	सीमा शुल्क के प्रधान आयुक्त का कार्यालय सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS CUSTOMS HOUSE, MUNDRA PORT, KUTCH, GUJARAT-370421. **Email-** Group4-mundra@gov.in	

A	**FILE NO./**फ़ाइल संख्या	CUS/ICFS/103/2025-DE
B	**OIO NO./**आदेश संख्या	MCH/ADC/ZDC/319/2026-27
C	**PASSED BY/**जारीकर्ता	Dipak Zala, ADDITIONAL COMMISSIONER, Custom House, Mundra.
D	**DATE OF ORDER/**आदेश की तारीख	#As per e-signed#
E	**DATE OF ISSUE/**जारी करने की तिथि	#As per e-signed#
F	**SCN No. & Date/**कारण बताओ नोटिस क्रमांक	212/2025-26/ADC/ZDC/MCH dated 23.02.2026
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/आयातक	M/s. RSA Fasteners, 5055, Bazar Sirkiwalan, Hauz Qazi, Delhi, North Delhi-110006.

1. यहआदेश संबन्धित को नि:शुल्क प्रदान किया जाता है।
   This Order - in - Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस आदेश से असंतुष्ट है तो वह सीमाशुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमाशुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते परअपील कर सकताहै-
   Any person aggrieved by this Order - in - Original may file an appeal under Section 128A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

)"सीमाशुल्कआयुक्त (अपील (मुंद्रा(,

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,

नवरंगपुरा,अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA

HAVING HIS OFFICE AT 4TH FLOOR, HUDCO BUILDING, ISHWAR BHUVAN ROAD, NAVRANGPURA, AHMEDABAD-380 009."

3. उक्तअपील यहआदेश भेजने की दिनांक से 60 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 be accompanied by –

(i) उक्त अपील की एक प्रति और A copy of the appeal, and

(ii) इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची-1 के अनुसार न्यायालय शुल्क अधिनियम-1870 के मद सं°-6 में निर्धारित 5/- रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।

This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.

5. अपील ज्ञापन के साथ ड्यूटि/ ब्याज/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।

Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.

6. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमाशुल्क अधिनियम, 1962 के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।

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

7. 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 (A) 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

M/s RSA Fasteners (IEC:0509050018) having its registered address at 5055, Bazar Sirkiwalan, Hauz Qazi, Delhi, North Delhi-110006 (hereinafter referred to as 'the said importer') filed Bill of Entry No. 5033838 dated 10.10.2025 for

clearance of goods declared as Screws under CTH 73181500 and Flange Nuts under CTH 73181600, imported from M/s Haining Hifasters Industrial Co. Ltd., China. The assessable value declared in the Bill of Entry was Rs. 33,06,539.53/- and the duty involved was Rs. 12,38,960/-. The details of the Bill of Entry are as under: -

Table-I

(1 USD = 89.7 INR)

Sr. No.	CTH	Description	Unit Price (In USD)	Quantity (In Kgs)	Amount (In Rs.)
1	73181500	SCREW	1.5	22545	30,33,429.75
2	73181600	Flange Nuts	0.674801	4512	2,73,109.78
Total				27057	33,06,539.53

2.1 The said consignment was brought in container MEDUR2228589. The consignment was initially examined by the Docks Examination Section (DE). Their observation was as under:

"During the examination, it was observed that the goods are hexagon head screws and hexagon flange nuts, which fall under the scope of the Bolts, Nuts and Fasteners (Quality Control) Order, 2024, notified on 12.07.2024, and effective from 01.08.2024 for the said goods. On enquiry, the importer has confirmed that they do not possess a valid BIS certification for the imported items, leading to non-compliance with the provisions of the QCO and the Bureau of Indian Standards Act, 2016."

2.2 It is further observed that the goods viz. "hexagon head screws and hexagon flange nuts", recovered in the present consignment, fall under Chapter Heading 7318 of the Customs Tariff and are covered under the Bolts, Nuts and Fasteners (Quality Control) Order, 2024, issued by the Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) vide Notification S.O. 3267(E) dated 21.07.2023. The said Order mandates that goods specified in the Schedule thereto shall conform to the applicable Indian Standards and bear the Standard Mark (ISI Mark) under a valid licence from the Bureau of Indian Standards (BIS) in accordance with the provisions of the Bureau of Indian Standards Act, 2016 and the BIS (Conformity Assessment) Regulations, 2018.

2.3 As per the Table annexed to the aforesaid Quality Control Order, at Serial No. 1, "Hexagon Head Screw" are covered under Indian Standard IS 1363 (Part

2):2018 – Drywall Screws Specification. Similarly, Hexagon Flange Nuts falling under Chapter Heading 73181600 of the Customs tariff and are covered under IS:15581:2018. Accordingly, import of such screws is permitted only if the overseas manufacturer holds a valid BIS licence for the said standard, and the goods bear the ISI Mark with the corresponding licence number traceable to the manufacturer. The importer is required to declare such details at the time of import and produce documentary proof of compliance for Customs verification.

2.4 In the present case, no BIS licence or Certificate of Conformity as prescribed under the said Quality Control Order has been produced by the importer in respect of the undeclared "Hexagon Screw and Hexagon Flange Nuts" detected in the consignment. Consequently, the goods do not conform to the requirements of IS 1363 (Part 2):2018 & IS 15581:2018 and their import is in contravention of the provisions of the Quality Control Orders, issued under the BIS Act, 2016.

3. As per Notification No. 55/2023 dated 03.01.2024, issued by the Directorate General of Foreign Trade (DGFT), the import of Screws is prohibited, except where the CIF value is ₹129/- or above per kg and subject to compliance with Policy Condition Nos. 2 and 3 of CTH 7318. Further, on perusal of the past Bill of Entries, contemporary data available in EDI system and NIDB data, the value declared by the importer seems fair.

4. Accordingly, in the absence of any BIS certificate, it appears the goods covered under B/E No. 5033838 dated 10.10.2025 were imported without requisite BIS licence/ certification, and without being valid BIS licence/certificate, contrary to condition imposed vide BIS, 2016 read with Quality Control Order issued by the Government of India, rendering the said goods as 'prohibited' for import into India.

5. Thus, prima facie, it appears that M/s RSA Fasteners, vide B/E No. 5033838 dated 10.10.2025, attempted to clear "Hexagon Head Screw" and "Hexagon Flange Nuts" classifiable under CTH 73181500 and CTH 73181600 respectively without a valid BIS certificate to bypass restriction under CTH 7318. Considering attempt to import goods without mandatory BIS compliance, the impugned goods become prohibited and appear liable to confiscation under Sections 111(d), 111(m) and 111(o) of the Customs Act, 1962.

6. Legal Provisions: -

6.1 Section 2(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;

6.2 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.

6.3 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;

(o) any goods exempted, subject to any condition, from duty or any prohibition in respect of the import thereof under this Act or any other law for the time being in force, in respect of which the condition is not observed unless the non-observance of the condition was sanctioned by the proper officer;

6.4 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.

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;]

6.5 Section 124 prescribes the mandatory issuance of show cause notice before confiscation of goods, which reads as under:

No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person-

a. is given a notice in writing with the prior approval of the officer of Customs not below the rank of an Assistant Commissioner of Customs, informing him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;
b. is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and
c. is given a reasonable opportunity of being heard in the matter:

Provided that the notice referred to in clause (a) and the representation referred to in clause (b) may, at the request of the person concerned be oral.
Provided further that notwithstanding issue of notice under this Section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.

6.6 SECTION 125 provides the option to pay fine in lieu of confiscation as under:

(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:

Provided that where the proceedings are deemed to be concluded under the proviso to sub-Section (2) of section 28 or under clause (i) of sub-Section (6) of that Section in respect of the goods which are not prohibited or restricted, 3 [no such fine shall be imposed]:

Provided further that, without prejudice to the provisions of the proviso to sub-Section (2) of Section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.

(2) Where any fine in lieu of confiscation of goods is imposed under sub- Section (1), the owner of such goods or the person referred to in sub- Section (1), shall, in addition, be liable to any duty and charges payable in respect of such goods.]
(3) Where the fine imposed under sub-Section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.

6.7 Section 46. Entry of goods on importation. –

(1) The importer of any goods, other than goods intended for transit or transhipment, 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, it appears that importer has tried to clear goods i.e. Hexagon Screw and Hexagon Flange Nuts without a valid BIS certificate. Hence, it appears that the importer had knowingly involved themselves in the suppression of the material facts and also indulged in mis statement of facts. The importer by their acts of omission and

commission renders imported goods liable for confiscation under Section 111(d), 111(m) and 111(o) of the Customs Act, 1962. The acts of omission and commission on the part of importer rendered the imported goods liable for penalty under the provisions of Section 112(a)(i) of the Customs Act, 1962.

7. Summary:

7.1 M/s RSA Fasteners filed Bill of Entry No. 5033838 dated 10.10.2025 declaring the import of "Hexagon Screw" and "Hexagon Flange Nuts" from M/s Haining Hifasters Industrial Co. Ltd., China. Examination has revealed that the "Hexagon Screw" and "Hexagon Flange Nuts" found in the consignment fall under CTH 7318 and are covered the Bolts, Nuts and Fasteners (Quality Control) Order, 2024, issued by the Ministry of Commerce and Industry (Department for Promotion of Industry and Internal Trade) vide Notification S.O. 3267(E) dated 21.07.2023, under the provisions of the Bureau of Indian Standards Act, 2016. As per the said Order, "Hexagon Head Screws" are specified at Serial No. 1 of the Table, corresponding to Indian Standard IS 1363 (Part2):2018; "Hexagon Flange Nuts are covered under IS 15581:2018 and their import is permitted only if they conform to the said standard and bear the Standard Mark (ISI mark) under a valid BIS licence issued to the manufacturer. No BIS licence, certification has been produced or found on the goods. Thus, the mis-declared screws, Nut are liable to be treated as prohibited goods, having been imported in contravention of the BIS Quality Control Order and the DGFT import policy conditions.

7.2 Thus, by acts of omission and commission on the part of the importer, it appears that the importer has contravened the provisions of Section 46 and Section 17 of the Customs Act, 1962, in as much as they failed to make a true, correct, and complete declaration in the Bill of Entry. Accordingly, the goods imported by the importer appear liable to confiscation under Section 111(d), 111(m) and Section 111(o) of the Customs Act, 1962, and the importer, M/s. RSA Fasteners, has rendered themselves liable to penalty under Section 112(a) of the Customs Act, 1962.

8. Accordingly, Show Cause Notice dated 23.02.2026 was issued to M/s RSA Fasteners, situated at 5055, Bazar Sirkiwalan, Hauz Qazi, Delhi, North Delhi-110006 wherein they were called upon to show cause to the Additional Commissioner of Customs (Import), Customs House, Mundra, as to why:

i. The imported goods have been imported by way of mis-declaration are covered under BIS QCO requirements, the same are rendered as "prohibited goods" for import into India, should not be confiscated under Section 111(d), 111(m) and 111(o) of the Customs Act, 1962;

ii. penalty should not be imposed upon them under Section 112(a)(i) of the Customs Act, 1962.

RECORD OF PERSONAL HEARING

9. In compliance of principle of natural justice "Audi alteram partem", opportunities to be heard were granted to the noticee on 07.05.2026, 18.05.2026, 18.06.2026 and 10.08.2026. Shri Khushagar Aggarwal, authorised representative of M/s RSA Fasteners turned up for the personal hearing before the adjudicating authority on 10.08.2026. He submitted that the shipment contained screws and flange nuts; that the importer had placed an order for cross-head screws but the overseas supplier supplied hex-head screws instead; and that the discrepancy came to the importer's notice upon receipt/verification of the shipment.

The authorised representative further submitted that, in view of the applicable BIS requirements, the importer did not wish to clear or market the goods in India and requested permission to re-export the entire cargo to the overseas supplier. He also requested that the applicable fine/penalty, if any, be considered at the minimum permissible level and undertook to comply with all conditions prescribed by Customs for expeditious re-export. Importer further submitted that all previous submissions/representations made by them in the matter were withdrawn.

The importer also placed on record a letter dated 14.08.2025 issued by the overseas supplier, M/s Haining Hifasters Industrial Co. Ltd., wherein the supplier confirmed that, due to an inadvertent error during shipment handling/cargo preparation, the wrong cargo was dispatched to RSA Fasteners and acknowledged responsibility for the error.

DISCUSSION AND FINDINGS

10. I have carefully gone through the records of the case, the Show Cause Notice, the examination findings, the personal hearing record and the letter of explanation issued by the overseas supplier. I have also considered the submissions made by the authorised representative of the importer and the applicable provisions of the Customs Act, 1962. Now, I proceed to examine the issues involved in the present case in light of available records, statutory provisions and judicial precedents. On careful perusal of the Show Cause Notice and case records, I find that the following issues arise for determination in this adjudication: -

i. Whether the impugned goods are liable to confiscation under Sections 111(d), 111(m) and 111(o) of the Customs Act, 1962;

ii. Whether the importer is liable to penalty under Section 112(a)(i) of the Customs Act, 1962.

11. Regarding the issue of confiscation of the impugned goods, I find that the goods declared as "Screws" and "Flange Nuts" in Bill of Entry No. 5033838 dated 10.10.2025. The goods were examined by the Docks Examination Section and were found to be "Hexagon Head Screws" and "Hexagon Flange Nuts". The said goods fall under Chapter Heading 7318 of the Customs Tariff and are covered under the Bolts, Nuts and Fasteners (Quality Control) Order, 2024. The import of such goods is subject to compliance with the applicable BIS standards and possession of a valid BIS licence. However, no valid BIS licence in respect of the impugned goods has been produced by the importer. Thus, the goods have been imported in contravention of the applicable BIS requirements and are liable to be treated as prohibited goods.

11.1 I find that the "Hexagon Head Screws" and "Hexagon Flange Nuts" found in the subject consignment are covered under the relevant provisions of the Bolts, Nuts and Fasteners (Quality Control) Order, 2024, and are required to conform to the applicable Indian Standards, namely IS 1363 (Part 2):2018 and IS 15581:2018 respectively, and bear the Standard Mark under a valid BIS licence. In the present case, the importer has not produced any valid BIS licence/certificate in respect of the impugned goods. Therefore, the import of the said goods is in contravention of the applicable BIS requirements and the goods are liable for confiscation under Section 111(d) of the Customs Act, 1962.

11.2 I further find that declaring the goods declaring as "Screws" and "Flange Nuts", whereas the goods found on examination were "Hexagon Head Screws" and "Hexagon Flange Nuts". Therefore, the declaration made by the importer was not complete and correct in all material particulars and the goods did not correspond with the declaration made in the Bill of Entry. Accordingly, the impugned goods are also liable for confiscation under Section 111(m) of the Customs Act, 1962.

11.3 Further, the importer failed to fulfil the mandatory BIS requirements and did not produce the prescribed BIS licence/certification, the conditions subject to which the import was permitted were not complied with. I therefore find that the impugned goods are also liable for confiscation under Section 111(o) of the Customs Act, 1962. In view of the above, I hold that the impugned goods are liable for confiscation under Sections 111(d), 111(m) and 111(o) of the Customs Act, 1962.

12. Regarding the issue of imposition of penalty, I find that the evidence on record clearly establishes that the importer filed Bill of Entry No. 5033838 dated

10.10.2025 declaring the goods as “Screws” and “Flange Nuts”, whereas the goods found on examination were “Hexagon Head Screws” and “Hexagon Flange Nuts”. Further, the importer did not possess or produce the mandatory BIS licence/certification under the Bolts, Nuts and Fasteners (Quality Control) Order, 2024. Thus, the importer failed to make a true, correct and complete declaration and also failed to comply with the restrictions/prohibitions applicable to the imported goods. These acts and omissions on the part of the importer rendered the impugned goods liable to confiscation under Section 111 of the Customs Act, 1962. Accordingly, I find that the importer, M/s. RSA Fasteners, is liable to penalty under Section 112(a)(i) of the Customs Act, 1962 and the proposal for imposition of penalty is sustainable in law.

13. In view of the above facts of the case and findings on record, I pass the following order: -

i. I order to reject declared description of the goods as mentioned in Bill of Entry No. 5033838 dated 10.10.2025; and order to redetermine the same as discussed above;

ii. I order to confiscate the impugned goods imported vide Bill of Entry No. 5033838 dated 10.10.2025 having assessable value of **Rs. 33,06,539.53/- (Rupees Thirty-Three Lakh Six Thousand Five Hundred Thirty-Nine and Fifty-Three Paise Only)** under Section 111(d), 111(m) and 111(o) of the Customs Act 1962; However, I give an option to the importer to redeem the goods for re-export only on payment of Redemption Fine of **Rs. 3,30,000/- (Rupees Three Lakh Thirty Thousand only)** under the provisions of section 125 of the said Act ibid.

iii. I impose penalty of **Rs 1,70,000/- (Rupees One Lakh Seventy Thousand only)** on the importer i.e. M/s. RSA Fasteners under Section 112 (a)(i) of the Customs Act, 1962.

14. This order is issued without prejudice to any other action which may be contemplated against the importer or any other person under provisions of the Customs Act, 1962 and rules/regulations framed thereunder or any other law for the time being in force in the Republic of India.

Digitally signed by Dipakbhai Zala
Date: 19-09-2026 14:40:33

Dipak Zala,
Additional Commissioner,
Custom House, Mundra.

By Speed Post/Regd. Post/E-mail/Hand Delivery

CUS/ICFS/103/2025-Dock Examination.

To,

M/s RSA Fasteners,
5055, Bazar Sirkiwalan, Hauz Qazi,
Delhi, North Delhi-110006.

Copy to:

1. The DC/AC, RRA/TRC/EDI, Mundra Customs.
2. Notice Board/Guard File.