

	<p><b>प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा</b></p> <p><b>OFFICE OF THE PRINCIPAL COMMISSIONER,</b></p> <p><b>CUSTOM HOUSE, MUNDRA</b></p> <p>Port User Building (PUB), Mundra (Gujarat – 370421)</p> <p>ई-मेल/ E-Mail: group4-mundra@gov.in</p>
<b>A</b> फा .सं / .FILE NO.	<b>CUS/APR/ASS/2700/2025-Gr 4-O/o Pr Commr-Cus-Mundra</b>
<b>B</b> मूल आदेश सं. ORDER-IN-ORIGINAL NO.	<b>MCH/ADC/ZDC/576/2025-26</b>
<b>C</b> द्वारा पारित किया गया PASSED BY	<b>Zala Dipak</b> <b>Additional Commissioner of Customs</b> <b>Custom House, Mundra</b>
<b>D</b> आदेश की तिथि DATE OF ORDER	<b>27.01.2026</b>
<b>E</b> जारी करने की तिथि DATE OF ISSUE	27-01-2026
<b>F</b> कारण बताओ नोटिस सं . एवं तिथि SCN NUMBER & DATE	<b>Waived as per request of Importer</b>
<b>G</b> नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER	<b>M/s. Aum Metal Product (IEC ABNFA3524F) Plot No. 21, Hari-Om Industrial Estate, Kansumra, Jamnagar, Gujarat, 361004</b>
<b>H</b> डिन सं .DIN NUMBER	<b>20260171M0000000A473</b>

1. यह अपील आदेश संबन्धित को निःशुल्क प्रदान किया जाता है।

This Order - in - Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 129A(1) के अंतर्गत प्रपत्र सीए3-में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है -

Any person aggrieved by this Order - in - Original may file an appeal under Section 128 A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

“सीमा शुल्क आयुक्त) अपील(, चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड, नवरंगपुरा, अहमदाबाद 380009”

**“The Commissioner of Customs (Appeals), Mundra, 4<sup>TH</sup> Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009.”**

3. उक्त अपील यह आदेश भेजने की दिनांक से साठ दिन के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within sixty days from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5 -/रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए -

Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must accompanied by –

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं.-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प वहन करना चाहिए।

The appeal should bear Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paise only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.

6. अपील ज्ञापन के साथ ड्यूटी / दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये। Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.

7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के सभी मामलों में पालन किया जाना चाहिए।

While submitting the appeal, the Customs (Appeals) Rules, 1982 and the Customs Act, 1962 should be adhered to in all respects.

8. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (Appeals) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

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### **Brief facts of the Case:**

As per Investigation report issued by the SIIB, Customs House, Mundra, consignment imported vide Bill of Entry No. 2577701 dated 10.06.2025 filed by M/s. Aum Metal Product (IEC ABNFA3524F) having address at Plot No. 21, Hari-Om Industrial Estate, Kansumra, Jamnagar, Gujarat, 361004 (hereinafter referred to as 'importer for the sake of brevity) was put on hold as per NCTC Alert No. 2025-26/IMP/2206 dated 17.06.2025. The Goods imported vide Bill of Entry No. 2577701 dated 10.06.2025 were stuffed into Container No. MSBU1725870. The goods were placed at the warehouse of M/s. Hind-1 Terminal CFS, Mundra-

370421. The details of the goods declared in the Bill of Entry No. 2577701 dated 10.06.2025 are as under:

**TABLE-I**

<b>S. No.</b>	<b>CTH</b>	<b>Description</b>	<b>Unit Price (USD/MTs)</b>	<b>Quantity (in MTs)</b>	<b>Amount (in USD)</b>
1	72202090	SS 304 Steel Coil Blue PVC 8K Mirror Surface 0.35 *79	2090	5	10,450
2	72202090	SS 304 Steel Coil Blue PVC 8K Mirror Surface 0.50*72	2090	6	12,540
3	72202090	SS 304 Steel Sheet Blue PVC BA Surface 0.50*1250*2500	2030	5	10,150
4	72202090	SS 304 Steel Coil Blue PVC 8K Mirror Surface 0.80*1250*2500	2065	3	6,195
5	72202090	SS 304 Steel Coil Blue PVC 8K Mirror Surface 0.30*1250*2500	2065	4	8,260
6	72202090	MS STEEL SHEET 0.70*1250*2500	585	1	585
7	72202090	MS STEEL SHEET 0.80*1250*2500	585	1	585
8	72202090	MS STEEL SHEET 1.2*1250*2500	585	3	1755
<b>TOTAL</b>				<b>28</b>	<b>50,520</b>

2. The country of origin is China. Total Declared Assessable value of the goods is **43,64,928/- (Rs. Forty three lakh sixty four thousand nine hundred twenty eight only)** and total duty payable is **Rs. 12,10,613 /- (Rs. Twelve lakh ten thousand six hundred thirteen)**. SIMS registration No. is MOSSIMS070625123929 procured for **B/E No. 2577701 dated 10.06.2025**. BIS License No. CM/L- 4100023051 has been uploaded in e-Sanchit portal by the importer. Further, on verification of BIS License No. through BIS CARE APP, there was no data found under this License No.

3. Ministry of Steel issued circular dated 20.10.2023 vide which it was informed that Ministry of Steel has notified Steel and Steel Products (Quality Control) order under the BIS Act, 2016. Periodically, the Ministry issues such QCO orders to cover more grade of steel and related products. The Quality Control Order mandates that all the steel products imported into the country must be having BIS license/ certification and accompanied with Mill Test Certificate and be Marked with ISI and BIS license number.

3.1 For smooth implementation of Quality Control Order, the Ministry of Steel has constituted a Technical Committee (w.e.f. October 2018) for examination and analysis of the application(s) received for issuance of clarification, whether the product(s) which are being imported without BIS certification are covered under Steel QCO or not.

3.2 Further, Ministry of Steel made mandatory for all the steel importers to apply and seek clarification on the TCQCO Portal for each and every steel consignment which is imported in the country without BIS license/certification. It is clarified that the Ministry of Steel issues clarification for each single import consignment. In this regard, it is further clarified for each and every consignment, the importer need submit fresh application through TCQCO portal, unless stated otherwise in the clarification issued.

4. Accordingly, in absence/fake of any BIS certificate or NOC from Ministry of steel, goods covered under B/E No. 2577701 dated 10.06.2025 were put on hold as per NCTC alert by this office to rule out any possibility of mis-declaration or mis classification in order to bypass restriction of mandatory NOC/BIS certificate imposed by Ministry of Steel vide circular dated 20.10.2023.

5. The examination of the goods covered under B/E No. 2577701 dated 10.06.2025 were carried out at Hind-1 Terminal CFS, Mundra on 17.06.2025 in presence of Shri Kanakkhara Himesh authorized representative of Importer M/s Aum Metal Product and Shri Satish Kumar, Executive Operations of the Hind-1 Terminal CFS, Mundra. During the course of examination, upon opening of the gates, it was found that there were multiple pallets of steel sheet stacked systematically. Thereafter, the said container was completely de-stuffed and cylindrical-shaped rolls of coils wrapped in green coloured PP packaging, were also found in the said container. After complete de-stuffing, the goods were found as tabulated below:

Sr. No.	Description of the goods	Description (mm)	Quantity (MTs)
1	SS 304 Steel Coil Blue PVC 8K Mirror Surface	0.35*79 (C-2)	5
		0.5*72 (C-1)	6
2	SS 304 Steel Sheet Blue PVC BA Surface	0.5*1250*2500 (S-1)	5
3	SS 304 Steel Sheet Blue PVC 8K Mirror Surface	0.8*1250*2500 (S-2)	3
		0.3*1250*2500 (S-2)	4
4	MS Steel Sheet	0.7*1250*2500 (MS-S1)	1
5	MS Steel Sheet	0.8*1250*2500 (MS-S1)	1
6	MS Steel Sheet	1.2*1250*2500 (MS-S2)	3
TOTAL			28

6. Further, in order to ascertain chemical composition of impugned goods, Positive Metal Identification (PMI) test was conducted with the help of PMI gun. During the PMI test proceeding, the test results were taken and the same is reproduced below container wise in tabular form:

Coil	Fe	Cr	Mn	Ni	Si	Cu	V	S/Zn	Co	P
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No.										
C-1	75.01	13.16	9.43	1.15	0.71	0.18	0.15	-	0.19	-
C-1.1	74.98	13.18	9.54	1.04	0.62	0.20	0.13	-	0.16	0.04
C-2	74.53	13.22	9.86	1.01	0.67	0.21	0.11	-	0.08	0.07
C-2.1	74.32	13.32	10.16	1.06	0.64	0.21	0.11	-	0.06	0.06
C-2.2	74.48	13.41	9.88	1.2	0.56	0.2	0.11	-	0.04	0.05
C-2.3	74.73	13.42	9.73	1.05	0.62	0.2	0.14	-	0.06	0.04
C-2.4	75.02	13.19	9.79	1.04	0.5	0.17	0.11	-	0.03	0.07
C-2.5	74.8	13.10	10.04	1.07	0.61	0.19	0.11	-	0.04	0.03
C-2.6	74.81	13.14	9.72	1.09	0.77	0.19	0.13	-	0.04	0.04
C-2.7	74.43	13.48	9.89	1.10	0.63	0.18	0.12	-	0.09	0.05
S-1	75.18	12.80	9.74	1.02	0.70	0.18	0.12	-	0.13	-
S-1.1	74.23	13.91	9.26	1.17	0.72	0.23	0.12	-	-	-
S-1.2	74.64	13.41	9.89	1.22	0.56	0.04	0.11	-	0.06	0.05
S-1.3	75.12	13.19	9.54	1.21	0.61	.05	0.12	-	0.04	0.03
S-1.4	75.13	13.32	9.39	1.29	0.61	-	0.11	-	0.06	0.04
S-2	75.82	12.96	9.09	1.17	0.48	0.26	0.13	-	0.03	0.05
S-2.1	75.55	13.34	8.91	1.15	0.5	0.11	0.11	-	0.06	0.05
MS-S1	99.36	0.07	0.14	-	0.23	-	-	0.05	0.13	0.02
MS-S2	99.37	0.05	0.10	-	0.22	-	-	0.04	0.08	0.04

7. As per examination report, goods prima facie appears to product of Stainless Steel in the form of Coils & Sheets, MS Sheets as per declared description. Further, as PMI test conducted above, it is seen that in all coils stuffed in the said container, Nickel content is found in the range of .8-1.5%, chromium content is almost found in the range of 13-15% and Manganese is found in the range of 7.5-13%.

8. In terms of description and composition, the goods from serial No. 1-3 as mentioned in the examination report (Table-II), were not SS304 Stainless steel (as per PMI testing) grade as declared in the Bill of Entry. As per CE's Report No. CE/TZ/MUN/JUL 031/2025-26 dated 10.07.2025,

stainless steel coils/sheets grade is Nitronic 30. From the above, it is clear that product of stainless steel as defined in sub chapter III are covered under chapter 72 and correctly classified.

9. Further, as per Explanatory notes of Chapter 72 wherein at subpara (2) of para (IV) (c), it has been mentioned that Surface treatments or other operations, including cladding, to improve the properties or appearance of the metal, protect it against rusting and corrosion, etc. Except as otherwise provided in the text of certain headings, such treatments do not affect the heading in which the goods are classified. The same is reproduced as under:

#### **(IV) Production of finished products**

Semi-finished products and, in certain cases, ingots are subsequently converted into finished products. These are generally subdivided into flat products ("wide flats", including universal plates", "wide coil", sheets plates and strip) and long products (bars and rods, hot-rolled, irregularly wound coils, other bars and rods, angles, shapes, sections and wire). These products are obtained by plastic deformation, either hot, directly from ingots or semi-finished products (by hot-rolling, forging or hot drawing) or cold, indirectly from hot finished products (by cold-rolling, extrusion, wire-drawing, bright-drawing), followed in some cases by finishing operations (e.g., cold-finished bars obtained by centre-less grinding or by precision turning).

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(C) Subsequent manufacturer and finishing : The finished products may be subjected to further finishing treatments or converted into other articles by a series of operations such as:

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( 2 ) Surface treatments or other operations, including cladding, to improve the properties or appearance of the metal, protect it against rusting and corrosion, etc. except as otherwise provided in the text of certain headings, such treatments do not affect the heading in which the goods are classified. They include:

a. Annealing, hardening, tempering, case-hardening, nitriding and similar heat treatments to improve the properties of the metal.

b. Descaling, pickling, scraping and other processes to remove the oxide scale and crust formed during the heating of the metal.

c. Rough coating intended solely to protect products from rust or other oxidation, to prevent slipping during transport and to facilitate handling e.g., paints containing an active anti-rust pigment (red lead, zinc powder, zinc oxide, zinc chromate, iron oxide, iron minium, jewellers' rouge), and non- pigmented coatings with a basis of oil, grease, wax, paraffin wax, graphite, tar or bitumen.

d. Surface finishing treatment, including;

i. polishing and burnishing or similar treatment;

ii. artificial oxidation (by various chemical processes, such as immersion in an oxidising solution), patina finishing, blueing (blue annealing) browning or bronzing (by various techniques), which also form a film of oxide on the surface of the product, to improve its appearance. The operations increase resistance to rusting;

iii. chemical surface treatments, such as :

- phosphatising, which consists of immersing the product in a solution of metallic acid phosphates, particularly those of manganese, iron and zinc; this process is known as parkerising or bonderising, depending on the period of the operation and the temperature of the bath;
- oxalating, borating, etc., using methods similar to those for phosphatising, with the appropriate salts or acids;
- chromating, which consists of immersing the product in a solution whose main contents are chromic acid or chromates; this process is for the surface treatment of e.g., steel plate plated or coated with zinc.

These chemical surface treatments have the advantage of protecting the surface of metal, facilitating any later cold deformation of the products treated and the application of paints or other non-metallic protective coatings.

iv. coating with metal (metallisation) the main processes being :

- immersion in a bath of molten metal or metal alloy e.g., hot-dip galvanising, tinning, hot-coating with lead, and aluminium coating;
- electroplating (cathodic deposition of a coating metal on the product to be coated, by electrolysis of a suitable solution of metallic salts),  
e.g. With zinc, cadmium, tin, lead, chromium, chromium/chromate, copper, nickel, gold or silver; chromium,
- impregnation or diffusion (by heating the product to be coated with the required coating metal in powder form  
e.g., sherardizing (cementation with zinc) and calorising (cementation with aluminium) and chromising (with diffusion of chromium);
- spraying (atomising the molten coating metal and directing the spray on to the product to be coated), e.g., the Scoop process and the gas pistol, arc, plasma and electrostatic spray processes;
- metallisation by evaporating the coating metal in a vacuum. etc.;
- metallisation by bombarding the coating metal with ions in a glow discharge (ion plating);
- coating by cathode vaporisation (sputtering).

v. coating with non-metallic substances, e.g., enamelling, varnishing, lacquering, painting, surface printing, coating with ceramics or plastics, including special processes such as glow discharge, electrophoresis, electrostatic projection and immersion in an electrostatic fluidised bath followed by radiation firing, etc.

d. Cladding, i.e., the association of layers of metals of different colours or natures by molecular interpenetration of the surfaces in contact.

This limited diffusion is characteristic of clad products and differentiates them from products metallised in the manner specified in the preceding paragraphs ( e.g. by normal electroplating).

e. The various cladding processes include pouring molten cladding metal on to the basic metal, followed by rolling; simple hot-rolling of the cladding metal to ensure efficient welding to the basic metal; any other method of deposition or superimposing of the cladding metal followed by any mechanical or thermal process to ensure welding ( e.g., electro cladding), in which the cladding metal (nickel, chromium, etc.) is applied to the basic metal by electroplating, molecular interpenetration of the surfaces in contact then being obtained by heat treatment at the appropriate temperature with subsequent cold-rolling. Ferrous products clad with non-ferrous metals remain in their respective headings in Chapter 72 provided that iron or steel is the predominating metal by weight (see Note 7 to Section XV). Iron or steel products, clad with another ferrous metal, which, according to the composition of the original products, or of the cladding metal, could be classified in two sub-Chapters (II, III or IV) have similarly to be classified according to the metal predominating by weight (see Note 2 to this Chapter); e.g., a bar of non- alloy ordinary steel clad with stainless steel is therefore classified in sub- Chapter II if the former metal predominates by weight, or in sub-Chapter III if not.

f. Removal of small portions of the metal for testing purposes.

g. Lamination, for example, the superimposing of metal layers over an intermediate layer of viscoelastic material, the latter layer serving as a sound, etc., insulator.

From the above, it is clear that semi-finished products are converted into finished product and these finished products are further subdivided into 02 categories i.e. flat products ("wide flats", including universal plates", "wide coil", sheets plates and strip) and long products (bars and rods, hot-rolled, irregularly wound coils, other bars and rods, angles, shapes, sections and wire) and all these products are well covered under chapter 72. Since, in this case, goods were found in the form of flat products i.e. Stainless Steel Coil/Sheets, hence, goods prima facie appears correctly classified under CTH 72.

10. From the above, prima facie, it appears that importer M/s. Aum Metal Products (IEC: ABNFA3524F) have tried to clear Stainless Steel coil/Sheets correctly classified under CTH 7220 bypass condition of seeking NOC from Ministry of Steel as mandated vide Ministry of Steel Circular dated 20.10.2023. Thus, the goods are found to be without valid NOC issued from Ministry of Steel and hence, found to be imported in violation of Circular dated 20.10.2023 which makes the goods restricted/prohibited for import of goods.

11. Further, as per directive issued by the convenor of the NAC Metal Product vide letter dated 11.07.2024 and Review meeting recommendations for CAVR order No. 02/2023, value of the goods is higher than precautionary price. Hence, Value of the goods appears to be fair.

12. Further, a statement of Shri Prakash Rameshbhai Nanda, Partner of M/s. Aum Metal Products has been recorded on 29.09.2025 wherein

he interalia stated that:

- Basically manufacturer of mainly commodities like sanitary items various types of Flanges and hardware items various types of tower bolt only.
- Imported the goods first time vide Bill of Entry No. 2577701 dated 10.06.2025 are SS304 Steel Coils, SS304 Steel Sheets & MS Steel Sheets but our supplier Shandong Rigang Material Co. Ltd. did not provide the same goods. They have imported this commodity for manufacturing of sanitary ware and hardware items but the goods which were supplied by the suppliers from China are not as per our requirements.
- As per Bill of Lading No. MEDUVX628591 dated 11.05.2025, goods were declared 14 Packages of STAINLESS STEEL PIPE CARBON STEEL SHEET (HS CODE: 721935). As per their statement, they have put order for the goods to overseas supplier and the supplier has provided me the commercial invoice and packing list as per purchase order but the supplier stated that BL was typed by mistake and assured to provide amended BL soon but till date, they did not provide the same. Accordingly, the BE was filed by CB on behalf of importer as per commercial invoice and packing list.
- The goods i.e. SS304 Steel Coils, SS304 Steel Sheets & MS Steel Sheets come under mandatory compliance of BIS which is applicable from 29.08.2024. In this case, BE is filed on 10.06.2025 i.e. after 29.08.2024. As per their statement, the supplier has not provided the manufacturer's BIS Certificate. After many reminders, they have not provided the BIS certificate from the supplier/ manufacturer till date.
- The complete payment of the consignment was done to the supplier as per payment terms.
- The importer have requested for re-export the whole cargo in absence of BIS certificate and ready to pay fine/penalty as per Customs Act, 1962. Further, they have requested to waive of SCN/PH in this matter.

13. From the above, it is evident that importer agreed during his statement that goods imported vide B/E No. 2577701 dated 10.06.2025 are correctly classified under CTH 72. Further, they agreed that they will try to procure NOC from Ministry of Steel. However, till date, no NOC for impugned goods has been produced. Hence, prima facie, it appears that importer M/s. Aum Metal Products vide B/E No. 2577701 dated 10.06.2025 has tried to clear the Stainless Steel Coil/Sheets classified under 72 to bypass NOC from Ministry of Steel as mandated vide circular dated 20.10.2023. Hence, in absence of NOC from Ministry of Steel mandated vide circular dated 20.10.2023, goods imported vide impugned B/E No. 2577701 dated 10.06.2025 became restricted/prohibited in nature and in absence of NOC from Ministry of Steel as mandated vide circular dated 20.10.2023, impugned goods imported vide B/E No. 2577701 dated 10.06.2025 appears to be liable for confiscation under section 111(d) and 111(m) of the Customs Act, 1962.

14. LEGAL PROVISIONS:

**Section 2(22):**"goods" includes (a) vessels, aircrafts and vehicles; (b) stores; (c) baggage; (d) currency and negotiable instruments; and (e) any other kind of movable property;

**Section 2(23):**"import", with its grammatical variations and cognate expressions, means bringing into India from a place outside India;

**Section 2(25):** "imported goods", means any goods brought into India from a place outside India but does not include goods which have been cleared for home consumption;

**Section 2(26):**"importer", in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes [any owner, beneficial owner] or any person holding himself out to be the importer;

**Section 2(33)** of the Customs Act, 1962 'Prohibited goods' means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with.

**Section 46** Entry of goods on importation:

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**(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, relating to the imported goods.

**(4A)** the importer who presents a bill of entry shall ensure the following, namely:

- (a) The accuracy and completeness of the information given therein;
- (b) The authenticity and validity of any document supporting it; and
- (c) Compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.

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

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

*(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force*

*(m) any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under Section 77 in respect thereof, or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54.*

**Section 112** 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.

**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.

- After introduction of self-assessment vide Finance Act, 2011, the onus lies on the importer for making true and correct declaration in all aspects in the Bills of Entry and to pay the correct amount of Duty. In terms of Section 17 & 46 (4) of the Customs Act, 1962, the importers are required to make a declaration as to the truth of the contents of the Bills of Entry submitted for assessment of Customs duty. The relevant portion of the said provisions are as under:-

**Section 17. Assessment of duty.-**

1. An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods.

....

(4) Where it is found on verification, examination or testing of the goods or otherwise that the self-assessment is not done correctly, the proper officer may, without prejudice to any other action which may be taken under this Act, re-assess the duty leviable on such goods.

**Section 46. Entry of goods on importation.**

1. *The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed:*

15. In terms of Section 46 (4) of the Customs Act, 1962, the importers are required to make a declaration as to the truth of the contents of the Bills of Entry submitted for assessment of Customs duty. In the present case, it appears that importer has tried to clear goods i.e. Stainless Steel Coil/Sheets to bypass mandatory restriction of NOC imposed by Ministry of Steel vide circular dated 20.10.2023. The importer by their acts of omission and commission renders imported goods liable for confiscation under Section 111(d) and 111(m) of the Customs Act, 1962. The said acts of omission and commission on the part of the M/s. Aum Metal Products have rendered themselves liable for penalty under the provisions of Section 112(a) & 114 of the Customs Act, 1962.

### **Outcome of the investigation**

16. In view of above, it appears that:

- i. The goods imported vide BE No. 2577701 dated 10.06.2025 shall be considered as prohibited in as much as these goods have been attempted to import without valid mandatory NOC from Ministry of Steel as mandated vide circular dated 20.10.2023.
- ii. The goods imported vide BE No. 2577701 dated 10.06.2025 shall be held liable for confiscation under Section 111 (d) & (m) of the Customs Act, 1962.
- iii. Penalty under Section 112 (a) (i) & 114AA of the Customs Act, 1962 should be imposed upon M/s. Aum Metal Products (IEC: ABNFA3524F) for the reasons discussed in para supra.

-

### **SCN and PH Hearing**

17. As the Importer vide statement dated 29.09.2025 has already requested for waiver of the show cause notice and personal hearing in the matter and re-export of goods, necessary adjudication proceeding/action may be initiated in respect of the said Bill of Entry no. 2577701 dated 10.06.2025 as per the Customs Act, 1962. Importer also submitted letter dated 10.07.2025 from the supplier mentioning that they have provided Stainless Steel of grade SS202 and not as per order SS304. Supplier also mentioned that if the importer re-export the goods back to them, they will inspect the material and refund the importer's amount back.

Importer has also submitted another letter dated 05.01.2026, requesting for re-export of the goods, so that their amount would be released by the supplier.

### **Discussion and Findings:**

18. I have carefully gone through the records of the case, investigation report dated 03.11.2025 and the applicable provisions of law. The Importer M/s Aum Metal vide their statement dated 29.09.2025 has requested for the waiver of Show Cause Notice and Personal Hearing. Thus, the principles of natural justice as provided in the Section 122a of the Customs Act, 1962 have been complied with and I proceed to decide the case on the basis of documentary evidence available on records. Now the issues to be decided by me are:

- i. Whether the goods imported vide BE No. 2577701 dated 10.06.2025 shall be considered as prohibited in as much as these goods have been attempted to import without valid mandatory NOC from Ministry of Steel as mandated vide circular dated 20.10.2023.
- ii. Whether the goods imported vide BE No. 2577701 dated 10.06.2025 shall be held liable for confiscation under Section 111 (d) & (m) of the Customs Act, 1962.
- iii. Whether penalty under Section 112 (a) (i) & 114AA of the Customs Act, 1962 should not be imposed upon M/s. Aum Metal Products (IEC: ABNFA3524F) for the reasons discussed in para supra.

19. Regarding the first issue, I find that Ministry of Steel issued circular dated 20.10.2023 vide which it was informed that Ministry of Steel has notified Steel and Steel Products (Quality Control) order under the BIS Act, 2016. Periodically, the Ministry issues such QCO orders to cover more grade of steel and related products. The Quality Control Order mandates that all the steel products imported into the country must be having BIS license/ certification and accompanied with Mill Test Certificate and be Marked with ISI and BIS license number. For smooth implementation of Quality Control Order, the Ministry of Steel has constituted a Technical Committee (w.e.f. October 2018) for examination and analysis of the application(s) received for issuance of clarification, whether the product(s) which are being imported without BIS certification are covered under Steel QCO or not. Further, Ministry of Steel made mandatory for all the steel importers to apply and seek clarification on the TCQCO Portal for each and every steel consignment which is imported in the country without BIS license/certification. It is clarified that the Ministry of Steel issues clarification for each single import consignment. In this regard, it is further clarified for each and every consignment, the importer need submit fresh application through TCQCO portal, unless stated otherwise in the clarification issued.

20. Accordingly, in absence/fake of any BIS certificate or NOC from Ministry of steel, goods covered under B/E No. 2577701 dated 10.06.2025 were put on hold as per NCTC alert by this office to rule out any possibility of mis-declaration or mis classification in order to bypass restriction of mandatory NOC/BIS certificate imposed by Ministry of Steel vide circular dated 20.10.2023. The goods i.e. SS304 Steel Coils, SS304 Steel Sheets & MS Steel Sheets come under mandatory compliance of BIS which is applicable from 29.08.2024. In this case, BE is filed on 10.06.2025 i.e. after 29.08.2024. Therefore, it is evident that goods are covered under mandatory compliance of BIS.

21. In absence of BIS, goods become restricted/prohibited for importation. in this respect, importer has provided a letter from the supplier dated 10.07.2025 mentioning that supplier has sent goods of different grade by mistake and if the importer re-export the goods back to them, they will inspect the material and refund the importer's amount back. Importer has also submitted another letter dated 05.01.2026, requesting for re-export of the goods, so that their amount would be released by the supplier. As the goods are restricted for importation and can't be cleared for home consumption and goods of wrong grade were shipped by the supplier, Importer request for re-export may be considered.

22. Regarding the second issue, as discussed in above para, in the absence of the mandatory compliance of the BIS, the goods become restricted/prohibited for importation and importer has failed to produce the required BIS in the instant case. Therefore are liable for confiscation under Section 111(d) & 111(m) of the Customs Act, 1962.

23. Importer has mis-declared the goods, leading the goods liable for the confiscation under Section 111(d) and 111(m) of the Customs Act, 1962. This act of importer rendered themselves liable for penalty under Section 112(a)(i) of the Customs Act, 1962. As per Bill of Lading No. MEDUVX628591 dated 11.05.2025, goods were declared 14 Packages of "STAINLESS STEEL PIPE CARBON STEEL SHEET (HS CODE: 721935)". As per their statement, they have put order for the goods to overseas supplier and the supplier has provided me the commercial invoice and packing list as per purchase order but the supplier stated that BL was typed by mistake and assured to provide amended BL soon but till date, they did not provide the same. Accordingly, the BE was filed by CB on behalf of importer as per commercial invoice and packing list. Therefore, Importer has intentionally filed the said Bill of Entry No. 2577701 dated 10.06.2025 where the Bill of Lading was not proper for the imported goods. This was intentional and done deliberately. Hence, importer is also liable for penalty under Section 114AA of the Customs Act, 1962.

24. In view of above discussions and findings supra, I pass the following order.

### **ORDER**

i. I order to confiscate the goods of assessable value, Rs. **43,64,928** imported vide Bill of Entry No. 2577701 dated 10.06.2025 u/s 111(d) of the Customs Act, 1962. However, I give the importer an option under the provisions of the Section 125(1) of the Customs Act, 1962, to redeem the goods, only for the re-export purpose, on payment of Redemption Fine of Rs. 2,00,000/- (Rs. Two Lakh Only).

ii. I impose a penalty of Rs. 1,00,000/- (Rupees One Lakh only) on M/s Aum Metals u/s. 112 (a)(i) of the Customs Act, 1962.

iii. I impose a penalty of Rs. 50,000/- (Rupees Fifty Thousand only) on M/s Aum Metals u/s. 114AA of the Customs Act, 1962.

25. This Order-in-Original is issued without prejudice to any other

action that may be taken against the importer under the Customs Act, 1962 or any other law for the time being in force.

Zala Dipakbhai Chimanbhai  
Additional Commissioner of Customs  
Import Assessment  
Customs House, Mundra

**To: Aum Metal Product (IEC: ABNFA3524F)  
Plot No. 21, Hari-Om Industrial Estate,  
Jamnagar, Gujarat, 361004**

**Copy to:**

- 1. The DC/AC of Customs (RRA), Custom House, Mundra.**
- 2. The DC/AC of Customs (EDI), Custom House, Mundra.**
- 3. Guard File**