply he stated that 'No, they have not verified the address of M/s Unison Forging Private Limited before starting to act as a custom broker for them. He further stated that he has not met any of the directors or any authorized representative of M/s. Unison Forging Private Limited before, to act as their Customs Broker for Customs Clearance work but he has had telephonic talk for request of document before filing bill of entry.
- On being enquired whether he was aware of the fact that the Customs Broker has to verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information? If yes, then why did you not follow the prescribed procedure and thus violation of CBLR Rules, 2018? In reply he stated that 'Yes, they are aware of their responsibility to verify the genuineness of the client before initiating any business clearance on their behalf. However, in this case they have not verified the credential of the firm, they have just acted on the basis of documents submitted to them on e mail. Therefore, in this case they have relied on the documents issued by the government department like GST, DGFT and also on the basis of previous bill of entry cleared by the Customs.
- On being enquired to describe the KYC process followed by you to verify the credential of M/s. Unison Forgings Pvt. Ltd (IEC – 0808015648). In reply he stated that they verified the details of importer using government department sites like GST, DGFT and also on the basis of previous bill of entry submitted by the importer i.e. M/s. Unison Forgings Private Limited, Ahmedabad. Further, he added that they have not physically verified the address declared in GST Portal and DGFT. Further, he was contacted for this consignment through Shri Chirag Narendra Kumar Bhatt, Proprietor of M/s. Vibrant Shipping & Logistics having office address 410, Abhishek Plaza, B/h. Hyatt Regency, Ashram Road, Ahmedabad at his office in the first week of March 2025. They contacted us for CHA work for clearance of 107.238 MT 'Stainless Steel Melting Scrap Grade 410' from ICD Sanand.
- On being enquired whether he agrees that they have failed to complete their preliminary KYC verification of the new client i.e. M/s. Unison Forgings Pvt. Ltd (IEC-0808015648), before starting to act as their customs broker for customs clearance work as they did not verify the business details, the address premises, the director's details and authority letter. In reply he stated that 'Yes, he agreed that they have not verified the address of M/s. Unison Forgings Pvt. Ltd (IEC-0808015648) by physically at the address mentioned in GST and DGFT Site. However, in this case they have not verified the credential of the firm, they have just acted on the basis of documents submitted to them on e mail. Further, as per CBLR Rules, it is mentioned that to verify the client at the declared address by using reliable independent authentic documents/data or information. Therefore, in this case they have relied on the documents issued by the government departments like GST, DGFT and also on the basis of previous bill of entry cleared by the Customs.
- He has received summons dated 26.05.2025 issued by Customs Department to appear on 30.05.2025 and to produce documents for which he has appeared and produced the documents. Before that he has not received summons to appear and to produce any documents regarding the inquiry against M/s Unison Forgings Pvt. Ltd.
- On being enquired regarding have you advised the exporter M/s. Unison Forgings Pvt. Ltd (IEC-0808015648), about the relevant provisions of the customs law in this regard he stated that they do not have any direct contact to M/s. Unison Forgings Pvt. Ltd (IEC-0808015648), hence not advised about the relevant provisions of the customs law.

13. Statement Dated 18.09.2025 Of Shri Chirag kumar Narendra Kumar Bhatt, Proprietor Of M/S Vibrant Shipping & Logistics, Ahmedabad,

Under Section 108 Of The Customs Act, 1962 In Respect Of Summons Dated 18.09.2025 [RUD-18 of the SCN].

13.1 Statement of Shri Chirag kumar Narendra Kumar Bhatt, Proprietor of M/S Vibrant Shipping & Logistics, Ahmedabad, was recorded under Section 108 of the Customs Act, 1962 on 18.08.2025 [**RUD-19 of the SCN**], wherein he, inter alia, stated as under:

- On being asked, Shri Chirag kumar Narendra kumar Bhatt introduced himself as the proprietor of M/s Vibrant Shipping & Logistics, located at 404, 4th Floor, Abhishek Plaza, B/h Hayatt Regency, Ashram Road, Ahmedabad. He stated that his firm is engaged in freight forwarding activities and does not hold a valid Custom House Agent (CHA) license. For customs clearance work, he coordinates with various licensed CHAs. He further stated that he personally handles all day-to-day operations of the firm. Shri Chirag Bhatt also confirmed his residential address as B-503, DevVrusti, Tejendra Vibhag-7, Ahmedabad, Gujarat-382424.
- On being asked about his involvement with M/s Unison Forgings Pvt. Ltd. (IEC-0808015648), Shri Chirag Bhatt submitted that he was contacted telephonically by Shri Tirth Uttam Mehta, Director of M/s Unison Forgings Pvt. Ltd., in March 2025. He was approached to handle the customs clearance work for four containers of scrap imported from Vietnam through ICD Sanand. Although Shri Bhatt stated that he had never met Shri Tirth Mehta personally. He further confirmed that there was no written agreement between him and M/s Unison Forgings Pvt. Ltd. for the clearance of the said cargo, but a verbal agreement was reached wherein he quoted Rs.5,500/- per container for facilitating the clearance work. He also submitted WhatsApp screenshots of the quotation sent on 04.03.2025 in support of his claim and mentioned that he had not received any payment from M/s Unison Forgings Pvt. Ltd. till date.
- On being asked about the CHA, Shri Vishal Ganpat bhai Patel of M/s Mathuradas Narandas & Sons, Shri Chirag Bhatt stated that he has maintained a professional and personal relationship with him for the last 15-20 years.
- On being confronted with the statement dated 30.05.2025 of Shri Vishal Ganpat bhai Patel, wherein Shri Vishal Patel stated that Shri Chirag Bhatt had forwarded documents along with loading photographs of container numbers BSIU2582382, TCLU3579065, TCLU3930210, and BMOU2908684 at the time of filing the Bills of Entry, and that the photographs appeared to be forged as the actual goods imported differed from those shown in the images, Shri Chirag Bhatt admitted that he had indeed shared the said photographs with Shri Vishal Patel. However, he clarified that the photographs were originally provided to him by Shri Tirth Uttam Mehta, Director of M/s Unison Forgings Pvt. Ltd., on 25.03.2025 via a WhatsApp group titled "UFPL-VIBRANT," which had been created by Shri Tirth Mehta (WhatsApp No. 9913944999) on 03.03.2025 for the purpose of coordinating customs clearance work related to the import of the said cargo. Based on the information received in that group, Shri Chirag Bhatt forwarded the documents and the loading photographs to the CHA, Shri Vishal Ganpat bhai Patel of M/s Mathuradas Narandas & Sons.
- After being shown the relevant documents, including the panchnama dated 02.04.2025, the seizure memo dated 28.04.2025, and the chartered engineer's valuation report dated 14.04.2025, Shri Chirag Bhatt acknowledged that, upon reviewing the said documents, it appeared that the goods imported under Bill of Entry No. 9118918 dated 26.03.2025 did not match the declared description and appeared to be mis-declared and under-valued. He accepted the findings recorded in the panchnama, seizure memo, and the valuation report and stated that the conclusions drawn therein appeared to be correct. However, he emphasized that he had no prior knowledge regarding the mis-declaration or under-valuation of the goods and stated that he had only acted as an intermediary between the importer,

M/s Unison Forgings Pvt. Ltd., and the Custom House Agent (CHA), by forwarding the documents and information as received from the importer.

14. SUMMARY OF INVESTIGATION

14.1 M/s. Unison Forgings Private Limited (IEC-0808015648) filed a Bill of Entry No. 9118918 dated 26.03.2025, with ICD-Sanand, Customs, Ahmedabad through their Customs Broker M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad (CHA License No. AAACM3488KCH005) for import of 107.238 MT having gross weight of the shipment is 108.260 MT of 'Stainless Steel Melting Scrap Grade 410 HS code 72042190 from Vietnam with declared assessable value of **Rs.61,53,679.04/-**.

14.2 During the course of examination, it was noticed that the cargo stuffed in all four containers filed under the Bill of Entry No. 9118918 dated 26.03.2025 appears to be 'Stainless Steel Plain Sheets' rather than the declared 'Stainless Steel Melting Scrap Grade 410.

14.3 The goods imported by the importer vide the Bill of Entry No. 9118918, dated 26.03.2025, were inspected by the Chartered Engineer. It was revealed from the Chartered Engineer's report dated 14.04.2025 that the declared item i.e. SS 410 melting scrap is 107.238 MT but the same is noticed as plain SS 410 grade 1000 MM X 1000 MM 5 MM thick hot rolled sheets and condition is other than the melting scrap. The imported materials is squared shaped 1 M² area and 5 mm thick of 410 grade stainless steel imported under Bill of Entry No. 9118918 dated 26.03.2025 is not a melting scrap. The applicable BIS for SS 410 grade SS flats sheet is IS 6911:1992. It was further revealed that those stainless steel sheets have industrial application directly as received and the applicable HS code for SS 410 Sheets is 72191200. With regard to valuation of the imported cargo, the Chartered Engineer's report opined that the estimated value of consignment of stainless steel scrap is Rs.2,42,80,339/-(US \$ 288023)[Exchange rate is same as in the present Bill of Entry No. 9118918 dated 26.03.2025].

14.4 On the basis of Chartered Engineer's report, it appeared that M/s. Unison Forgings Private Limited had resorted to mis-declaration in the classification, mis-declaration in the value, mis-declaration in the description while importing 107.238 MT stainless steel scrap grade 410 vide the Bill of Entry No. 9118918 dated 26.03.2025, with an intent to evade payment of appropriate Customs duty leviable thereon and also with a view to circumvent the provisions of mandatory BIS requirement on the imports of the stainless steel sheets grade 410. Therefore, 107.238 MT S S Sheets Grade 410 with assessable value of Rs.2,42,80,339/-, as determined on the basis of Chartered Engineer's report and applicable Customs Duty thereon is subject to fulfillment of applicable BIS, were placed under seizure vide seizure memo dated 28.04.2025.

14.5 On the basis of Chartered Engineers report dated 14.04.2025, it appeared that stainless steel scrap grade 410 imported by M/s. Unison Forgings Private Limited vide Bill of Entry No. 9118918 dated 26.03.2025 were stainless steel plain sheets grade 410 appropriately classifiable under CTH 72191200 and has industrial use directly.

14.6 Shri Tirth Uttam Mehta, one of the Directors of M/s. Unison Forgings Pvt. Ltd., 35, Haridham Estate, Near Gurudwara, Odhav, Ahmedabad-380415, was looking after sales, purchases and marketing. Their company purchases S S Scrap from local market in India and arrange contract manufacturing of the final

product at various facilities. Shri Tirth Uttam Mehta visited the overseas premises of M/s B A Metals Co. Ltd., Ho Chi Minh City, Vietnam, for the import of 'Stainless Steel Melting Scrap Grade 410'. M/s. Unison Forgings Pvt. Ltd., filed a Bill of Entry No. 9118918 dated 26.03.2025 with ICD-Sanand for import and customs clearance of 107.238 MT "Stainless Steel Melting Scrap Grade 410' through Customs Broker M/s. Mathuradas Narandas& Sons Forwarders Ltd.

14.7 Shri Tirth Uttam Mehta was aware of the fact that the import of Stainless steel plain sheets CTH 72191200 requires BIS certificate and its common usage are as manufacturing of pipes, cutlery etc. Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., was agreed with the Government approved chartered engineer inspection and opinion report dated 14.04.2025 in respect of description of the goods, CTH, Grade, applicable BIS etc.

14.8 As per para 2.53(c) of Hand Book of Procedure, 2023, the attested copy of the Pre-Shipment Inspection Certificate (PSIC) shall have to be uploaded by the Pre-Shipment Inspection Agency (PSIA) on DGFT website. Further, as per Para 2.53(d) and 2.53(e) the PSIA is required to take photographs or make video of the inspection carried out, duly capturing the activities as mentioned there and upload the photographs and/or video clipping on DGFT website at the time of issue of PSIC. However, in the present case no such data is available/provided to see the PSIC and photographs/video clipping in respect of Bill of Entry No. 9118918 dated 26.03.2025 filed by M/s. Unison Forgings Pvt. Ltd., it is noticed that no such certificate and photographs/video clipping were submitted or provided.

14.9 During the investigation, Shri Chirag kumar Narendra kumar Bhatt, proprietor of M/s. Vibrant Shipping & Logistics, confirmed that he had forwarded certain loading photographs related to the import containers covered under Bill of Entry No. 9118918 to the Customs Broker, Shri Vishal Ganpat bhai Patel of M/s. Mathuradas Narandas& Sons. However, Shri Bhatt clarified that these photographs were not created or verified by him but were received from Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., via a Whatsapp group titled "UFPL-VIBRANT" created on 03.03.2025 for the purpose of coordinating customs clearance. Shri Bhatt stated that he had simply forwarded the materials as received, and the authenticity of the photographs was not within his knowledge. The forwarding of possibly misleading photographs in lieu of actual inspection evidence further supports the inference of deliberate misrepresentation during the import process.

14.10 Further, from the investigation, Shri Vishal Ganpat bhai Patel, Manager of M/s. Mathuradas Narandas& Sons Forwarders Ltd., Ahmedabad, it appears that M/s. Unison Forging Pvt. Ltd. did not produce any original documents to M/s. Mathuradas Narandas& Sons Forwarders Ltd., Ahmedabad and the CHA firm totally relied on the authorization letter issued by M/s. Unison Forging Pvt. Ltd. None of the employee of M/s. Mathuradas Narandas& Sons Forwarders Ltd. did personally meet with any of the Directors or any authorized representative of M/s. Unison Forging Pvt. Ltd., before initiating any customs clearance for them. Just on the basis of telephonic conversation the CHA firm agreed to be their Customs Broker. M/s. Mathuradas Narandas& Sons Forwarders Ltd., Ahmedabad completely relied on the basis of authorization letter and telephonic conversation and did not verify the business credential or address details of their client physically. Also the CHA firm did not meet any authorized person or any Directors from M/s. Unison Forging Pvt. Ltd. before initiating any

Customs clearance on their behalf. The CHA firm totally relied upon documents issued by the Government department like GST, DGFT.

14.11 From the above investigation, it appeared that Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., was actively involved in the entire process of import under Bill of Entry No. 9118918 dated 26.03.2025. He had personally visited the overseas supplier, coordinated the shipment, and it appears that was fully aware of the actual nature of the imported goods. Despite this knowledge, Shri Mehta willfully mis-declared the goods as "Stainless Steel Melting Scrap Grade 410" instead of the actual item "Stainless Steel Plain Sheets Grade 410" which is classifiable under CTH 72191200 and attracts BIS certification requirements. It further appears that the value declared in the Bill of Entry was significantly lower than the actual transactional value as assessed in the Chartered Engineer's report, indicating undervaluation. Additionally, it appears that Shri Mehta provided loading photographs to Shri Chirag Bhatt, which were subsequently forwarded to the CHA, and which were not consistent with the actual goods imported. Accordingly, it appears that Shri TirthUttam Mehta played a key role in the mis-declaration and undervaluation of the imported goods, with the likely intent to evade customs duty and to circumvent applicable regulatory requirements.

15. RELEVANT LEGAL PROVISIONS:

15.1 Section 2 of the Customs Act, 1962: Definitions.

"(33) "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;"

...

"(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."

15.2 Section 46 of the 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:

the accuracy and completeness of the information given therein;

the authenticity and validity of any document supporting it; and

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."

15.3 Section 111 of the Customs Act, 1962: Confiscation of improperly imported goods, etc.

“The following goods brought from a place outside India shall be liable to 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;

...

(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;

...”

15.4 Section 112 of the 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 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 :

Provided that where such duty as determined under sub-Section (8) of Section 28 and the interest payable thereon under Section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this Section shall be twenty-five per cent of the penalty so determined;”

15.5 Section 114AA of the Customs Act, 1962: 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.”

15.6 Section 117 of the Customs Act, 1962: Penalties for contravention, etc., not expressly mentioned.

“Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding four lakh rupees.”

15.7 The Steel And Steel Products (Quality Control) Order, 2024

“S.O. 3716(E). In exercise of the powers conferred by section 16 read with section 17 and sub-section (3) of section 25 of the Bureau of Indian Standards Act, 2016 (11 of 2016) (hereinafter referred to as the said Act) and in supersession of the Steel and Steel Products (Quality Control) Order, 2024, published vide notification number S.O. 574(E), dated the 5th February, 2024 in the Gazette of India, Extraordinary, Part II, section 3, sub-section (ii), dated the 8th February, 2024, except as respects things done or omitted to be done before such supersession, the Central Government being of the opinion that it is necessary to do so in the public interest and after consulting the Bureau of Indian Standards, hereby makes the following Order, namely:-

1. Short title and commencement.-

(1) This Order may be called the Steel and Steel Products (Quality Control) Order, 2024.

(2) Save as otherwise provided in this Order, it shall come into force on the date of its publication in the Official Gazette.

2. Application.

This Order shall apply to steel and steel products specified in column (3) of Schedule 1 and goods or articles specified in column (2) of Schedule 2, annexed to this Order, except steel and steel products manufactured domestically for export which conform to any other specification required by a foreign buyer.

3. Conformity to Standards and essential requirements.

(1) Every steel and steel product specified in column (3) of Schedule 1 shall conform to the corresponding Indian Standards specified in column (2) of the said Schedule with effect from the dates specified in column (5) thereof.

(2) Every steel and steel products specified in column (3) of Schedule 1 shall be accompanied with a Test Certificate bearing the Standard Mark, issued by the Bureau of Indian Standards certified manufacturer, with each consignment.

4. Compulsory use of Standard Mark.

(1) Every steel and steel products specified in column (3) of Schedule 1 shall bear the Standard Mark under a licence from the Bureau of Indian Standards in accordance with Scheme-I of Schedule-II to the Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

(2) The sub-standard or defective steel and steel product, which do not conform to the specified standard, shall be disposed off as scrap in such a way so that there is no violation of the provisions of clause (b) of sub-

section (1) of section 17 of the Bureau of Indian Standards Act, 2016 (11 of 2016).

Sl. No.	Indian Standards		ITC(HS) Codes	Date of Implementation
	IS Number	IS Title		
53	IS 15997: 2012	Low Nickel Austenitic Stainless-Steel Sheet and Strip for Utensils and Kitchen Appliances – Specification.	72193520, 72193590 and others	With immediate effect.

15.8 The Bureau Of Indian Standards Act, 2016

Section 16. Central Government to direct compulsory use of Standard Mark.

(1) If the Central Government is of the opinion that it is necessary or expedient so to do in the public interest or for the protection of human, animal or plant health, safety of the environment, or prevention of unfair trade practices, or national security, it may, after consulting the Bureau, by an order published in the Official Gazette, notify—

(a) goods or article of any scheduled industry, process, system or service; or

(b) essential requirements to which such goods, article, process, system or service, which shall conform to a standard and direct the use of the Standard Mark under a license or certificate of conformity as compulsory on such goods, article, process, system or service.

(2) The Central Government may, by an order authorise Bureau or any other agency having necessary accreditation or recognition and valid approval to certify and enforce conformity to the relevant standard or prescribed essential requirements under sub-section (1).

Section 17. Prohibition to manufacture, sell, etc., certain goods without Standard Mark

(1) No person shall manufacture, import, distribute, sell, hire, lease, store or exhibit for sale any such goods, article, process, system or service under sub-section (1) of section 16—

(a) without a Standard Mark, except under a valid licence; or

(b) notwithstanding that he has been granted a license, apply a Standard Mark, unless such goods, article, process, system or service conforms to the relevant standard or prescribed essential requirements

15.09 Handbook of Procedure to the Foreign Trade Policy, 2023

2.53 Responsibility and Liability of PSIA and Importer

(a) In case of any mis-declaration in PSIC or mis-declaration in the online application form for recognition as PSIA, the PSIA would be liable for penal action under Foreign Trade (Development & Regulation) Act, 1992, as amended, in addition to suspension/ cancellation of recognition.

(b) The importer and exporter would be jointly and severally responsible for ensuring that the material imported is in accordance with the declaration given in PSIC. In case of any mis-declaration, they shall be liable for penal action under Foreign Trade (Development & Regulation) Act, 1992, as amended.

(c) PSIA may generate and upload PSIC online through the DGFT website. The PSIC shall be generated by the PSIA after the required inspection has been carried out. Required Video or photographic evidence is to be uploaded by the PSIA during this online PSIC process. The attested copy of the PSIC (in pdf format) shall have to be uploaded by the PSIA on DGFT website. The certificate shall be issued in prescribed form Appendix 2H

(d) The PSIA will also be required to take photographs or make video of the inspection carried out, duly capturing the following activities/details:

(i) Photograph(s) or video clipping of the place of inspection with PSIA inspector (mandatory) and representatives of exporter / importer, if available (optional); with time, date of the inspection (at least 1 photograph or video clipping);

(ii) Photograph(s) or video clipping of the testing instrument(s) used for inspection;

(iii) Photograph(s) or video clipping of the process of stuffing of containers showing the container number (at least 1 photograph or video clipping per container)

(iv) Photograph(s) or video clipping of the sealing process (at least 1 photograph or video clipping per container)

(v) One Photo of Inspector shall be captured with empty container in the background having only one door closed (door with container number) and container number shall be clearly readable in that photo. Another photo of Inspector shall be captured with sealed container with same container number on the door clearly readable

(vi) Photo of Instrument used for inspection (as indicated at serial no (h) of PSIC) shall be captured along with container seal, having container seal number and instrument serial number, visible in the same photo

(e) The photographs and/ or video clippings [as per 2.53(d) above] shall be uploaded on DGFT website (<https://www.dgft.gov.in/ICP/>) by PSIA at the time of issue of PSIC.

15.10. Customs Broker Licensing Regulations, 2018

Rule 10 Obligations of Customs Broker— A Customs Broker shall —

(a) obtain an authorisation from each of the companies, firms or individuals by whom he is for the time being employed as a Customs Broker and produce such authorisation whenever required by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(b) transact business in the Customs Station either personally or through an authorised employee duly approved by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(c) not represent a client in any matter to which the Customs Broker, as a former employee of the Central Board of Indirect taxes and Customs gave personal consideration, or as to the facts of which he gained knowledge, while in Government service;

(d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;

(f) not withhold information contained in any order, instruction or public notice relating to clearance of cargo or baggage issued by the Customs authorities, as the case may be, from a client who is entitled to such information;

(g) promptly pay over to the Government, when due, sums received for payment of any duty, tax or other debt or obligations owing to the Government and promptly account to his client for funds received for him from the Government or received from him in excess of Governmental or other charges payable in respect of cargo or baggage on behalf of the client;

(h) not procure or attempt to procure directly or indirectly, information from the Government records or other Government sources of any kind to which access is not granted by the proper officer;

(i) not attempt to influence the conduct of any official of the Customs Station in any matter pending before such official or his subordinates by the use of threat, false accusation, duress or the offer of any special inducement or promise of advantage or by the bestowing of any gift or favour or other thing of value;

(j) not refuse access to, conceal, remove or destroy the whole or any part of any book, paper or other record, relating to his transactions as a Customs Broker which is sought or may be sought by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be;

(k) maintain up to date records such as bill of entry, shipping bill, transshipment application, etc., all correspondence, other papers relating to his business as Customs Broker and accounts including financial transactions in an orderly and itemised manner as may be specified by the Principal Commissioner of Customs or Commissioner of Customs or the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(l) immediately report the loss of license granted to him to the Principal Commissioner of Customs or Commissioner of Customs, as the case may be;

(m) discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay;

(n) verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information;

(o) inform any change of postal address, telephone number, e-mail etc. to the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, of all Customs Stations including the concerned Deputy Commissioner or Assistant Commissioner of the Commissionerate who has granted the license immediately within two days;

(p) maintain all records and accounts that are required to be maintained under these regulations and preserve for at least five years and all such records and accounts shall be made available at any time for the inspection of officers authorised for this purpose; and

(q) co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees.

16. On the basis of evidences available on record i.e. Panchnama dated 02.04.2025, Chartered Engineer's inspection and opinion report dated 14.04.2025 and statements of Shri Vishal Ganpat bhai Patel, Manager of M/s. Mathuradas Narandas & Sons Forwarders Ltd, Customs Broker, Ahmedabad and Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., it appeared that M/s. Unison Forgings Pvt. Ltd. have resorted to mis-declaration in the classification of the imported goods, mis-declaration in the value of the imported goods, mis-declaration in the description while importing 107.238 MT stainless steel sheets grade 410 falling under CTH 72191200 in the guise under the description of stainless steel melting scrap 410 grade under the CTH 72042190 vide the Bill of Entry No. 9118918 dated 26.03.2025, filed with ICD-Sanand, Customs, Ahmedabad with an intent to evade payment of appropriated Customs duty and circumvent the provisions of BIS applicable (IS 6911:1992) on the imports of stainless steel sheets.

16.1 It appeared that as per provisions of the Steel and Steel Products (Quality Control) Order, 2024 read with Section 16 and Section 17 of the Bureau of Indian Standards Act, 2016 the import of stainless steel sheets falling under CTH 72191200 shall bear the Standard Mark under a license from the Bureau of Indian Standards and no person shall import such goods without a Standard Mark, except under a valid license. In view of this, it appeared that the import of stainless steel sheets grades 410 by M/s. Unison Forgings Pvt. Ltd. amounts to import of prohibited goods as per section 2(33) of Customs Act, 1962.

16.2 It also appeared that the said acts of omission and commission on the part of M/s. Unison Forgings Pvt. Ltd. are in violation of the provision of section 46(4) and 46(4A) of the Customs Act, 1962 in as much as they have mis-declared the contents of Bill of Entry filed before Customs, have failed to give accurate and complete information in the Bill of Entry and have also failed to ensure compliance with the prohibition while importing stainless steel sheets grade 410 in the guise of stainless steel scrap of grade 410 for melting purpose.

16.3 In view of above, it appeared 107.238 MT Stainless Steel Sheets of 410 grade with the assessable value of Rs.2,42,80,339/-, as determined on the basis of Chartered Engineer's report, applicable customs duty subject to fulfillment BIS as applicable, imported by M/s. Unison Forgings Pvt. Ltd. vide Bill of Entry No.9118918, dated 26.03.2025, at ICD-Sanand, Customs, is liable to confiscation under the provisions of section 111(d) and 111(m) of the Customs Act, 1962 as the same has been imported in violation of prohibition imposed under the

Customs Act,1962 read with the Steel and Steel Products (Quality Control) Order,2024 and Bureau of Indian Standards Act,2016 and resorting to mis-declaration of classification, mis-declaration of value and mis-declaration of description in the Bill of Entry filed under Customs Act,1962. Further, the said acts of commission on omission on the part of M/s. Unison Forgings Pvt. Ltd. have rendered them liable for penalty under section 112(a)(i) of the Customs Act,1962.

16.4 In the present case, it is evident that M/s. Unison Forgings Pvt. Ltd. have knowingly and intentionally resorted to mis-declaration, mis-classification and undervaluation in the import of 107.238 MT Stainless Steel Sheets 410 with a view to evade payment of customs duty as applicable subject to fulfillment of BIS as applicable, and also to circumvent the provisions of BIS Act, 2016. Thus, it appears that M/s. Unison Forgings Pvt. Ltd. had knowingly and intentionally made, signed or used the declaration, statements and/or documents and presented the same to the Customs authorities, which were incorrect in as much as they were not representing the true, correct and actual classification, description and value of the imported goods, and have therefore rendered themselves liable for penalty under section 114AA of the Customs Act, 1962.

16.5 In view of above, it is evident that the Customs Broker M/s. Mathuradas Narandas & Sons Forwarders Limited has failed to discharge its obligations and duty incumbent upon them as Customs Broker in the present case namely;

(d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(n) verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information;

(o) inform any change of postal address, telephone number, e-mail etc. to the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, of all Customs Stations including the concerned Deputy Commissioner or Assistant Commissioner of the Commissionerate who has granted the license immediately within two days;

(q) Co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees.

16.6 Whereas, it has been clearly established from proceedings Paras that the goods imported vide the said bill of entry were mis-declared in terms of value, description, classification and BIS applicability. The Customs broker was well and truly aware of the fact as is evident from the facts of the case discussed above. The Customs Broker has failed to fulfill its obligation. In the present case the address of the importing firm was not correct as no business activity of M/s. Unison Forgings Pvt. Ltd., Ahmedabad, were being operated from the address provided in the DGFT and GST. The Customs Broker deliberately and knowingly ignored this fact, as such the Customs Broker M/s. Mathuradas Narandas & Sons Forwarders Limited has rendered himself liable to penalty under Section 112(a) of Customs Act, 1962.

16.7 The Customs Broker M/s. Mathuradas Narandas & Sons Forwarders Limited has rendered himself liable to penalty under Section 117 of Customs Act, 1962.

17. Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., Ahmedabad, is looking after the commercial activities i.e. sales, purchases, marketing work etc. As per his statement, Mehta visited the overseas premises of M/s. B A Metals Co. Ltd., Ho Chi Minh City, Vietnam, for the consignment imported by M/s. Unison Forgings Pvt. Ltd. vide Bill of Entry No. 9118918, dated 26.03.2025.

17.1 It appeared that Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd., connived with the overseas supplier M/s. B A Metals Co. Ltd., Ho Chi Minh City, Vietnam, with the intent to evade payment of appropriate Customs duty and to circumvent the provisions of the Bureau of Indian Standards Act, 2016. This connivance is further corroborated by non-compliance with the mandatory procedural requirements laid down under Para 2.53(c), 2.53(d), and 2.53(e) of the Handbook of Procedures, 2023. As per these provisions, it is obligatory for the Pre-Shipment Inspection Agency (PSIA) to upload an attested copy of the Pre-Shipment Inspection Certificate (PSIC) along with photographs/video clippings of the inspection conducted, on the DGFT website. However, no such documents have been uploaded by the concerned PSIA in the instant case. Furthermore, Shri Tirth Uttam Mehta was fully aware that the import of Stainless Steel Sheets/Plates of Grade 410, falling under Customs Tariff Heading 7219 12 00, requires mandatory BIS certification. He also admitted that such material is typically used in the manufacturing of pipes, cutlery, and similar products. Despite being aware of the BIS requirement and the fact that there is no demand for Stainless Steel Plates/Sheets of Grade 410 in the Indian market, he admitted during his statement that during his visit to the warehouse of M/s. B A Metals Co. Ltd. in Vietnam, he observed the goods offered for export appeared to be Stainless Steel Plates/Sheets of Grade 410. He requested the supplier to cut the material to an extent that would render it as Stainless Steel Scrap, ostensibly to avoid the BIS certification requirement and facilitate its import.

In addition, Shri Tirth Uttam Mehta admitted that the emails, including photographs of the goods and accompanying correspondence, which were resumed under the Panchnama dated 02.04.2025, pertained to the confirmation of loading of goods in relation to Bill of Entry No. 9118918 dated 26.03.2025. Upon examination of the photographs contained in the said emails, it appears that the goods are plain stainless steel sheets and not scrap, as declared. This further indicates mis-declaration of the nature of the goods with the intention to circumvent regulatory requirements and evade applicable duties. Further, he had forwarded the photographs to Shri Chirag Bhatt for onward submission to the CHA for filing of the Bill of Entry. These photographs were different from the actual goods imported and appear to be forged or misleading.

17.2 It appeared that the above discussed acts of commission and omission on the part of Shri Tirth Uttam Mehta were performed knowingly and willfully. The said acts of commission and omission have resulted in mis-declaration in the classification, mis-declaration in the value, mis-declaration in the description while importing 107.238 MT stainless steel plain sheets 410 grade falling under CTH 72191200 imported vide the Bill of Entry No. 9118918, dated 26.03.2025, filed with ICD-Sanand, Customs by M/s. Unison Forgings Pvt. Ltd.

17.3 The above discussed acts of commission and omission on the part of Shri Tirth Uttam Mehta has rendered 107.238 MT Stainless Steel Sheets of 410 grade with the assessable value of Rs.2,42,80,339/- imported by M/s. Unison Forgings Pvt. Ltd. vide Bill of Entry No. 9118918, dated 26.03.2025, filed at ICD-Sanand, Customs, liable to confiscation under the provisions of section 111(d) and 111(m) of the Customs Act, 1962. It appeared that Shri Tirth Uttam Mehta is liable to penalty under section 112(b)(i) and 114AA of the Customs Act, 1962.

18. In view of all the above, a Show cause notice F.no. VIII/10-45/ICD-Sanand (Prev.)/O&A/HQ/2025-26 dated 01.10.2025 was issued to 1) M/s. Unison Forgings Pvt. Ltd. (IEC No. AAEC7120P) having their registered address at Plot No. 1 SF Office, Dhaval Complex, F.P. 341/SB/3, Kalpana Society, Navrangpura, Ahmedabad-380009, Gujarat, 2) Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd. and 3) M/s. Mathuradas Narandas & Sons Forwarders Limited(CHA), Office A-1303, West Bank, Opposite Vallabh Sadan, Ashram Road, Ahmedabad, Gujarat and they were called upon to show cause to the Additional Commissioner of Customs, Ahmedabad, having his office at 1st Floor, "Custom House", Navrangpura, Ahmedabad-380009, as to why:

- i. The declared classification under Customs Tariff Heading No. 72042190 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) imported goods under Bill of Entry No. 9118918 dated 26.03.2025 [RUD-20 of the SCN] 107.238 MT Stainless Steel sheets of 410 grade, as determined on the basis of Chartered Engineer's report, should not be rejected and re-assessed under CTH 72191200;
- ii. The impugned 107.238 MT Stainless Steel sheets of 410 grade with the assessable value of Rs.2,42,80,339/-, with applicable Customs duty subject to fulfillment of BIS as applicable, imported by M/s. Unison Forgings Pvt. Ltd. under Bill of Entry No. 9118918, dated 26.03.2025, filed with ICD-Sanand, Customs, Ahmedabad, should not be held liable to confiscation under the provisions of section 111(d) and 111(m) of the Customs Act, 1962;
- iii. Penalty should not be imposed upon M/s. Unison Forgings Pvt. Ltd. under Section 112(a)(i) of the Customs Act, 1962;
- iv. Penalty should not be imposed upon them under Section 114AA of the Customs Act, 1962;
- v. Penalty should not be imposed upon Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd. under Section 112(b)(i) of the Customs Act, 1962;
- vi. Penalty should not be imposed upon Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd. under Section 114AA of the Customs Act, 1962.
- vii. Penalty should not be imposed upon M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad (CHA License No. AAACM3488KCH0085) under Section 112(a) of the Customs Act, 1962.
- viii. Penalty should not be imposed upon M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad (CHA License No. AAACM3488KCH0085) under Section 117 of the Customs Act, 1962

19. WRITTEN SUBMISSION AND PERSONAL HEARING

19.1 Written submission of Noticee No.1 M/s. Unison Forgings Pvt. Ltd. Ahmedabad and of Noticee No.2 Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd. Ahmedabad:-

The Noticee M/s Unison forgings Pvt. Ltd and Shri Tirth Uttam Mehta, Director, M/s Unison forgings Pvt. Ltd submitted their written defense replies vide their letter dated 10.12.2025. They interalia submitted that the impugned notice does not take into account certain crucial and vital facts owing to which the notice is not tenable in the eyes of law. They submitted that they never intended to import any kind of steel sheets. Their Director is on record stating that when he was shown stainless steel plates Grade 410 at the warehouse of supplier in Vietnam, he rejected the same and requested the supplier to cut them into scrap. They submitted that thus there is no question of intention or knowledge regarding import of any item other than melting scrap. The overseas supplier was paid for melting scrap only as per details given in the commercial invoice and not for plates. The bill of entry was filed pursuant to receipt of documents describing the goods as scrap, under a bonafide belief that the instructions to ship the goods after turning into scrap were carried out. They submitted that there is no evidence to show that any amount over and above the invoice price was paid to the overseas supplier. In this regard they cited decision of Hon'ble Tribunal in the case of Dong-A India Automotive Pvt. Ltd.2006(206)ELT252(Tri-Chennai).They submitted that the notice nowhere cites any evidence to challenge fact stated by their Director that he rejected the goods shown by their supplier and asked the supplier to cut the same to scrap. They submitted that they neither had any intention to import stainless steel plates nor they had placed any order to supply such plates. They had also not made any payment for so called plates. They further submitted that the goods under consideration are not liable for confiscation as there is no evidence to show that mistaken import of plates instead of scrap, was a deliberate act. They also submitted that no fine and penalty under section 112(a)(i) and 114AA is imposable. They submitted that this is a case of wrong shipment by the overseas supplier, and when they took up this issue with the supplier, he has agreed to the lapse and shown willingness to accept the goods back. They submitted that they have already made a request for re-export under their earlier letter, they also cited decisions wherein it was held that no redemption fine and penalty is imposable when goods are re-exported owing to wrong shipment by overseas supplier.

1- Guru Ispat Ltd. 2003(151)ELT 384(Tri-Kol)* This judgment is duly maintained by Hon'ble Supreme Court as reported at 2003(157) ELT A 87 Supreme Court.

2- Regal Impex.2016 (332) ELT 835(Tri-Del)

3- Ajanta Watch Ltd 2004(171) ELT 350 (Tri-Mumbai)

4- HCL Comnet Systems & Services Ltd. 2003(158) ELT 349 (Tri-Del)

5- Chordia Gems.2002 (144) ELT70(Tri-Del)

6-Peejay Maya Exports .1988 (33) ELT 383(Tribunal)

They further submitted that the rejection(and determination) of value by citing the opinion dtd 14.04.2025 of Chartered Engineer is devoid of merit on account of reason that the opinion does not disclose the basis for determination of CIF value of goods to be USD 288023. They submitted that as per Section 14(1) the value of the goods shall be the transaction value of such goods. They further submitted that the notice nowhere brings out details of any amount paid by them over and above mentioned in invoice. They also submitted that there is no reference to Custom Valuation rules and rule 12 of CVR, 2017 is not invoked in the notice. They further submitted that reliance placed on the opinion dtd 14.04.2025 given by Chartered Engineer is completely misplaced in as much as it neither disclosed the source nor it cites any specific rule bases on which he arrived at the value of USD 288023. They interalia submitted that rejection of declared value and determination is baseless and not tenable. They further submitted that in the alternative they may be permitted to cross-examine the Chartered Engineer to elicit the source of value suggested by him.

Lastly they submitted to give due consideration to their above submissions and citations and grant permission for re-export of goods without imposing redemption fine and penalty under section 112(a)(i) and 114AA of the Customs Act ,1962 on M/s Unison and penalty under section 112(b)(i) and 114AA on Shri Tirth Uttam Mehta, Director . Further they prayed to discard the C.E. Report in so far as determination of value is concerned and since their supplier is willing to take the goods back they refrain from contesting the description suggested by the C.E.

19.2 Written submission of Noticee No.3 M/s. Mathuradas Narandas & Sons Forwarders Limited (CHA), Ahmedabad:-

The Noticee No.3 M/s. Mathuradas Narandas & Sons Forwarders Limited (CHA), Ahmedabad submitted their written defense reply vide their letter dated 29.10.2025. They inter alia submitted that provisions of Section 112(a) and 117 of the Customs Act would not be applicable to cases of contravention or failure to comply with the provisions of the CBLR.

They further submitted that even otherwise the allegations leveled are not sustainable in law as they had inter alia advised the client regarding the compliance of the provisions of the Customs Act as well as the allied acts which is evident from the fact that they had also asked them to produce the PSIC. They further submitted that they had verified the IEC number, GSTIN and identity of the client through Govt. websites like GST, DGFT and the previous bills of entry filed and the same has also been stated by them in their statement dated. 30.05.2025. They further submitted that physical visit of the premises is not mandated in the regulations and they have conducted due verification of the client by using reliable, independent data or information. They submitted that there is no contravention of Rule 10(n) of the CBLR on their part. They further submitted that in the instant case they have co-operated with investigations conducted and have honored the summons for recording statements and thus there is no contravention of Regulation 10(q) of the CBLR on their part.

They further submitted the SCN simply alleges that they were aware that the importer had mis-declared the description, classification, BIS applicability and value of the goods, however nothing has been brought on record as to what circumstances have led the department to believe that they were aware of such mis-declaration. They had filed Bill of entry as per the goods mentioned in the relevant import documents given to them. They had no knowledge that the goods imported were not in consonance with the documents submitted to them. They submitted that the ingredients of Section 112(a) of the Custom Act are not full filled in the facts of the case at hand and no penalty can be imposed on them. They further inter alia submitted that in the circumstances of the case where Shri Chirag Bhatt himself was not aware about the alleged mis-declaration, how could they be in knowledge of same, and the proposal for penalty under section 112(a) fails on this ground alone. They further submitted that they had simply acted upon the description

and value as declared in the import documents and there is nothing in the notice establish that they were in the knowledge that the documents were incorrect. They also submitted an affidavit of Shri Chirag Bhatt which clarifies that neither he nor they were aware that the imported goods were not in consonance to the description and value as declared in the import documents. They submitted that they have acted in all bonafides and it was only at the time of examination/ inspection of the imported goods that in has come to light that the goods were not in consonance to the description in the import documents. They further submitted that thus they have either done or omitted to do an act which has rendered the goods liable to confiscation nor they have abetted doing or omission of such an act. And thus no penalty under Section 112(a) is imposable.

Further as regards imposition of penalty under Section 117 they submitted that the SCN does not specify as to which provision of the Customs Act has been contravened by them. Further they submitted that they have not abetted in any of the contraventions therefore no penalty can be imposed on them under Section 17. They also cited some case laws namely M/s Anand Nishikawa Co Lt reported at 2005(188) ELT 149(SC) , Padmini Products V CCE 1989(43)ELT 195 (SC), Chemphar Drugs & Liniments 1989(40) ELT 276 (SC) .

Additional written submission was received from Noticee No.3 M/s. Mathuradas Narandas & Sons Forwarders Limited (CHA), Ahmedabad vide letter dtd 02.02.2026 received through e mail. In this letter they interalia submitted and cited Hon'ble high Court of Gujarat order dtd 22.1,2026 in SCA No.11980/2025 in their own case. They further submitted that this judgment expressly demonstrates that penalty under Section 112 of the Customs Act is not imposable in cases where there is no evidence of complicity in the illegal importation of goods or wrong intent or prior knowledge about the violation. They further submitted that in the present case the SCN fails to bring on record any evidence to establish the alleged abetment and as such Section 112 is not invocable in the facts of the case. They further submitted that they had verified the credentials of the importer on the official website of DGFT and GST portal and they further cited following judicial pronouncements in their defense.

a- M/s Selected Cargo Services Pvt Ltd 2025(392)ELT263(T)

b- M/s Akanksha Logistics 2025(391)ELT645(T)

c- M/s Baid International Services Ltd 2023(386)ELT 567(T)

d- M/s Kunal Travels (Cargo) 2017(354)ELT447(Del)

They lastly submitted that the analogy of the above case laws is squarely applicable to the facts of the case at hand and requested to vacate the SCN.

20 PERSONAL HEARING:

The Personal Hearing in the matter was held on 12.12.2025 online in virtual mode for all the Notice's. Shri Vikas Mehta, Consultant, on behalf of **M/s. Unison Forgings Pvt. Ltd. Ahmedabad and Shri TirthUttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd.** Appeared in the matter for personal hearing held in virtual mode on 12.12.2025. He submitted and reiterated the contents of their written submissions dated 10.12.2025 for both the above Noticees.

Shri Ashish Kumar Jain and Shri John F Christian ,Consultant , on behalf of **M/s. Mathuradas Narandas& Sons Forwarders Limited(CHA), Ahmedabad,** Appeared in the matter for personal hearing held in virtual mode on 12.12.2025. They submitted and reiterated the contents of their written submission dated 29.10.2025 for the above Noticee.

21 DISCUSSION AND FINDINGS:

21.1 I have carefully gone through the Show Cause Notice, the Submissions made by the noticee in written as well as during the course of the personal hearing and available records of the case. The issues for consideration before me in this proceedings are as under:-

- i. Whether the declared classification under Customs Tariff Heading No. 72042190 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) imported goods under Bill of Entry No. 9118918 dated 26.03.2025 for 107.238 MT Stainless Steel sheets of 410 grade, as determined on the basis of Chartered Engineer's report, should be rejected and re-assessed under CTH 72191200?
- ii. Whether the impugned 107.238 MT Stainless Steel sheets of 410 grade with the assessable value of Rs.2,42,80,339/-, with applicable Customs duty subject to fulfillment of BIS as applicable, imported by M/s. Unison Forgings Pvt. Ltd. under Bill of Entry No. 9118918, dated 26.03.2025, filed with ICD-Sanand, Customs, Ahmedabad, should be held liable to confiscation under the provisions of section 111(d) and 111(m) of the Customs Act, 1962 ?
- iii. Whether Penalty should be imposed upon M/s. Unison Forgings Pvt. Ltd. under Section 112(a)(i) and Section 114AA of the Customs Act, 1962?
- iv. Whether Penalty should be imposed upon Shri Tirth Uttam Mehta, Director of M/s. Unison Forgings Pvt. Ltd. under Section 112(b)(i) and Section 114AA of the Customs Act, 1962;

- v. Whether Penalty should be imposed upon M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad (CHA License No. AAACM3488KCH0085) under Section 112(a) and Section 117 of the Customs Act, 1962.

21.2 I find that the importer had filed a Bill of Entry No. 9118918 dated 26.03.2025 at ICD Sanand, Customs Ahmedabad, for import of 107.238 MT of 'Stainless Steel Melting Scrap Grade 410 for Melting Purpose' with declared assessable value of Rs.61,53,679.04/- through their Customs Broker M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad, having license No. AAACM3488KCH005 for Customs clearance of the said consignment. Based on 100% examination marked through ICES (Indian Customs Electronics Data Interchange System), examination of the goods was conducted and on examination, it was found that the cargo stuffed in all the four containers was 'Stainless Steel Sheets' rather than the declared 'Stainless Steel Melting Scrap Grade 410'. Therefore, the 100% examination of all the four containers under Bill of Entry no. 9118918 dated 26.03.2025 as mentioned above was conducted under Panchnama proceedings dated 02.04.2025 and goods was found mis declared by the said importer and therefore, the goods covered under said Bill of Entry No. 9118918, dated 26.03.2025 were detained under Panchnama dated 02.04.2025 for further verification and examination by the Chartered Engineer.

21.3 I find that the goods imported by the importer vide the Bill of Entry No. 9118918, dated 26.03.2025, and detained under Panchnama dated 02.04.2025 were inspected by the Empaneled Chartered Engineer Shri Bhaskar Gunvantray Bhatt of M/s. B. G. Bhatt & Co. on 11.04.2025. I find that M/s. B. G. Bhatt & Co. issued detailed inspection & opinion report in the matter on 14.04.2025 which is as under:

Findings of the C.E.:-

- i) Received cargo were inspected inside the 4 Nos. 20' container quantity is mentioned in the Annexure – A (of the Chartered Engineer Report).
- ii) The materials received were palletized 1000 mm X 1000 mm 5 mm thick SS plates wrapped in galvanized sheet tied with iron straps pasted with sticker as "SECONDARY HOT ROLLED STAINLESS STEEL GRADE 410 TOP END.
- iii) There were pallets carrying well packed sheets.

- iv) Collectively declared weight is accepted as true and correct for the quantity of 107.238 MT.
- v) The label on the wrapper of the bundles were read for randomly selected pallets which was conveying the category as Stainless Steel 410 grade thickness 5mm which is accepted as true and correct.
- vi) Randomly selected pallets were checked by hand hold X-Ray gun and readings of that gun convey that the materials/SS Plates tested are of SS 410 grade from each container was tested by hand hold metal testing X- Ray gun Sr. No.: 105612 Calibration valid up to 24-Aug-2025 shows average chromium 11.08% suggests that the sheets are of stainless steel 409 grade therefore it is considered as SS 410.
- vii) Randomly selected SS Sheets were checked and it was showing category as SS 409 but not scrap; it is usable SS Sheets of 410 Grade which has industrial application directly as received for fabrication and for melting.

Opinions of the C.E.:-

- i) The declared item as SS 410 melting scrap is 107.238 Mt but the same is noticed as plain SS 410 grade 1000 MM X 1000 MM 5 MM thick hot rolled sheets and condition is other than the melting scrap.
- ii) The applicable BIS for SS 410 grade SS flats a sheet is IS 6911:1992.
- iii) HS code for SS 410 Sheets is 72191200
- iv) The imported materials are squared shaped 1 M² area and 5 mm thick of 410 grade stainless steel by BE No. 9118918 dated 26.03.2025 is not a melting scrap.

Note of the C.E.:-

- i) The consignment was received through containers BSIU2582382- 26.758 MT, TCLU3579065- 26.798 MT, TCLU3930210- 26.718 MT, BMOU2908684-26.964 MT total net weight 107.238 MT is accepted as true and correct for SS 410 Sheets.
- ii) The declared materials as scrap do not match with physical materials inspected.
- iii) Declared HS Code 72042190 is not matching with the materials arrived as scrap, it is found SS Sheets of area 1 M² 5MM thick, hence it should have HS code of 72191200.
- iv) The BIS for the item under import is IS 6911:1992.The estimated CIF Value of the consignment of SS 410 sheets should be US \$ 288023.

21.4 The CIF value of the imported goods under BE 9118918 dated 26.03.2025, estimated by the empanelled chartered engineer is detailed as under:-

Considered FOB rates as per public domain and estimated CIF Value submitted by Government approved Chartered Engineer.				
Sr. No.	Description	Quantity MT	Rate US \$/MT	Amount US \$
	Stainless Steel Plates Grade 410	107.238	2600/MT	278818.80

1.	HS Code 72191200 BSIU2582382 26.758 TCLU3579065 26.798 TCLU3930210 26.718 BMOU2908684 26.964			
2.	Freight charges	4	1500	6000.00
3.	Insurance charges @ 1.125%	1	3204.20	3204.20
Total Estimated CIF Value				288023

21.5 I also find that the Chartered Engineer in his report dated 14.04.2025 have shown the photographs of goods. Thus, it is an undisputed fact that the importer had mis declared the goods and in guise of the "Stainless Steel Melting Scrap Grade 410" had imported "Secondary Hot Rolled Stainless Steel Sheets, Grade 410. The importer has also not contested this fact regarding description of the goods and their plea in this regard is that the impugned goods is a case of wrong shipment by the overseas supplier, and when they took up this issue with the supplier, he has agreed to the lapse and shown willingness to accept the goods back. Thus I clearly find and hold that the goods are "Secondary Hot Rolled Stainless Steel Sheets, Grade 410 and are to be appropriately classifiable under CTH 72191200. In view of the above discussions, I find that that in the instant case, 107.238 MT Stainless Steel sheets of 410 grade is appropriately classifiable under Customs Tariff Item 72191200 instead of the declared Customs Tariff Item No.72042190.

21.6 I find that as per provisions of the Steel and Steel Products (Quality Control) Order, 2024 read with Section 16 and Section 17 of the Bureau of Indian Standards Act, 2016 the import of stainless steel sheets falling under CTH 72191200 shall bear the Standard Mark under a license from the Bureau of Indian Standards and no person shall import such goods without a Standard Mark, except under a valid license. In view of this, I hold that the import of stainless steel sheets grades 410 by M/s. Unison Forgings Pvt. Ltd. amounts to import of prohibited goods as per section 2(33) of Customs Act, 1962. I also find that this acts of omission and commission on the part of M/s. Unison Forgings Pvt. Ltd. are in violation of the provision of section 46(4) and 46(4A) of the Customs Act, 1962 in as much as they have mis-declared the contents of Bill of Entry filed before Customs, have failed to give accurate and complete information in the Bill of Entry and have also failed to ensure compliance with the prohibition while importing stainless steel sheets grade 410 in the guise of stainless steel scrap of grade 410 for melting purpose. In view of above, I find 107.238 MT Stainless Steel Sheets of 410 grade with the assessable value of Rs.2,42,80,339/-, as determined on the basis of Chartered Engineer's report, applicable customs duty subject to fulfillment BIS as applicable, imported by M/s. Unison Forgings Pvt. Ltd. vide Bill of Entry No.9118918, dated 26.03.2025, at ICD-Sanand, Customs, is liable to confiscation under the provisions of section 111(d) and 111(m) of the Customs Act, 1962 as the same has been imported in violation of prohibition imposed under the Customs Act, 1962 read with the Steel and Steel Products (Quality Control) Order, 2024 and Bureau of Indian Standards Act, 2016

and resorting to mis-declaration of classification, mis-declaration of value and mis-declaration of description in the Bill of Entry filed under Customs Act, 1962.

21.07 As the impugned goods are found liable to confiscation under Section 111 (d) and 111(m) of the Customs Act, 1962, I find it necessary to consider as to whether redemption fine under Section 125(1) of Customs Act, 1962 is liable to be imposed in lieu of confiscation in respect of the imported goods. Section 125 (1) of the Customs Act, 1962 reads as under:-

“125 Option to pay fine in lieu of confiscation –

(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods [or, where such owner is not known, the person from whose possession or custody such goods have been seized,] an option to pay in lieu of confiscation such fine as the said officer thinks fit...”

I find that there is no dispute that imported goods declared as “Stainless Steel Melting Scrap Grade 410 for Melting Purpose’ on examination, it was found as “Secondary Hot Rolled Stainless Steel Sheets, Grade 410 and are to be appropriately classifiable under CTH 72191200 and for the import of said goods applicable BIS for SS 410 grade SS flats sheet is IS 6911:1992 and said importer has no such valid BIS Certificate and therefore, the impugned goods is prohibited to import without the BIS Certificate. As there is contravention of the provision of Section 111 (d) and 111(m) of the Customs Act, 1962, I find that redemption fine is required to be imposed on the goods imported vide Bill of Entry No. 9118918 dtd 26.03.2025. I find that importer has requested for re-export of the goods. Though the import goods being a contrary to the prohibition and in absence of valid BIS certificate, it is liable for absolute confiscation. However, exercising the power envisaged under Section 125(1) of the Customs Act, I find that the request for re-export of goods covered under Bill of Entry No. 9118918 dtd 26.03.2025 may be allowed subject to the payment of Redemption fine imposed. In this regard, I rely on the ratio of decision of Hon’ble Supreme Court rendered in the case of Union of India v. Raj Grow Impex LLP — 2021 (377) E.L.T. 145 (S.C.) wherein the issue involved as imported imported urad/moong and pigeon peas/toor dal wherein Import Import beyond specified quantity was impermissible and prohibited wherein also though goods was held liable for absolute confiscation, however, goods was allowed to re-export subject to payment of Redemption fine and other penalties. Relevant Para to the case is re-produced as under:

“69. Once it is clear that the goods in question are improperly imported and fall in the category of ‘prohibited goods’, the provisions contained in Chapter XIV of the Customs Act, 1962 come into operation and the subject goods are liable to confiscation apart from other consequences. Having regard to the contentions urged and the background features of these appeals, the root question is as to how the goods in question are to be dealt with under Section 125 of the Customs Act? The relevant part of Section 125 of the Customs Act reads as under :-

Section 125(1) of the Customs Act, 1962

Option to pay fine in lieu of confiscation. “125. Whenever confiscation of any goods is authorised by this Act, - (1) the officer adjudging it may, in the case of any goods, the importation or exportation

record by Learned Counsel that they had produced bills of entry pertaining to contemporaneous import which were discarded in favour of the intimation by M/s. Sony India Ltd. We cannot be in agreement with such blatant deviation from the mandated system for assessment of duty. In the absence of any evidence of contemporaneous imports to support the enhancement, and the failure to take into consideration factors that may had the effect of abating the value at which imports were made by M/s. Sony India Ltd., we are unable to assent to the finding of misdeclaration. Consequently, the confiscation of 'SONY' television sets under Section 111(m) of Customs Act, 1962 for misdeclaration of value is not correct in law. As the 'SAMSUNG' television sets are required to be re-exported without being cleared on payment of duty, valuation is not relevant. Considering also that these are not to be permitted entry into the domestic market, the fine in lieu of confiscation need not be of such magnitude as is normally imposed to counter any windfall gain. Accordingly, the confiscation of 'SAMSUNG' television sets for not being compliant with the compulsory registration scheme of Bureau of Indian Standards is upheld but we allow the redemption on payment of fine ₹5,00,000/-.

21.9 Since, I have already held the impugned goods liable for confiscation, I find that for this act of commission or omission on the part of M/s. Unison Forgings Pvt. Ltd. have rendered them liable for penalty under section 112(a)(i) of the Customs Act, 1962.

I find it worth to mention the provisions of Section 112 of the Customs Act, 1962 which read as under:

SECTION 112. Penalty for improper importation of goods, etc. — Any person,

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(a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or

(b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111,

shall be liable, -

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty [not exceeding the value of the goods or five thousand rupees], whichever is the greater;

[(ii) in the case of dutiable goods, other than prohibited goods, 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 :

Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer

determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined;]

21.10 I find that importer had relied on the following decisions and have contended that no redemption fine and penalty is imposable where the goods are re-exported owing to wrong shipments.

1- Guru Ispat Ltd.2003(151)ELT384(Tri-Kol)* This judgement is duly maintained by Hon'ble Supreme Court as reported at 2003(157) ELT A 87 Supreme Court.

2- Regal Impex.2016 (332)ELT 835(Tri-Del)

3- Ajanta Watch Ltd 2004(171)ELT 350 (Tri-Mumbai)

4- HCL Comnet Systems & Services Ltd.2003(158) ELT 349 (Tri-Del)

5- ChordiaGems.2002(144)ELT70(Tri-Del)

6-Peejay Maya Exports .1988 (33)ELT383(Tribunal)

I find that ratios of aforesaid decisions are not applicable to the present case as in said cases, there was no mala fide on the part of the appellants and the mistake was occurred at the port of transshipment which stands clarified by the foreign suppliers and further, appellant on immediately took the matter with foreign supplier on finding the mis-declaration by the overseas suppliers and also requested the Customs authorities not to proceed ahead with the assessment of the goods. Whereas, in the present case, the importer has not produced any evidence to prove their bona fide. Further, there is no clarification from **foreign suppliers on record. There is no dispute that the goods is found mis declared and as per the Chartered Engineer's Certificate, the goods sent by the foreign supplier, is of much higher value than the goods ordered by the importer. There was every possibility that the importer would have cleared the goods, if not detected and would have sold the same in the local market.**

21.11 I find that Shri Tirth Uttam Mehta in his submission dated 10.12.2025 have submitted that he was shown the goods that were in the form of Stainless Steel Plates Grade 410 by the overseas supplier and he rejected the same and asked the supplier to cut the same to scrap. I find that this argument is nothing but an afterthought, as I have already discussed and find herein above as how with pre-conceived motive with clear intent to circumvent the

observance of the provision as laid down under Steel & Steel Product (Quality Control) Order, 2004 as well as The Bureau of Indian Standards Act, 2016, have mis declared the goods as 'stainless steel scrap grade 410' and in its guise imported 107.238 Mts of 'Stainless Steel Sheets grade 410' which act has rendered the goods liable for confiscation. I find that Hon'ble Gujarat High Court in the case of Synergy Fertichem Pvt. Ltd. v. State of Gujarat — 2020 (33) G.S.T.L. 513 (Guj.) has held as under:

“143. *Confiscation proceeding is a quasi judicial proceeding and not a criminal proceeding. Ordinarily, proof beyond reasonable doubt and proof of mens rea are foreign to the scope of the confiscation proceeding. However, the language of the statute should be read closely. Sometimes, the language of the statute may indicate the need to establish the element of mens rea. It is true that mens rea is not an essential element for imposing penalty for breach of civil obligations or liabilities. However, applying the dictum of the Supreme Court as laid in Tamil Nadu Housing Board (supra), the provisions of Section 130 of the Act is made more stringent by use of the word “intent”. When the law requires intention to evade payment of duty, then it is not mere failure to pay duty. It must be something more. This something more should not be construed as obligatory on the part of the Revenue to establish or prove the necessary mens rea for the purpose of confiscation and penalty.”*

Further, in the case of Commissioner v. Bansal Industries — 2007 (207) E.L.T. 346 (Mad.), has interalia held as under:

7. *It is oft-repeatedly held that mens rea is not an essential ingredient for contravention of the provisions of a civil law. The Apex Court recently in Chairman, SEBI v. Shriram Mutual Fund [(2006) 5 SCC 361] held as under :-*

“Mens rea is not an essential ingredient for contravention of the provisions of a civil Act. Unless the language of the statute indicates the need to establish the element of mensrea, it is generally sufficient to prove that a default in complying with the statute has occurred and it is wholly unnecessary to ascertain whether such a violation was intentional or not. The breach of a civil obligation which attracts a penalty under the provisions of an Act would immediately attract the levy of penalty irrespective of the fact whether the contravention was made by the defaulter with any guilty intention or not.”

8. *Applying the above ratio to the facts of the case, we find that though the Tribunal has recorded a finding of fact that it was the supplier who by mistake loaded tin sheets waste which were not ordered by the assessee, the Tribunal rendered its decision on the basis that the Revenue has not shown that the*

assessee had wilfully suppressed the facts and had misdeclared the goods with intention to evade duty. The order of the Tribunal mainly proceeded on the footing of intention of the assessee to evade duty, which, in our view, is not correct in the matter of breach of a civil obligation attracting levy of penalty. Therefore, the order of the Tribunal is liable to be set aside.

I find that in present case, it is an undisputed facts that total declared quantity of 107.238 MTS of 'Stainless Steel Sheets of 410 grade' was found and nothing was found as declared Stainless Steel Scrap Grade 410 during examination and as per CE report . Thus, as discussed above the said 107.238 MT Stainless Steel Sheets of 410 grade' were mis declared with clear intent to circumvent the observance of the provision as laid down under Steel & Steel Product (Quality Control) Order, 2004 as well as The Bureau of Indian Standards Act, 2016, importer have mis declared the goods as 'stainless steel scrape grade 410' and in its guise imported 107.238 Mts of 'Stainless Steel Sheets of 410 grade' which act has rendered the goods liable for confiscation. Since there was clear violation of provision as laid down under Steel & Steel Product (Quality Control) Order, 2004 as well as The Bureau of Indian Standards Act, 2016, the said goods termed as prohibited goods and accordingly, the importer is liable for penalty under Section 112 (a) (i) of the Customs Act, 1962.

21.12. I find that Shri Tirth Uttam Mehta in his statement dated 17.04.2025 have specifically stated that he being a one of the Director and other was Shri Bhagwan bhai Valaniya . However, it was only he, who was looking after all the commercial activities of the company like purchasing, selling, marketing work etc . As discussed, above and scrutiny of the import documents as well the Chartered Engineer Certificate, I find that Shri Tirth Uttam Mehta was sole responsible for mis declaration of the impugned goods and further, he has given evasive reply during recording of his statement and only no contrary evidence are produced to prove his innocence. I find that Shri Tirth Uttam Mehta in his submission has stated that the he was unaware of the contents of the cargo stuffed in containers by overseas supplier and therefore, he should not be penalized. I find that he was the person who dealt with the overseas supplier M/s. B-A Metal Co. Ltd , Vietnam and it was he who had visited and had even seen the goods overseas, and thus all the circumstantial evidences clearly revealed that Shri Tirth Uttam Mehta with clear intent to circumvent the observance of the provision as laid down under Steel & Steel Product (Quality Control) Order, 2004 as well as The Bureau of Indian Standards Act, 2016, have mis declared the goods as 'stainless steel scrape grade 410' and in its

guise imported 107.238 Mts of 'Stainless Steel sheets of 410 grade' which act has rendered the goods liable for confiscation and therefore, Shri Tirth Uttam Mehta is liable for penalty under Section 112 (b)(i) of the Customs Act, 1962.

21.13 I find that in the Show Cause Notice penalty under Section 114AA of the Customs Act, 1962 has been proposed to be imposed in importer as well as its Director under Section 114AA of the Customs Act, 1962 says as under:

SECTION . [114AA.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.]

As discussed in the foregoing paras, it is evident that despite knowing the actual facts of the imported product and its actual classification, the importer M/s Unison Forgings Pvt. Ltd. had knowingly and intentionally made, signed or used the declaration, statements and /or documents and presented them to the Customs Authorities which were incorrect in as much as they were not representing the true, correct and actual classification of the imported goods. I therefore find and hold that for this act on the part of importer M/s Unison Forgings Pvt. Ltd ., they are liable for penalty in terms of the provisions of Section 114AA of the Customs Act.

I find that Shri Tirth Uttam Mehta in his statement dated 17.04.2025 have admitted that he was the responsible person for day to day business transaction and for clearance from the Customs. As have already discussed the role of said Shri Tirth Uttam Mehta and it is needless to repeat the same. I find that Shri Tirth Uttam Mehta have mis declared the goods in Bill of Entry No. 9118918 dated 26.03.2025, and therefore, he is laible for penalty under Section 114AA of the Customs Act. In this regard, I rely on the ratio of the decision of Principal Bench, New Delhi in case of Principal Commissioner of Customs, New Delhi (import) Vs. Global Technologies & Research (2023)4 Centax 123 (Tri. Delhi) wherein it is held that "Since the importer had made false declarations in the Bill of Entry, penalty was also correctly imposed under Section 114AA by the original authority". Since the person Shri Tirth Uttam Mehta knowingly and intentionally made false declaration in the Bill of Entry No. 9118918 dated 26.03.2025, and mis declared the description of the goods and therefore, he is liable for penalty and as Director Shri Tirth Uttam Mehta acted on behalf his company wherein he and Shri Bhagwan bhai is other Director , he alone is responsible for all the commercial activities of the company like purchasing, selling, marketing work etc and thus he is liable for false declaration in the Bill of Entry No. 9118918

dated 26.03.2025 and therefore penalty under Section 114AA of the Customs Act, 1962 is liable to be imposed on Shri Tirth Uttam Mehta.

21.14 Now I come to my findings and observations on the issue whether Penalty should be imposed upon M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad (CHA License No. AAACM3488KCH0085) under Section 112(a) and Section 117 of the Customs Act, 1962.

It is an undisputed fact that the Bill of Entry No. 9118918 dated 26.03.2025 was filed in ICES by M/s. Mathuradas Narandas & Sons Forwarders Ltd. in their capacity as a licensed Customs Broker, pursuant to an authority letter issued by the importer, M/s. Unison Forgings Pvt. Ltd. Once such authority was accepted and the Bill of Entry was filed, the statutory obligations under the Customs Act, 1962 and the Customs Brokers Licensing Regulations, 2018 (CBLR, 2018) squarely rested upon Noticee No. 3, irrespective of any other fact.

I further find from the statement dated 30.05.2025 of Shri Vishal Ganpatbhai Patel, Manager of Noticee No. 3, it stands clearly admitted that the Customs Broker did not physically verify the premises of the importer, did not meet any Director or authorised representative of the importer, and did not independently ascertain whether any business activity was being carried out at the declared address prior to undertaking customs clearance work. The said statement further reveals that Noticee No. 3 proceeded solely on the basis of documents forwarded through email and assurances of a third party, namely M/s. Vibrant Shipping & Logistics.

I find that such conduct is in clear contravention of Regulation 10(n) of CBLR, 2018, which mandates verification of the identity of the client and the functioning of the client at the declared address using reliable, independent and authentic documents or information. Mere reliance on online records or third-party intermediaries, without any physical or independent verification, cannot be accepted as due compliance of statutory obligations. The subsequent admission of the importer that no business activity was being carried out from the declared address at the time of import further establishes that the address verification carried out by Noticee No. 3 was superficial and ineffective.

I further find that in the statement dated 30.05.2025 of Shri Vishal Ganpatbhai Patel, Manager of Noticee No. 3, it emerges from Question No. 9 and the reply thereto. Under Question No. 9, he was specifically asked:

“Have importer needs BIS for SS-410 a grade flat sheet is IS 6911:1992. Have importer submitted BIS certificate regarding import under bill of entry no. 9118918 dated 26.03.2025 in respect of goods imported by M/s. Unison Forgings Pvt. Ltd. (IEC-0808015648), Ahmedabad. Please offer comments”.

In reply, he stated that “Yes, importer needs BIS for SS 410 grade flat sheets is IS 6911: 1992 for secondary Hot Rolled Stainless Steel Sheet Grade 410 Top End which was imported under bill of entry 9118918 dated 26.03.2025. we have received documents along with loading photographs of the container number BSIU2582382, TCLU3579065, TCLU3930210, BMOU2908684 at the time of filling of the Bills of Entry/ I hereby produce copies of the loading photographs sent to me through Chirag Bhatt which appears scraps in photographs. However, it seems that he has produced forged photos to me at the time of filling of bill of entry. the actual goods imported by the importer appears different from the photos of the goods forwarded to me hence I have not insisted for mandatory documents i.e. BIS certificate”.

In view of the above, I find that the noticee number 03 had filed bill of entry on the basis of documents available with them and solely relied on the photographs. Such photographs, when compared with the actual goods examined and certified by the Government-approved Chartered Engineer, were found to be inconsistent and misleading. The absence of a valid Pre-Shipment Inspection Certificate (PSIC) duly uploaded on the DGFT portal, coupled with reliance on unverified WhatsApp images, indicates an attempt to create a false impression regarding the nature of the goods.

Now balancing my these findings with their written submissions, as earlier mentioned in para 19.2 of this order, wherein they have contended, inter alia, that they had acted only on the basis of documents provided by the importer and the freight forwarder, that they relied upon records available on GST and DGFT portals, that they were introduced to the importer through M/s. Vibrant Shipping & Logistics, and that there was no deliberate intention on their part to abet any mis-declaration or violation of law. They in their additional defence reply dtd 02.02.2026 have also inter alia submitted and cited Hon'ble high Court of Gujarat order dtd 22.1,2026 in SCA No.11980/2025 in their own case. They further submitted that this judgment expressly demonstrates that penalty under Section 112 of the Customs Act is not imposable in cases where there is no evidence of complicity in the illegal importation of goods or wrong intent or prior knowledge about the violation. They further submitted that in the present case the SCN fails to bring on record any evidence to establish the alleged abetment and as such Section 112 is not invocable in the facts of the case.

In view of all the aforementioned discussions and observations I find that the Noticee No.3 M/s. Mathuradas Narandas & Sons Forwarders Limited, Ahmedabad had acted upon the Documents provided to them and filed the bill of entry on the basis of above . I also find that in the photograph provided to them the goods appeared as scrap. I also find that the SCN also does not bring on record any evidence to establish their abetment. Further in view of Hon'ble high Court of Gujarat order dtd 22.1,2026 in SCA No.11980/2025 wherein it was held that penalty under Section 112 of the Customs Act is not imposable in cases where there is no evidence of complicity in the illegal importation of goods or wrong intent or prior knowledge about the violation , I refrain from imposing penalty under Section 112(a) of the Customs Act ,1962.

However I, Still find that they have shown negligence by not physically verifying the premises of the importer, by not meeting any Director or authorised representative of the importer, and also not independently ascertaining whether any business activity was being carried out at the declared address prior to undertaking customs clearance work. In view of this I find that overall their handling this work was superficial and ineffective and indirectly leading to the importers acts with relation to the impugned goods and, as such the Customs Broker M/s. Mathuradas Narandas& Sons Forwarders Limited has rendered themselves liable to penalty under Section 117 of Customs Act, 1962.

22. In view of the above discussion and findings, I pass the following order:

::ORDER::

- i. I reject the declared classification under Customs Tariff Heading No. 72042190 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) of imported goods under Bill of Entry No. 9118918 dated 26.03.2025 for 107.238 MT Stainless Steel Sheet of 410 grade, and hold the same to be re-assessed under CTH 72193590;
- ii. I order for confiscation of the impugned 107.238 MTS Stainless Steel Sheets of 410 grade with the declared assessable value of Rs. 61,53,679/-, imported by M/s. Unison Forgings Pvt. Ltd. under Bill of Entry No. 9118918, dated 26.03.2025, filed with ICD-Sanand, Customs, Ahmedabad, under the provisions of section 111 (d) and 111(m) of the Customs Act, 1962; However, I give the importer an option under provision of Section 125(1) of the Customs Act, 1962, to re-export the impugned goods, on

payment of redemption fine of Rs. 6,00,000/-(Rupees Six Lakhs Only).

- iii. I order for imposition of Penalty of Rs.1,00,000/-(Rupees One Lakh only) upon M/s. Unison forgings Pvt. Ltd. under Section 112(a)(i) of the Customs Act, 1962;
- iv. I order for imposition of Penalty of Rs.1,00,000/-(Rupees One Lakh only) upon M/s. Unison forgings Pvt Ltd under Section 114AA of the Customs Act, 1962;
- v. I order for imposition of Penalty of Rs.1,00,000/-(Rupees One Lakh only)upon Shri Tirth Uttam Mehta , Director of M/s. Unison forgings Pvt. Ltd under Section 112(b)(i) of the Customs Act, 1962;
- vi. I order for imposition of Penalty of Rs.1,00,000/-(Rupees One Lakh only)upon Shri Tirth Uttam Mehta , Director of M/s. Unison forgings Pvt. Ltd under Section 114AA of the Customs Act, 1962.
- vii. I refrain from imposing of Penalty on CHA M/s. Mathuradas Narandas & Sons Forwarders Ltd under Section 112(a)of the Customs Act, 1962;
- viii. I order for imposition of Penalty of Rs.50,000/-(Rupees Fifty Thousand only) on CHA M/s Mathuradas Narandas & Sons Forwarders Ltd Ahmedabad under Section 117 of the Customs Act.

19. The Show Cause Notice bearing F. No. VIII/10-45/ICD-SND(Prev)/O&A/HQ/2025-26 dated 01.10.2025 is disposed of in above terms.

(SHRAVAN RAM)

Additional Commissioner

DIN: 20260371MN0000222B85

F. No. VIII/10-45/ICD-Sanand (Prev.)/O&A/HQ/2025-26

Date: 02.03.2026

BY SPEED POST / E-MAIL / HAND DELIVERY / THROUGH NOTICE BOARD

To,

- 1. M/S. Unison Forgings Pvt. Ltd.
1 SF Office, Dhaval Complex, F.P. 341/SB/3,
Kalpana Society, Navrangpura, Ahmedabad,
Gujarat – India – 380009**
- 2. Shri Tirth Uttam Mehta,
Director of M/S. Unison Forgings Pvt.Ltd.
35, Haridham Estate, Near Gurudwara,
Odhav, Ahmedabad-380415**
- 3. M/s. Mathuradas Narandas & Sons Forwarders Ltd,
Office A-1303, West Bank, Opposite Vallabh Sadan,
Ashram Road, Ahmedabad, Gujarat**

Copy to:

- (i) The Commissioner of Customs, Ahmedabad. (Kind Attn : RRA Section)
- (ii) The Dy. Commissioner of Customs, ICD Sanand
- (iii) The Deputy/Assistant Commissioner of Customs (Preventive), Customs Commissionerate, Ahmedabad.
- (iv) The Deputy Commissioner of Customs (Task Force), Ahmedabad.
- (v) The System In-Charge, Customs, HQ, Ahmedabad for uploading on the official web-site.
- (vi) Guard File.