
	<p>कार्यालय: प्रधानआयुक्तसीमाशुल्क, मुन्द्रा, सीमाशुल्कभवन, मुन्द्राबंदरगाह, कच्छ, गुजरात- 370421 OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS: CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421. PHONE: 02838-271426/271163 FAX :02838-271425 E-mail id- group4-mundra@gov.in</p>	
A	फा. सं. FILE NO.	CUS/APR/BE/1867/2025-Gr 4
B	मूल आदेश सं. ORDER-IN-ORIGINAL NO.	MCH/ADC/ZDC/335/2025-26
C	द्वारा पारित किया गया PASSED BY	Dipak Zala Additional Commissioner of Customs Custom House, Mundra.
D	आदेश की तिथि DATE OF ORDER	06-11-2025
E	जारी करने की तिथि DATE OF ISSUE	06-11-2025
F	कारण बताओ नोटिस सं. एवं तिथि Number & DATE OF SCN	Importer has sought waiver from SCN and PH
G	नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER	M/s Shree Khatu Shyam Steel & Tubes LLP (IEC ADLFS0554M)
H	डिन सं./ DIN NUMBER	20251171MO000051035C

1. यह अपील आदेश संबंधित 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, 4TH Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009.”

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

Appeal shall be filed within three months 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 be 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.

Brief Facts of the Case

Ministry of Steel vide circular dated 20.10.2023 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.

2. Further, Ministry of Steel issued an Office Memorandum dated 03.01.2025 w.r.t. circumvention of directive issued by Ministry of Steel for issuance of NOC's on one-time basis for shipments where Bill of Lading has been generated on or before 03rd of December 2024. Further, they interalia stated that it has been represented to this Ministry that Many importers are trying to circumvent this requirement by getting a House Bill of Lading issued with date on or before 3rd December, 2024 whereas the actual shipment is of a later date i.e. subsequent to 3rd December, 2024 and further requested to take necessary actions in order to detect and prevent any such circumvention.

3. In view of above, scrutiny of EDI data for import of Steel item wherein import was being made on the basis of House Bill of Lading issued with date on or before 3rd December, 2024 was done and it came to notice that M/s Shree Khatu Shyam Steel & Tubes LLP (IEC ADLFS0554M) having address at Ground Floor, Plot No. 956, Kh. No. 154, Village Pooth Khurd North West, Delhi-110039 (hereinafter referred to as 'importer' for the sake of brevity) filed 01 Bill of Entry mentioned in Table-I for import of

Cold Rolled Stainless Steel coil grade J2 vide House Bill of Lading No. FS241205001 dated 03.12.2024 at Mundra Port through their Custom Broker M/s Oriental Trade Links (hereinafter referred to as 'CB' for the sake of brevity). Ministry of Steel has issued NOC No. NOC2024004662_A dated 16.12.2024 on the basis of House Bill of Lading No. FS241205001 dated 03.12.2024. Total Assessable value of the goods is Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen). Total Gross weight of the consignment is 413688 Kgs. and Net weight is 412524 Kgs. The Details of B/E are as under: -

Table-I

BE No. & Date	House Bill of Lading No. & Date	Container No.	CTH	Country of Origin	Supplier Name	Goods Description
8109186 dated 31.01.2025	FS241205001dt. 03.12.2024	1.WHLU0284130 2.WHSU2044447 3.WHSU2800056 4.WHSU2641627 5.WHSU2518335 6.WHSU2127813 7.BMOU1224202 8.WHSU2811472 9.WHSU2118452 10.WHSU0134623 11.WHSU0039061 12.WHSU2044473 13.WHLU0693586 14.WHLU0534687 15.WHLU0347881	72193590	CHINA	M/s HISSARIA INTERNATIONAL LIMITED, CHINA	Cold Rolled Coils Stainless Steel Coil Grade J2

4. On tracking the vessel on Shipping Line Website, it was found that containers mentioned above were laden on vessel on 04.01.2025. However, House Bill of Lading was issued on 03.12.2024 and shipped on board date was mentioned as 03.12.2024 on House Bill of Lading No. FS241205001 dated 03.12.2024.

5. In view of above, goods covered under impugned B/E No. 8109186 dated 31.01.2025 were put on hold to rule-out any possibility of circumvention of directive issued by Ministry of Steel for issuance of NOC on one-time basis for shipments where Bill of Lading has been generated on or before 3rd of December, 2024.

6. An email dated 07.02.2025 was sent to shipping line M/s Wan Hai Lines (India) Pvt. Ltd. for providing copy of Master BL issued against House BL No. FS241205001 dated 03.12.2024 and port of call list of vessel BAO HANG YUN, Voyage No. 28. M/s Wan Hai Lines (India) Pvt. Ltd. vide email dated 07.02.2025 provided copy of Master BL No. 142E516966 dated 04.01.2025 issued in case of M/s Shree Khatu Shyam Steel & Tubes LLP and further provided copy of port of call list of Vessel BAO HANG YUN wherein it is mentioned that Vessel BAO HANG YUN reached on Guangzhou Port, CHINA on 02.01.2025 and departed on 04.01.2025.

7. Further, Goods covered under B/E No. 8109186 dated 31.01.2025 were examined vide examination report dated 10.02.2025 in presence of

Shri Chauhan Ranjeet Kailashchand, G Card holder of M/s Oriental Trade Links, CFS representative Shri Ramashankar R Prasad, Sr. Executive, Operations, M/s Mundhra Container Freight Station Pvt. Ltd. CFS. Before beginning the examination, the weightment slip of the containers generated at CFS weighbridge are cross-checked. On weightment, Total Net weight found is 412720 Kgs. against declared net weight of 412524 Kgs. Hence, there is total 196 kgs excess weight found.

8. Further, during examination, Positive Metal Identification (PMI) test was conducted with the help of PMI gun. During the PMI test proceeding, the test results were taken and as per test report, it is seen that in all coils stuffed in 15 containers, Nickel content is found in the range of 0.8-1.3% and chromium content is found in the range of 12.0-14.0% and Manganese is in the range of 7.5-10%.

9. Further, from the open source available on internet, the Stainless Steel Coil grade J2 should contain following chemical composition: -

Grade	C	Mn	P	Cr	Ni	S	Si
J2	0.15-0.36%	7.5-10	≤ 0.045	12.0-14.0	0.8-1.3	≤0.03	≤1.0

10. In view of above, prima facie, it appears that all major component i.e. Nickel, Chromium, Manganese etc. of goods imported vide Bill of Entry No. 8109186 dated 31.01.2025 is in line of chemical composition of Stainless Steel Coil J2 Grade. Hence, prima facie, it appears that goods were found as per declaration i.e. Cold Rolled Stainless Steel Coil Grade J2. Further, as per contemporary data available on NIDB, Value of the goods declared as Stainless Steel Coil grade J2 appears to be fair.

11. Further, an email dated 13.02.2025 was forwarded to Dy. Secretary, Ministry of Steel for further clarification purpose in this matter. Ministry of Steel vide email dated 20.02.2025 intimated that: -

“the initial decision to grant a one-time NOC/exemption for steel imports applied only to cases where the steel had already arrived at Indian ports or the Master Bill of Lading had been generated on or before December 3, 2024. This one-time provision was closed on December 21, 2024.

Paragraph 2 highlights concerns that some importers are attempting to circumvent this requirement by obtaining a House Bill of Lading dated on or before December 3, 2024, while the actual shipment (evidenced by the Master Bill of Lading) occurred after that date. This practice is not in compliance with the one-time exemption provision.

Therefore, to reiterate, the one-time NOC/exemption applied exclusively to shipments where the Master Bill of Lading was issued on or before December 3, 2024. House Bills of Lading with earlier dates for shipments occurring after December 3, 2024, do not qualify for this exemption. The request in paragraph 3 aims to prevent such fraudulent circumventions.”

12. In view of above, prima facie, it appears that importers have tried to

clear Cold Rolled Stainless Steel coil of J2 grade on the basis of House Bill of Lading FS241205001 dated 03.12.2024 and NOC No. NOC2024004662_A dated 16.12.2024 issued by Ministry of Steel against House Bill of Lading. However, in light of OM dated 03.01.2025 issued by Ministry of Steel and further clarification dated 20.02.2025 received from Ministry of Steel, one time NOC/exemption applied exclusively to shipments where the Master Bill of Lading was issued on or before December 3, 2024. House Bill of Lading with earlier dates for shipments occurring after December 3, 2024 do not qualify for this exemption. Hence, goods covered under B/E No. 8109186 dated 31.01.2025 are found to be imported without valid one time NOC as Master BL has been issued after 03.12.2024. Hence, prime facie, it appears that goods have been imported in violation of Circular dated 20.10.2023 which makes the goods restricted/prohibited for import of goods without valid NOC, for shipments occurring after 03.12.2024, from Ministry of Steel. Hence, due to absence of NOC from Ministry of Steel, goods covered under B/ E No. 8109186 dated 31.01.2025 having total assessable value of Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) appears to be liable for confiscation under section 111(d) and (m) of the Customs Act, 1962, hence, goods imported vide impugned Bills of Entry mentioned above were Seized vide Seizure Memo dated 27.02.2025 under section 110(1) of the Customs Act, 1962, and goods were handed over to the custodian i.e. M/s Dockport Warehousing Zone vide Supurtanama dated 27.02.2025 and in compliance of Board Instruction No. 02/2024-Customs dated 15.02.2024, Incident report no. 40/2024-25 dated 28.02.2025 was issued accordingly.

13. Further, Summons was issued to Shipping Line M/s Wan Hai Lines (India) Pvt. Ltd. under section 108 of the Customs Act, 1962 for recording their statement on 07.03.2025 and statement of Shri Chirag Harilal Chawda, authorized representative of M/s Wan Hai Shipping Lines (India) Pvt. Ltd. was recorded on 07.03.2025 wherein he interalia stated that correct laden on board date of containers is 04.01.2025 and containers were physically loaded on BAO Hang Yun 28 vessel on 04.01.2025. There was no delay in reaching vessel as Mundra Port. He further stated that they filed IGM on House Bill of Lading on forwarder request and submitted copy of request letter given by M/s Premji Kanji Masani Private Limited to M/s Wan Hai Shipping Lines (India) Pvt. Ltd. for filing IGM on House B/L.

14. Further, Statement of Shri Tarunbhai Masani, Director of M/s Premji Kanji Masani Private Limited (Forwarder) was recorded on 17.03.2025 under section 108 of the Customs Act, 1962 wherein he interalia stated that

- They do not have information regarding the difference in House BL and Master BL date. However, there can be multiple reason for difference between Master and House BL date i.e. agreement between supplier and consignee, one of the close date of bank LC etc. Further, for this case, they will contact with CHINA agent and revert as soon as any reply is received.
- They were aware about the difference between HBL and MBL date. However, they don't have any objection in this. Further, at the time of

filing IGM, shipping line mention both House and Master BL No. and their date as per the respective documents.

- as per general trade, shipping line files IGM based on MBL and forwarder files IGM on HBL, however, in this case, shipping line did not allow us to file console IGM when we have asked for. Further, when we were informed about the date difference in MBL and HBL date, we assumed that Shipping line is asking about the HBL date and we were not aware that shipping line will change the MBL Date for IGM filing. As per general trade, both date will be shown in IGM.
- Yes, we provided the copy of MBL to their CHA M/s Oriental Trade Links on 17.01.2025 via email.

15. Further, a statement of Shri Naresh Kumar Goyal, Partner of M/s Shree Khatu Shyam Steel & Tubes LLP has been recorded on 28.03.2025, wherein, he, inter-alia stated which is as under: -

- He doesn't know the reason for difference between House Bill of Lading date and Master Bill of Lading date. However, their shipper M/s Hissaria International Limited sent goods to forwarder on 03.12.2024. Accordingly, payment to shipper was done by them. He doesn't know the reason for delay done by CHINA forwarder.
- House BL copy was provided to him by their shipper. Accordingly, He filed NOC on behalf of this and Ministry of Steel gave NOC on behalf of this. Earlier, he applied NOC on the basis of House BL and Ministry of steel gave NOC accordingly.
- As per Container tracking and Master BL copy, actually containers were loaded on vessel on 04.01.2025. He did not get the copy of Master BL. Hence, he was not aware about this.
- Forwarder did not provide the copy of Master BL to me. He got email on 04.02.2025 to add CHA name in email. Accordingly, he added them. What communication in between these 02 has happened, he was not aware about this.
- He emailed M/s Premji Kanji Masani Private Limited to file IGM on House BL and asked them to provide copy of Master BL, however, they did not provide the same to him till date.
- Shipper provided the telex copy of House BL for releasing the goods from the forwarder. Further, he procured NOC on the basis of House Bill of Lading. Hence, he requested forwarder to file IGM on House BL.
- He ordered for goods on 01.09.2024 and ask them to ship goods within 04-05 days. Supplier sent a copy of House Bill of Lading dated 03.12.2024 and informed that goods has been shipped and accordingly, he made full payment to importer. He submitted Copy of proof of payment to supplier. However, when goods did not reach India in next 15 days, he enquired about the goods and then he informed that due to delay of vessel, goods could not reach on time. They never told him that goods did not shipped on 03.12.2024. They never provided him copy of Master BL. Hence, he was not aware about this. He was not aware about this Ministry OM. He did not provide any fake documents. He procured NOC on the basis of House

BL provided by Shipper. If he was known to this OM, he would have sold the goods on High Sea basis to any importer having advance authorization.

- Lenient view shall be taken in this case. Due to shipper mistake, this has happened. On the basis of House BL provided by Shipper, he procured NOC from Ministry of Steel. Further, he has applied for advance authorization and sooner, it will be issued by DGFT to him. They are the supporting manufacturer and exporter of Stainless Steel products. Hence, it is requested you to clear goods under Advance authorization. H will submit copy of advance authorization in 07 days.

16. Further, a statement of Shri Pinkal Rathi, Partner and authorised representative of M/s Shree Khatu Shyam Steel & Tubes LLP has been recorded on 28.03.2025, wherein, he, inter-alia stated which is as under :-

- They received House Bill of Lading for filing of B/E No. 8109186 dated 31.01.2025 and Master Bill of Lading for Delivery order purpose.
- I have seen the copy of tracking and as per Container tracking and Master BL copy, actually containers were loaded on vessel on 04.01.2025.
- I have seen the same and I agree that I got the copy of Master BL through Indian Forwarder M/s Premji Kanji Masani Private Limited but that was received only for Delivery order purpose.
- They were completely aware about that Ministry of Steel was not issuing NOC for Bill of Lading issued after 03.12.2024.
- They did not check date mentioned on Master Bill of Lading. They used Master Bill of Lading for Delivery Order Purpose only. Hence, they filed B/E accordingly.
- Since importer name is mentioned on the House Bill of Lading, hence, they file B/E on the basis of House Bill of Lading.
- It is common practice. As I mentioned above, Master BL was sent by forwarder for delivery order purpose only. No one uploads copy of Master Bill of Lading wherein importer name is not mentioned. Hence, they also did not upload copy of Master Bill of Lading.

17. From the above investigation conducted in this matter, it appears that forwarder M/s Premji Kanji Masani provided copy of Master Bill to authorised custom broker M/s Oriental Trade Links vide email dated 17.01.2025 before filing of Bill of Entry. However, CB did not provide the same to importer.

18. LEGAL PROVISIONAS:

18.1 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;*

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

18.3 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;

18.4 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;

18.5 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.

18.6 Section 46. 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, 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.

18.7 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.

18.8 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.

19. 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:

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, the importer asked the forwarder to file IGM on the basis of House Bill of Lading and asked CB to upload copy of House BL instead of Master BL and NOC issued on the basis of House BL with a clear intent to clear goods on the basis of House BL even though Ministry of Steel vide OM dated 03.01.2025 clarified that many importers are trying to get NOC on the basis of House BL issued with date on or before 3rd December, 2024 whereas the actual shipment is of a later date i.e. subsequent to 3rd of December, 2024. In view of the above, it appears that that M/s Shree Khatu Shyam Steel & Tubes LLP has attempted to clear Cold Rolled Stainless Steel Coil Grade –J2 valued at Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) imported vide 01 Bills of Entry No. 8109186 dated 31.01.2025 without valid mandatory NOC, for shipments occurring after 03.12.2024, issued by the Ministry of Steel as mandated vide circular dated 20.10.2023 issued from Ministry of Steel. Further, forwarder provided provide the copy of Master Bill of Lading to importer's authorised Custom Broker vide 17.01.2025 still CB did not forward the same to importer. Hence, it appears that the importer and CB had knowingly involved themselves in the suppression of the material facts as their shipment was of date later than 03.12.2024 which is also evident from Master Bill of Lading No. 142E516966 dated 04.01.2025 provided by Shipping Line M/s Wan Hai Lines (India) Pvt. Ltd. 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.

20. From the above discussion and evidences available on record, it appears that the importer, M/s Shree Khatu Shyam Steel & Tubes LLP (IEC ADLFS0554M) has attempted to clear goods declared as "Cold Rolled Stainless Steel Coil Grade J2" on the basis of House BL dated 03.12.2024 and NOC issued against House BL, however, actual shipment is of later date i.e. 04.01.2025. Hence, in light of OM dated 03.01.2025 and Circular dated 20.10.2023, goods became prohibited in nature in absence of NOC for shipment occurring after 03.12.2024. The said acts of omission and commission on the part of the M/s Shree Khatu Shyam Steel & Tubes LLP has rendered themselves liable for penalty under the provisions of Section 112(a) of the Customs Act, 1962.

21. Further, Forwarder M/s Premji Kanji Masani Private Limited provided the copy of Master Bill of Lading to CB M/s Oriental Trade Links on 17.01.2025 where in Laden on Board date is clearly mentioned as 04.01.2025 on vessel BAO HANG YUN 28. Further, CB was well aware about the fact that Ministry of Steel was not issuing NOC for Bill of Lading issued after 03.12.2024. Still, CB neither forwarded the copy of BL to importer nor guided importer to procure NOC on the basis of Master Bill of Lading and filed B/E on the basis of House Bill of Lading. Further, CB was in possession of Master Bill of Lading before filing of B/E, still, CB did not uploaded copy of Master Bill of Lading in e Sanchit. The said acts of omission and commission on the part of the M/s Oriental Trade Links, authorised customs broker has rendered themselves liable for penalty under the provisions of Section 112(a) of the Customs Act, 1962.

22. Further, importer M/s Shree Khatu Shyam Steel & Tubes LLP vide letter dated 25.04.2025 has requested for waiver of Show Cause Notice and Personal Hearing in this matter and further requested to clear goods

under advance license No. 0511031725 dated 02.04.2025. Further, CB M/s Oriental Trade Links vide letter dated 25.04.2025 has also requested for waiver of Show Cause Notice and Personal Hearing.

23. In view of above, it appears that: -

- i. The goods imported vide BE No. 8109186 dated 31.01.2025 having total declared assessable value of Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) should not be considered as prohibited 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 found as Cold Rolled Stainless Steel Coil Grade-J2 having total declared assessable value of Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) should not be held liable for confiscation under Section 111 (d) & (m) of the Customs Act, 1962.
- iii. The declared quantity i.e. 412524 Kgs. of goods imported vide impugned Bill of Entry no. 8109186 dated 31.01.2025 is liable to be rejected and same is to be re determined as 412720 Kgs.
- iv. Penalty under Section 112 (a) of the Customs Act, 1962 should not be imposed upon M/s Shree Khatu Shyam Steel & Tubes LLP (IEC ADLFS0554M) for the reasons discussed in para supra.
- v. Penalty under Section 112 (a) of the Customs Act, 1962 should not be imposed upon M/s Oriental Trade Links, authorised Customs Broker for the reasons discussed in para supra.

24. Personal Hearing and defence submission

The importer vide their letter dt. 15.07.2025 has made following submission.

With due respect, we would like to inform you that the Inspection Report (IR) for the above-mentioned consignment has already been submitted by the SIIB team to Group IV.

Accordingly, we request your kind approval and necessary direction to proceed with the re-export of the said goods, as per the applicable customs regulations and procedures. All necessary formalities and document submissions have already been completed from our side.

In light of the above, we humbly seek your kind consideration to allow the re-export of the goods. Further, in this regard, we hereby request to waive Show Cause Notice (SCN) and Personal Hearing (PH).

We humbly request that the same may be considered with a lenient view during adjudication because goods having heavy demurrage and detention as shipment arrived already before five and half months (20.01.2025), Accordingly we will accept the adjudicating with fine and penalty.

We shall remain sincerely grateful for your prompt and favourable action.

25. Discussion and Findings

25.1 I have carefully gone through the case records and applicable provisions of Law. I find that the Importer vide their letter dated 15.07.2025 has requested for waiver of Show Cause Notice under Section 124 of the Customs Act, 1962 and Personal Hearing. Thus, the condition of Principles of Natural Justice under Section 122A of the Customs Act, 1962 has been complied with. Hence, I proceed to decide the case on the basis of facts and documentary evidences available on records.

25.2. The main issues before me are to decide are:

- i. Whether the goods imported vide BE No. 8109186 dated 31.01.2025 having total declared assessable value of Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) should be considered as prohibited 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 found as Cold Rolled Stainless Steel Coil Grade-J2 having total declared assessable value of Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) should be held liable for confiscation under Section 111 (d) & (m) of the Customs Act, 1962.
- iii. Whether the declared quantity i.e. 412524 Kgs. of goods imported vide impugned Bill of Entry no. 8109186 dated 31.01.2025 is liable to be rejected and same is to be re determined as 412720 Kgs.
- iv. Whether penalty under Section 112 (a) of the Customs Act, 1962 should be imposed upon M/s Shree Khatu Shyam Steel & Tubes LLP (IEC ADLFS0554M) for the reasons discussed in para supra.
- v. Whether penalty under Section 112 (a) of the Customs Act, 1962 should be imposed upon M/s Oriental Trade Links, authorised Customs Broker for the reasons discussed in para supra.

26. I find that the M/s Shree Khatu Shyam Steel & Tubes LLP had filed a BE no. 8109186 dated 31.01.2025 for import of Cold Rolled Stainless Steel coil grade J2 vide House Bill of Lading No. FS241205001 dated 03.12.2024 at Mundra Port through their Custom Broker M/s Oriental Trade Links having Assessable value and duty of Rs. 3,91,64,616 /- and 1,08,62,306/- respectively.

27. I find that The Ministry of Steel, vide circular dated 20.10.2023, made it mandatory for all steel importers to seek clarification on the TCQCO Portal for every consignment imported without BIS certification. Further, an Office Memorandum dated 03.01.2025 highlighted that some importers were attempting to circumvent this directive by obtaining House Bills of Lading dated on or before 03.12.2024, while the actual shipments occurred later. The Ministry, therefore, directed authorities to detect and prevent such misuse and ensure strict compliance with the BIS and TCQCO requirements.

28. I also find that On tracking the vessel on the shipping line's website, it was found that the containers were actually loaded on 04.01.2025, whereas the House Bill of Lading No. FS241205001 was issued earlier on

03.12.2024 with the “shipped on board” date also shown as 03.12.2024. Consequently, the goods covered under Bill of Entry No. 8109186 dated 31.01.2025 were placed on hold to verify possible circumvention of the Ministry of Steel’s directive limiting NOC issuance to shipments with Bills of Lading generated on or before 03.12.2024.

29. I find that the goods covered under Bill of Entry No. 8109186 dated 31.01.2025 were examined on 10.02.2025 in the presence of Shri Chauhan Ranjeet Kailashchand (G-Card holder, M/s Oriental Trade Links), Shri Ramashankar R. Prasad (Sr. Executive, M/s Mundhra CFS Pvt. Ltd.), and the CFS representative. Prior to examination, container weight slips from the CFS weighbridge were verified, showing a total net weight of 4,12,720 kg against the declared 4,12,524 kg, indicating an excess of 196 kg. A Positive Metal Identification (PMI) test was then carried out using a PMI gun, revealing Nickel content between 0.8–1.3%, Chromium between 12.0–14.0%, and Manganese between 7.5–10%. These readings matched the chemical composition of Stainless Steel Coil Grade J2. Accordingly, the goods were found consistent with the declared description of Cold Rolled Stainless Steel Coil Grade J2, and as per NIDB data, the declared value appeared fair and reasonable.

30. I find that the shipping line, via email dated 07.02.2025, further confirmed through Master BL No. 142E516966 dated 04.01.2025 that the vessel BAO HANG YUN reached Guangzhou Port, China on 02.01.2025 and departed on 04.01.2025.

31. I also find that the Dy. Secretary, Ministry of Steel vide email dated 20.02.2025 clarified that the one-time NOC/exemption for steel imports was restricted to consignments that had either arrived at Indian ports or had a Master Bill of Lading issued on or before December 3, 2024, with the provision closing on December 21, 2024. However, it was observed that some importers attempted to bypass this rule by obtaining House Bills of Lading dated before December 3, 2024, while the actual shipment took place later, as shown by the Master Bill of Lading. The Ministry clarified that only shipments covered by a Master Bill of Lading issued on or before December 3, 2024, are eligible for the exemption, and directed strict action to prevent such circumvention.

32. From above it is evident that the importer was aware of the policy of MOS to provide the one time NOC for clearance of the cargo was only available until 21.12.2024 for the BLs issued on or before 03.12.2024. Therefore, in order to escape the mandatory BIS certification on the imported goods they filed the BE based on HBL dt. 03.01.2024 and did not upload the MBL while filing the BE which has rendered the NOC no. NOC No. NOC2024004662_A dated 16.12.2024 procured on the basis of House Bill of Lading No. FS241205001 dated 03.12.2024 invalid.

Therefore, I find that in the goods i.e. The consignment of Cold Rolled Stainless Steel Coil Grade-J2 imported vide BE no. 8109186 dated 31.01.2025 are liable to be considered as prohibited as much as it has been attempted to be imported without valid mandatory NOC from Ministry of Steel as mandated vide circular dated 20.10.2023.

33. Confiscation of the goods under section 111(d) and 111(m) of the Customs Act, 1962.

33.1 The section 111(d) and 111(m) of the Customs Act, 1962 provide for the following:

111(a).....

.....

.....

111(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;

.....

.....

111(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 transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54.

33.2 I find that under Section 46(4) of the Customs Act, 1962, importers must truthfully declare all particulars in the Bills of Entry for customs assessment. In this case, the importer instructed the forwarder to file the IGM and upload the House Bill of Lading instead of the Master Bill, thereby seeking NOC based on the House BL despite the Ministry of Steel's OM dated 03.01.2025 cautioning against such circumvention. The investigation revealed that M/s Shree Khatu Shyam Steel & Tubes LLP attempted to clear Cold Rolled Stainless Steel Coil Grade-J2 valued at Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) under Bill of Entry No. 8109186 dated 31.01.2025 without a valid NOC, even though the actual shipment took place after 03.12.2024, as confirmed by Master BL No. 142E516966 dated 04.01.2025 issued by M/s Wan Hai Lines (India) Pvt. Ltd. Despite receiving the Master BL on 17.01.2025, the Customs Broker failed to submit it, indicating deliberate suppression of facts. Further, during the examination the goods were found to be 196kg in excess of the declared weight. Therefore, it is crystal clear that the importer and the Customs Broker have knowingly misdeclared information and rendered the goods liable for confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962.

33.3 I find that the goods have been held liable for confiscation under section 111(d) & 111(m) of the Customs Act, 1962 for being found to be prohibited for want of a NOC from Ministry of steel and in excess of the declared quantity, thus cannot be allowed for clearance for home consumption. Further, I find that the importer vide his letter dt. 15.07.2025 has requested for permission to re-export the goods. Therefore, I find that the imported goods are eligible for clearance under section 125 of the Customs Act, 1962 for re-export purpose only.

34. Determination of the correct quantity

34.1 I find that the examination report has found the variation in the weight as against the same declared in the BE the same is as follows:

--	--	--	--	--

Sr. No.	B/E No. and Date	Net Weight (in Kgs.) declared	CFS Weight (in Kgs.) found	Difference (in Kgs.)
1	8094031 dt. 30.01.2025	412524	412720	196

34.2 In view of the result of the examination report I find that in the B/E No. 8094031 dated 30.01.2025, declared net weight i.e. 412524 Kgs. is liable to be rejected and same be redetermined as 412720 Kgs.

35. Imposition of penalty on the importer M/s Shree Khatu Shyam Steel & Tubes LLP and the authorised CB M/s Oriental Trade Links under section 112(a) of the Customs Act, 1962.

35.1 The section 112(a)(i) of the Customs Act, 1962 provides for the following:

- 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)

(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] *[Substituted by Act 14 of 2001, Section 107, for certain words (w.e.f. 11.5.2001).]*, whichever is the greater;

(ii)

35.2 As per the discussions at above paras, the imported goods have been found liable for confiscation under section 111(d) & section 111(m) of the Customs Act, 1962 for being found mis-declared in terms of quantity and prohibited for want of NOC from Ministry of Steel. Therefore, I find that the importer for this omission and commission has held himself liable for a penalty under section 112(a)(i) of the Customs Act, 1962.

35.3 Further, I also find that the Customs Broker M/s Oriental Trade Link filed the BE no. 8109186 dated 31.01.2025 for the present shipment of Cold Rolled Coils Stainless Steel Coil Grade J2 imported by the importer M/s Shree Khatu Shyam Steel & Tubes LLP and as discussed above the imported goods have been found liable for confiscation under section 111(d) & section 111(m) of the Customs Act, 1962 for being found prohibited for want of NOC from Ministry of Steel. The Custom broker being the link between the importer and the Customs authority is supposed to be well versed with such policy condition and it is the duty of the Customs Broker to guide the importer about the same and also check the veracity of the documents submitted during filing of the Bill of Entry.

However, in the present case the CB M/s Oriental Trade Link did not do justice to his job in this case and have rendered the goods imported without a valid NOC from MOS liable for confiscation under section 111(d) & 111(m). Therefore, the CB has rendered himself liable for penalty under

Section 112(a)(i) of the Customs Act, 1962.

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

Order

- i. I order that the goods imported vide BE No. 8109186 dated 31.01.2025 having total declared assessable value of Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) are considered as prohibited 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. I order for confiscation of the goods found as Cold Rolled Stainless Steel Coil Grade-J2 having total declared assessable value of Rs. 3,91,64,616/- (Rs. Three Crore Ninety-One Lacs Sixty-Four Thousand Six Hundred Sixteen) under Section 111 (d) & (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 redeem the said goods for re-export purpose only on payment of redemption fine of **Rs.39,00,000 /- (Rupees Thirty-Nine Lakh Only)**.
- iii. I reject the declared quantity i.e. 412524 Kgs. of goods imported vide impugned Bill of Entry no. 8109186 dated 31.01.2025 and order to re-determine the same as 412720 Kgs.
- iv. I impose a penalty of **Rs.18,00,000/- (Rs. Eighteen thousand only)** under Section 112 (a)(i) of the Customs Act, 1962 upon M/s Shree Khatu Shyam Steel & Tubes LLP (IEC ADLFS0554M) for the reasons discussed in para supra.
- v. I impose a penalty of **Rs.5,00,000/- (Rs. Five Lakh only)** under Section 112 (a)(i) of the Customs Act, 1962 upon M/s Oriental Trade Links, authorised Customs Broker for the reasons discussed in para supra.

37. This order is issued without prejudice to any other action that may be taken against the noticee or persons or imported goods under the provisions of the Customs Act, 1962 or any other law for the time being in force in India.

Additional Commissioner of Customs,
Import Assessment,
Customs House, Mundra.

To,

1. M/s Shree Khatu Shyam Steel & Tubes LLP (IEC ADLFS0554M)
Ground Floor, Plot No. 956, Kh. No. 154, Village Pooth Khurd
North West, Delhi-110039.

2. CB Firm M/s Oriental Trade Links
Office No. 4, Gajjar Chamber, II Floor, Plot No. 241, Ward 12-B,
Gandhidham-370201

Copy to:

1. The Asst./Dy. Commissioner of Customs (SIIB), CH, Mundra
2. The Asst./Dy. Commissioner of Customs (Review Cell), CH, Mundra.
3. The Asst./Dy. Commissioner of Customs (EDI), CH, Mundra.
4. The Asst./Dy. Commissioner of Customs (TRC), CH, Mundra.
5. Office Copy.

-