OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
CUSTOMS HOUSE, MP & SEZ
MUNDRA, KUTCH-GUJARAT -370421
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सत्यमेव जयते

A	**File No.**	**CUS/APR/MISC/1121/2024-Gr 4-O/o Pr Commr-Cus-Mundra**
B	**OIO No.**	**MCH/ADC/ZDC/100/2026-27**
C	**Passed by**	**Sh. Dipak Zala, Additional Commissioner, (Import Assessment), Custom House Mundra.**
D	**Date of order**	**20.05.2026**
E	**Date of Issue**	**21.05.2026**
F	**Noticee / Party/ Importer**	**M/s HARI OM IRON & STEEL TRADERS, OFFICE-212, GIRISH GHOSH ROAD, 4TH FLOOR, ROOM NO-428A, BELUR, HOWRAH, WEST BENGAL-711202 (IEC-FMAPS4867Q)**
G	**DIN**	20260571MO0000888F4A

1. यह अपील आदेश 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 अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1- 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-380 009
THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA
4th Floor, HUDCO Building, Ishwar Bhuvan Road,
Navrangpura, Ahmedabad-380 009

3. उक्त अपील यह आदेश भेजने की दिनांक से 3 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 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, सीमा शुल्क (अपील) नियम,1982 और सीमा शुल्क 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 Case

M/s HARI OM IRON & STEEL TRADERS, OFFICE-212, GIRISH GHOSH ROAD, 4TH FLOOR, ROOM NO-428A, BELUR, HOWRAH, WEST BENGAL-711202 (IEC-FMAPS4867Q) (hereinafter referred to as "the importer" for the sake of brevity) filed Bill of Entry No.9048684 dated 02.12.2023 at Mundra Port for clearance of "***USED & DISCARDED***

SCRAP CAST IRON ROLLS FOR MELTING (CTH 72044100)" having assessable value of Rs.27,18,474/- classifying the same under CTH 72044100 of the First Schedule of the Customs Tariff Act, 1975.

2. The above mentioned Bill of Entry was assessed through FAG & Second Check Examination was conducted as per RMS Order. During examination in presence of Customs Broker's Representative it was observed that cargo appeared to be as declared as per Invoice, BL & Packing List. However, as per RMS instructions country of origin i.e. South Africa had banned export of copper & ferrous scrap. Accordingly, it appeared that PSIC Certificate issued by Inspection Agency M/s Wise Service FZE showing place of inspection as Durban, South Africa was not genuine. Accordingly, PSIC (Post-Shipment) was conducted on 11.01.2024 by Global Marine Inspection as per approval by competent authority & it was reported that consignment did not contain any type of arms, ammunitions, mines, shells, cartridges, or any other explosive material in any form, either used or otherwise, and that the consignment was checked for radiation level and it does not have radiation levels (gamma and neutron) in excess of natural background.

3. The Bill of Entry was assessed subject to production of SPCB Certificate before Out-of-Charge. However, importer could not produce SPCB Authorization Certificate as such consignment was not cleared and Bill of Entry was again sent to Port Assessment Group (PAG) for further proceedings. Query regarding production of valid SPCB Certificate was also given to importer on 20.04.2024 to which importer replied on 06.09.2025 that SPCB Certificate has been uploaded in E-sanchit.

4. Importer also took permission dated 01.02.2024 under Section 49 of the Customs Act, 1962 for only 30 days by the

then Group AC/DC for storage of the goods in public warehouse pending clearance. However, importer did not apply for extension of time limit for storage in public warehouse even once after obtaining permission which is required to be obtained by Principal Commissioner/Commissioner of Customs as per proviso to Section 49 of the Customs Act, 1962.

5. As per the Notification No.19/2015-20 dt. 07.02.2022 issued vide F.No.: 01/89/180/MONI-5852/AM-03/PCPC-2(A)/E-1663 by the DGFT effective from 07.02.2022. The Steel Importing Monitoring System (SIMS) shall require importers to submit advance information in an online system for import of items and obtain an automatic Registration Number by paying registration fee of Rs. 1 per thousand subject to minimum of Rs. 500/ and maximum of Rs. 1 lakh on CIF value. The importer can apply for registration not earlier than 60th day before the expected date of arrival of import consignment. The automatic Registration Number thus granted shall remain valid for a period of 75 days. It was noticed that Bill of Entry was filed on 02.12.2023 and SIMS Certificate date is 01.12.20123 but Entry Inward of the consignment was on 27.11.2023. As such in the instant case, the importer has not followed the timelines/guidelines of the Notification dated 07.02.2022. As the SIMS registration certificate had been generated after IGM inward date.

6. **RELEVANT LEGAL PROVISIONS:**

(A) **Notification No.*19/2015-20 dt. 07.02.2022 issued vide F.No.:01/89/180/MONI-5852/AM-03/PCPC-2(A)/E-1663 by DGFT.***

(B) ***THE HAZARDOUS AND OTHER WASTES MANAGEMENT AND TRANSBOUNDARY MOVEMENT RULES, 2016***

(C) ***Para 2.32 of Foreign Trade Policy & Para 2.51 of Handbook of Procedures by DGFT***

(D) RELEVANT PROVISIONS OF CUSTOMS ACT, 1962:

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 11A: *"illegal import" means the import of any goods in contravention of the provisions of this Act or any other law for the time being in force.*

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:
(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. Confiscation of improperly imported goods, etc. – *The following goods brought from a place outside India shall be liable to confiscation:-*

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

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 117. *Penalties for contravention, etc., not expressly mentioned. -*

Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding 1[four lakh rupees].

Section 125. Option to pay fine in lieu of confiscation. -

(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods 1 [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:

2 [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.

4 [(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.]

5 [(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.

*Explanation .-For removal of doubts, it is hereby declared that in cases where an order under sub-section (1) has been passed before the date** on which the Finance Bill, 2018 receives the assent of the President and no appeal is pending against such order as on that date, the option under said sub-section may be exercised within a period of one hundred and twenty days from the date on which such assent is received.]*

7. Since, goods were imported into India without the requisite SPCB Certificate, PSIC Certificate, valid SIMS certificate within the applicable time limit, the impugned goods have been imported without authorization and are liable for confiscation under Section 111(d) of the Customs Act, 1962, and for his act of omission and commission the importer is liable for penalty under Section 112(a) of the Customs Act, 1962.

8. **RECORD OF PERSONAL HEARING AND SUBMISSION OF IMPORTER**

Importer vide their letter dated 07.03.2026 submitted that they do not need any SCN or Personal Hearing (PH) in this matter. They further submitted that they are ready to pay all the charges due against this shipment, before clearance of the goods and requested to resolve the matter at the earliest as they are suffering huge monetary losses with each passing day for warehousing charges.

9. DISCUSSION AND FINDINGS:

9.1 In the instant case, I find that the main issues that are to be decided are:

i. Whether the impugned goods are liable for confiscation under Section 111(d) of the Customs Act, 1962.

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

iii. Whether penalty is imposable upon the importer under

Section 117 of the Customs Act, 1962.

9.2 I have carefully gone through the facts of the case, the available records, relevant provisions of the Customs Act, 1962, the Foreign Trade Policy provisions, Notification No.19/2015-20 dated 07.02.2022 issued by DGFT, the Hazardous and Other Wastes (Management and Transboundary) Movement Rules, 2016, and the submissions made by the importer vide letter dated 07.03.2026. I find that the importer has voluntarily waived issuance of Show Cause Notice and Personal Hearing and requested for early resolution of the matter.

9.3 I find that M/s HARI OM IRON & STEEL TRADERS filed Bill of Entry No. 9048684 dated 02.12.2023 for clearance of "USED & DISCARDED SCRAP CAST IRON ROLLS FOR MELTING" classifiable under CTH 72044100. During examination and subsequent scrutiny of documents, it was observed that the importer had not complied with certain mandatory requirements prescribed under the Customs Act, 1962 and allied laws governing import of metal scrap.

9.4 I find that at the time of import and assessment, the importer failed to produce the requisite valid authorization/certificate issued by the State Pollution Control Board (SPCB), which is a mandatory requirement for import of such goods under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016 and the applicable Foreign Trade Policy provisions. Further, doubts had arisen regarding the genuineness and validity of the Pre Shipment Inspection Certificate (PSIC) submitted by the importer, particularly because the certificate reflected South Africa as the place of inspection despite prevailing

restrictions relating to export of scrap from the said country. Therefore, the authenticity and validity of the supporting documents became questionable.

9.5 I further find that the importer also failed to comply with the conditions prescribed under Notification No.19/2015-20 dated 07.02.2022 relating to Steel Import Monitoring System (SIMS), inasmuch as the SIMS registration was generated after the inward date of the Import General Manifest (IGM), contrary to the timelines prescribed under the said notification. Thus, the importer failed to comply with the procedural requirements governing import of the impugned goods.

9.6 I also observe that though the importer had initially obtained permission under Section 49 of the Customs Act, 1962 for storage of the goods for a period of 30 days, no extension of such permission was obtained from the competent authority after expiry of the permitted period. The importer, therefore, failed to comply with the provisions of Section 49 of the Customs Act, 1962.

9.7 From the above facts, I find that the importer failed to ensure compliance with the provisions of Section 46(4A)(a), (b) and (c) of the Customs Act, 1962, which cast responsibility upon the importer to ensure correctness of information, authenticity and validity of supporting documents, and compliance with restrictions or prohibitions imposed under any law for the time being in force.

9.8 Accordingly, I hold that the impugned goods were imported in contravention of the provisions of the Customs Act, 1962 and allied laws and therefore became liable for confiscation under Section 111(d) of the Customs Act, 1962.

9.9 However, I find that the violations in the instant case are procedural and curable in nature. The records reveal that the importer has subsequently produced the requisite SPCB authorization/certificate. Further, a valid Post Shipment Inspection Certificate (PSIC) has also been obtained post facto from the authorized inspection agency. I also find that SIMS registration has been obtained by the importer, though belatedly. Thus, the deficiencies noticed at the time of importation now stand substantially regularized.

9.10 I further observe that there is no allegation or evidence regarding misdeclaration of description, quantity, value or classification of the imported goods. The goods are not prohibited goods per se and the violations pertain primarily to delayed compliance of procedural and regulatory requirements. The subsequent compliance made by the importer reflects bonafide intention to regularize the import in accordance with law.

9.11 Therefore, although the impugned goods are liable to confiscation under Section 111(d) of the Customs Act, 1962, I find that importer has requested vide their letters that they are suffering huge financial losses due to warehousing charges being accumulated with each passing day. In view of the request of importer, I find that the option for redemption of goods may be extended to importer in terms of Section 125 of the Customs Act, 1962. Accordingly, I extend an option to redeem the confiscated goods on payment of appropriate redemption fine in lieu of confiscation under Section 125 of the Customs Act, 1962, subject to payment of applicable duty, fine, penalty and other charges as required under law.

9.12 I further find that the importer, by acts of omission and commission, rendered the goods liable to confiscation

under Section 111(d) of the Customs Act, 1962. Therefore, penalty under Section 112(a)(i) of the Customs Act, 1962 is imposable upon the importer for failure to comply with the mandatory statutory requirements relating to SPCB authorization, valid PSIC documentation and SIMS registration within the prescribed timelines.

9.13 I also find that the importer contravened the provisions relating to storage of imported goods under Section 49 of the Customs Act, 1962 by not obtaining extension of storage permission from the competent authority after expiry of the initially permitted period. Since no express penalty is separately provided for such contravention, penalty under Section 117 of the Customs Act, 1962 is also attracted in the present case.

9.14 However, while determining the quantum of redemption fine and penalties, I take into account the fact that the importer has subsequently complied with the substantive requirements by producing SPCB authorization, PSIC certificate and SIMS registration, though belatedly, and has also waived issuance of Show Cause Notice and Personal Hearing and expressed willingness to pay applicable dues for clearance of the goods.

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

ORDER

(i) I order to confiscate the goods ("USED & DISCARDED SCRAP CAST IRON ROLLS FOR MELTING") having assessable value of **Rs. 27,18,474/- (Rupee Twenty Seven Lakhs Eighteen Thousand Four Hundred and Seventy Four Only)** under Section 111(d) of the Customs Act, 1962. However, I give an option to

redeem the goods in lieu of redemption fine of Rs.3,00,000/- (Rupees Three Lakh only) under Section 125(1) of the Customs Act, 1962. Where fine is not paid within 120 days from the date of this order such option would become null and void unless an appeal is pending against this order;

(ii) I impose a penalty of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) on the importer under Section 112(a)(i) of the Customs Act, 1962.

(iii) I impose a penalty of Rs.10,000/- (Rupees Ten Thousand only) on the importer under Section 117 of the Customs Act, 1962.

11. 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.

Digitally signed by Dipakbhai Zala
Date: 21-05-2026 18:18:42

Dipak Zala,
Additional Commissioner of Customs
Import Assessment, Custom House,
Mundra

To,

M/s HARI OM IRON & STEEL TRADERS,
OFFICE-212, GIRISH GHOSH ROAD, 4TH FLOOR,
ROOM NO-428A, BELUR, HOWRAH,
WEST BENGAL-711202 (IEC-FMAPS4867Q)

Copy to:-

1. The Deputy/Assistant Commissioner (RRA/TRC/EDI), Custom House,

Mundra.

2. Guard File