कार्यालय: प्रधान आयुक्त, सीमाशुल्क, मुन्द्रा,
सीमाशुल्क भवन, मुन्द्रा बंदरगाह, 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

A	**FILE NO.** फ़ाइल संख्या	**CUS/APR/INV/560/2026-Gr 4-O/o Pr Commr-Cus-MundraCUS**
B	**OIO NO.** आदेश संख्या	**MCH/ZDC/ADC/340/2026-27**
C	**PASSED BY** जारीकर्ता	**Dipak Zala,** **Additional Commissioner of Customs/** **अपर आयुक्त, सीमा शुल्क,** **Custom House, Mundra/ कस्टम हाउस, मुंद्रा।**
D	**DATE OF ORDER** आदेश की तारीख	25-09-2026
E	**DATE OF ISSUE** जारी करने की तिथि	25-09-2026
F	**SCN No. & Date** कारण बताओ नोटिस क्रमांक	Waived.
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/आयातक	**M/s. Jindal Job Work (IEC/PAN: AJFPJ7306N)**

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 धारा128 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 128 of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

"सीमाशुल्कआयुक्त) अपील(,

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,

नवरंगपुरा,अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS)

HAVING HIS OFFICE AT 4TH FLOOR, HUDCO BUILDING, ISHWAR BHUVAN ROAD,

NAVRANGPURA, AHMEDABAD-380 009."

3. उक्तअपील यहआदेश भेजने की दिनांक से 60दिन 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-1870के 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, 1982और 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

The importer M/s. Jindal Job Work (IEC/PAN AJFPJ7306N), having

address at C-12/1, Backside, Wazirpur Industrial Area, Delhi, North West Delhi, Delhi-110052 (hereinafter referred to as the "Importer" for the sake of brevity), imported the goods covered under Bill of Entry No. 7471729 dated 12.02.2026 at Mundra Port. The importer declared the goods as "Cold Rolled Stainless Steel Coil Grade 17-4 PH, Finish 2B" under CTH 72193590. The said Bill of Entry was filed through Customs Broker M/s. Cargo Clearing Agency (GUJ.) and was marked for examination by RMS/System. The consignment was contained in Container No. TEMU1961163 and was lying at M/s. Seabird CFS, APSEZ, Mundra.

Table-I

Sr. No.	BE No. & Date	Declared CTH	Description of Goods	Weight (Kgs)
1	7471729 dated 12.02.2026	72193590	Cold Rolled Stainless Steel Coil Grade 17-4 PH Finish 2B (0.26 MM × 620 MM × C) – 3 Coils	7,670
2	7471729 dated 12.02.2026	72193590	Cold Rolled Stainless Steel Coil Grade 17-4 PH Finish 2B (0.26 MM × 650 MM × C) – 1 Coil	2,322
3	7471729 dated 12.02.2026	72193590	Cold Rolled Stainless Steel Coil Grade 17-4 PH Finish 2B (0.26 MM × 730 MM × C) – 4 Coils	18,062

2. Examination of the Goods:

2.1 The Docks Officer initially examined the goods and conducted PMI testing for verification of the declared grade. As the PMI indication did not correspond with the declared grade, the matter was forwarded to SIIB. Thereafter, SIIB officers examined the goods on 20.04.2026 under Panchnama in the presence of the representative of the importer and the representative of the Customs Broker. Eight cylindrical rolls/coils wrapped in grey PP material and placed on pallets were found. Samples were drawn from all eight coils for laboratory testing. The quantity and weight of the goods were found as declared in the Bill of Entry.

Table-II

Sr. No.	Container No.	Goods found during examination	No. of Coils
1	TEMU1961163	Stainless Steel Coils of widths 620 mm, 650 mm and 730 mm	8

3. Analysis of Test Reports:

3.1 Representative samples drawn from all eight coils were forwarded to

CRCL, Kandla vide Test Memo Nos. 54-61/2026-27 dated 21.04.2026. CRCL issued Test Report Nos. 377-384 dated 22.04.2026. The reports describe the samples as stainless steel comprising principally iron, chromium, manganese and nickel with small quantities of copper, silica and phosphorous. The reports also record that whether the material was hot rolled or cold rolled and whether it was Grade 17-4 PH could not be ascertained.

Table-III

Sr. No.	CRCL Test Report	Thickness (mm)	Observation
1	377	0.25	17-4 PH grade could not be ascertained
2	378	0.30	17-4 PH grade could not be ascertained
3	379	0.26	17-4 PH grade could not be ascertained
4	380	0.22	17-4 PH grade could not be ascertained
5	381	0.42	17-4 PH grade could not be ascertained
6	382	0.42	17-4 PH grade could not be ascertained
7	383	0.24	17-4 PH grade could not be ascertained
8	384*	0.27	17-4 PH grade could not be ascertained

3.2 The elemental composition reported by CRCL in respect of the eight samples is summarized below. The Investigation Report, on comparison of the reported composition with the declared grade, concluded that the goods were other than the declared Grade 17-4 PH and appeared to be of N-series. The laboratory itself, however, did not specify a substitute grade.

Table-IV

Test Report	Cr %	Mn %	Ni %	Thickness (mm)
377	13.89	8.80	1.16	0.25
378	13.96	8.75	1.08	0.30
379	13.96	8.95	1.11	0.26
380	14.21	8.95	1.08	0.22
381	14.03	8.80	1.16	0.42
382	13.90	8.40	1.17	0.42
383	14.10	9.09	1.12	0.24
384*	13.34	8.85	1.16	0.27

4. Classification of the Goods:

4.1 I find that the goods were mis-declared in respect of grade. The declared tariff classification under CTH 72193590 was, however, found to be correct

and no change in tariff classification was proposed.

Table-V

Sr. No.	Description of goods found/considered	Declared CTH
1	Cold Rolled Stainless Steel Coil – grade other than declared Grade 17-4 PH	72193590

5. Re-determination of Description and Quantity of Goods:

5 . 1 The physical examination did not reveal any excess or shortage in quantity.

Table-VI

Sr. No.	Description of goods	Declared Quantity (Kgs)	Re-determined Quantity (Kgs)
1	Cold Rolled Stainless Steel Coil – width 620 mm	7,670	7,670
2	Cold Rolled Stainless Steel Coil – width 650 mm	2,322	2,322
3	Cold Rolled Stainless Steel Coil – width 730 mm	18,062	18,062

6. Valuation of the Goods:

6.1 The importer declared the goods at USD 1,203.07 per MT, corresponding to approximately Rs. 109.90 per Kg, with total assessable value of Rs. 30,83,147/-. Since the laboratory findings indicated a grade different from that declared, NIDB data relating to imports from China under CTH 72193590 was examined.

Table-VII

Sr. No.	Particulars	Value / Range	Finding	Basis
1	Declared assessable value	Rs. 30,83,147/-	Accepted	Transaction value
2	Declared unit value	Approx. Rs. 109.90/Kg	Within NIDB range	USD 1,203.07/MT
3	NIDB range for CTH 72193590 from China	Approx. Rs. 86.94–140/Kg	Comparable range	Investigation Report

6.2 In view of the above, the assessable value of Rs. 30,83,147/- declared by the importer was accepted by the Investigation Report. Consequently, no enhancement of assessable value and no differential duty on account of valuation was proposed.

7. Importability and Policy Condition:

7.1 I find that stainless steel coils falling under Chapter **72** and covered by IS 6911 were subject to mandatory BIS compliance under the Steel and Steel Products Quality Control Order, 2024 dated 05.02.2024. The importer did not produce BIS authorisation for the goods at the relevant stage. Therefore, the goods are restricted for non-compliance of Steel and Steel Products Quality Control Order, 2024.

7.2 I further find that the importer declared the goods as Grade 17-4 PH, whereas the chemical composition reported by CRCL did not support the declared grade. On that basis, the investigation proposed confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962 ibid and has also rendered themselves liable for penal action under Section 112 (a)(i) of the Customs Act, 1962.

8. Summons and Record of Statement:

8.1 Summons dated 06.07.2026 was issued under Section 108 of the Customs Act, 1962. The importer, through written submission, stated that the overseas supplier had mistakenly loaded wrong goods against Purchase Order No. JJW/PO/25-26/001 dated 20.05.2025. The importer further relied upon the Ministry of Steel Order dated 27.04.2026, stating that compliance exemption for IS 6911, IS 5522, IS 15997 and IS 14650 had been extended up to 26.10.2026. The importer requested clearance for home consumption, expressed willingness to pay applicable fine and penalty and waived Show Cause Notice and Personal Hearing.

8.2 Duty determination:

8.2.1 Since the declared CTH and declared assessable value were accepted in the Investigation Report and no quantity variation was found, no differential duty on account of reclassification, valuation or quantity was proposed in the Investigation Report.

Table-VIII

Sr. No.	Particulars	Position as per Investigation Report	Consequence
1	CTH 72193590	Accepted	No reclassification
2	Assessable Value Rs. 30,83,147/-	Accepted	No value enhancement
3	Quantity 28,054 Kgs	Accepted	No quantity enhancement
4	Differential duty	Not proposed	Nil

9. Relevant Legal Provisions:

(A) 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;*

As per 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 2(39): *"smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113.*

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;*

--

(l) *any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;*

(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;*

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:*

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.

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:

10. OUTCOME OF THE INVESTIGATION:

10.1 I find that the goods covered under Bill of Entry No. 7471729 dated 12.02.2026 were imported in non-compliance with the BIS requirement applicable to the stainless steel coils. It further finds that the goods were mis-declared in respect of grade, though the tariff classification under CTH 72193590.

10.2 On the basis of the alleged grade mis-declaration and BIS non-compliance, the imported goods are liable for confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962 and penalty under Sections 112(a)(i) and 114AA.

11. WAIVER OF SHOW CAUSE NOTICE AND PERSONAL HEARING:

11.1 The importer vide their letter dated 24.09.2026 requested that the matter be decided on merits without issuance of Show Cause Notice and without Personal Hearing. The importer expressed willingness to pay applicable fine and penalty and requested release of the goods for home consumption, relying also upon the Ministry of Steel Order dated 27.04.2026 extending the stated BIS compliance exemption.

12. In view of the above, it appears that:

(i) the declared description/grade of the goods under Bill of Entry No. 7471729 dated 12.02.2026 be rejected and re-determined in terms of the examination and CRCL laboratory findings;

(ii) the imported goods having declared assessable value of Rs. 30,83,147/- be held liable for confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962 for the alleged BIS non-compliance and grade mis-declaration; and

(iii) penalty under Sections 112(a)(i) and 114AA of the Customs Act, 1962 be considered against the importer.

12.1 Accordingly, Investigation Report No. 133/2026-27 dated 07.08.2026 has been issued by SIIB, Mundra Customs.

WRITTEN SUBMISSION AND PERSONAL HEARING

13. M/s. M/s. Jindal Job Work, Importer, vide their letter dated NIL, has

requested for waiver of issuance of Show Cause Notice and also mentioned that they do not want Personal hearing in the subject matter. They further requested to proceed with adjudication and they are willing to pay the differential duty and penalty, if any, as determined by the proper officer in accordance with law. Further, Importer vide their letter 24.09.2026, also submitted that the subject imported goods "Cold Rolled Stainless Steel Coils" are now covered by the exemption granted under Ministry of Steel, Government of India, Order No. S-20011/15/2024-TECH-Part(1), they requested to kindly extend the benefit of the applicable exemption, complete the assessment, and permit clearance and release of the goods for home consumption at the earliest.

DISCUSSION AND FINDINGS

14. I have carefully gone through Investigation Report No. 133/2026-27 dated 07.08.2026 forwarded by SIIB, Custom House, Mundra, the Panchnama dated 20.04.2026, CRCL Test Report Nos. 377-384 dated 22.04.2026, the import documents, the written submission of the importer and all other material available on record. I note that M/s. Jindal Job Work has specifically requested waiver of Show Cause Notice and Personal Hearing, has requested adjudication on merits, and has sought release of the goods. The matter is accordingly being decided on the basis of the Investigation Report and the relied-upon material available on record. I am satisfied that the principles of natural justice have been duly complied with, inasmuch as M/s. Jindal Job Work has voluntarily waived the Show Cause Notice and Personal Hearing under the first proviso to Section 124 of the Customs Act, 1962, and the matter is accordingly being disposed of on merits.

14.1 On a careful perusal of the Investigation Report and case records, the following main issues arise for consideration and determination in this case:

(i) Whether the declared description/grade "Cold Rolled Stainless Steel Coil Grade 17-4 PH" is liable to be rejected/re-determined in view of the laboratory findings;

(ii) Whether the declared classification under CTH 72193590, quantity of 28,054 Kgs and assessable value of Rs. 30,83,147/- require any re-determination;

(iii) Whether any re-assessment or differential duty arises in the facts of the case;

(iv) Whether the imported Cold Rolled Stainless Steel Coils are liable for confiscation under Sections 111(d), 111(l) and/or 111(m) on account of BIS non-compliance and grade discrepancy;

(v) Whether redemption of the goods for home consumption can be allowed

under Section 125, having regard to the Ministry of Steel Order dated 27.04.2026 relied upon by the importer; and

(vi) Whether penalty is imposable on M/s. Jindal Job Work under Sections 112(a)(i) and 114AA of the Customs Act, 1962.

15. FIRST ISSUE — RE-DETERMINATION OF DESCRIPTION / GRADE:

15.1 I find that the importer declared the goods as Cold Rolled Stainless Steel Coil Grade 17-4 PH. Eight representative samples were tested by CRCL. The reported chromium content ranged from 13.34% to 14.21%, manganese from 8.40% to 9.09% and nickel from 1.08% to 1.17%. Each report records that whether the material was hot rolled or cold rolled and whether its grade was 17-4 PH could not be ascertained. The Investigation Report, on comparison of the chemical composition with the declared grade, concluded that the goods were other than Grade 17-4 PH and appeared to be N-series.

TABLE-IX

Sr. No.	Description	Declared Quantity (Kgs)	Re-determined Quantity (Kgs)
1	Cold Rolled Stainless Steel Coil – width 620 mm	7,670	7,670
2	Cold Rolled Stainless Steel Coil – width 650 mm	2,322	2,322
3	Cold Rolled Stainless Steel Coil – width 730 mm	18,062	18,062

15.2 I further find that the laboratory did not itself identify any particular substitute grade. Therefore, the finding that can safely be drawn from the material on record is that the declared Grade 17-4 PH is not supported by the reported chemical composition and the description requires correction to stainless steel coils of grade other than the declared Grade 17-4 PH. The physical quantity, widths and number of coils remain as found and declared.

16. SECOND ISSUE — CLASSIFICATION, QUANTITY AND ASSESSABLE VALUE:

16.1 I find that the Investigation Report specifically records that the declared CTH 72193590 is correct. I therefore see no basis in the investigation record for changing the tariff classification. I also find that the physical examination recorded the quantity and weight as declared. Accordingly, the total quantity remains 28,054 Kgs, comprising 7,670 Kgs of 620 mm width coils, 2,322 Kgs of 650 mm width coil and 18,062 Kgs of 730 mm width coils.

16.2 As regards valuation, the declared assessable value is Rs. 30,83,147/-, corresponding to approximately Rs. 109.90 per Kg. I find that NIDB values ranging from approximately Rs. 86.94 to Rs. 140 per Kg for imports under CTH 72193590 from China in comparable quantities and expressly concludes that the declared value is fair and represents the transaction value. I therefore accept the assessable value of Rs. 30,83,147/- and find no ground for enhancement thereof.

17. THIRD ISSUE — RE-ASSESSMENT AND DIFFERENTIAL DUTY:

17.1 I find that the tariff heading, quantity and assessable value have not been questioned by the Investigation Report. The change proposed is confined to the description/grade of the stainless steel coils. The Investigation Report does not quantify or propose any differential duty consequent upon such change of description.

17.2 Accordingly, no differential duty is determined in the present proceedings on account of valuation, classification or quantity. The Bill of Entry shall, however, be amended/re-assessed to the extent necessary to reflect the description/grade determined in this Order, without disturbing the accepted CTH, quantity and assessable value.

18. FOURTH ISSUE — CONFISCATION OF COLD ROLLED STAINLESS STEEL COILS (CTH 72193590):

18.1 I find that the subject stainless steel coils (CTH 72193590) fall within the ambit of mandatory BIS certification under IS 6911 as per the Steel and Steel Products Quality Control Order, 2024 dated 05.02.2024.. At the time of import of the subject consignment stainless steel coils (CTH 72193590) the importer did not produce BIS authorisation for the actual grade of goods at the relevant stage. Goods imported in contravention of mandatory quality control requirements imposed under the Bureau of Indian Standards Act, 2016 read with applicable Quality Control Orders constitute goods imported contrary to a prohibition imposed under other laws for the time being in force, and are thereby liable for confiscation under **Section 111(d)** of the Customs Act, 1962 as they stood at the time of IGM inward.

18.2 I further find that the goods did not correspond with the Bill of Entry in the material particular of grade. The Bill of Entry and supporting commercial documents described the material as Grade 17-4 PH, whereas the laboratory composition did not support that declaration. Such discrepancy in a material particular attracts Section 111(m) of the Customs Act, 1962.

18.2.1 I accordingly hold that the goods are liable to confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962, subject to the effect of

the subsequent Ministry of Steel relaxation discussed below.

18.3 Redemption fine Under Section 125 of the Customs Act, 1962:

18.3.1 I find that Section 125(1) of the Customs Act, 1962 reads as under:

> *"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 an option to pay in lieu of confiscation such fine as the said officer thinks fit."*

18.3.2 A plain reading of the above provision shows that imposition of redemption fine is an option in lieu of confiscation, is a statutory discretion vested in the adjudicating authority. It is well established that the import of goods, namely Stainless Steel Coils (CTH 72193590), is regulated, conditional, and subject to technical quality standards and registration compliances. The confiscation ordered herein under Sections 111(d), and 111(m) of the Customs Act, 1962 is a legal consequence arising from the initial procedural non-fulfilment of statutory requirements—specifically, the absence of BIS certification at the time of import of subject goods. Further, Importer vide their letter dated 24.09.2026 has submitted that the goods are now covered by the exemption granted under Ministry of Steel, Government of India, Order vide F.No. S-20011/15/2024-TECH-Part(1) dated 27.04.2026; that therefore they requested to extend the benefit of the applicable exemption, and permit clearance and release of the goods for home consumption at the earliest.

18.3.3 I find that the question of exercise of discretion under the first part of Section 125(1) of the Customs Act, 1962, whether to give the option of payment of fine in lieu of confiscation, in respect of subject imported goods “Cold Rolled Stainless Circles 201 (CTH 72209090)”, has been authoritatively settled by the Hon'ble Supreme Court of India in **Union of India and Others v. Raj Grow Impex LLP and Others [2021 (377) ELT 145 (SC), decided on 17.06.2021]**. The Hon'ble Supreme Court, in the said judgment, at Para 79, specifically held and expounded as under:

> *"As noticed, the exercise of discretion is a critical and solemn exercise, to be undertaken rationally and cautiously and has to be guided by law; has to be according to the rules of reason and justice; and has to be based on relevant considerations. The quest has to be to find what is proper. Moreover, an authority acting under the Customs Act, when exercising discretion conferred by Section 125 thereof, has to ensure that such*

exercise is in furtherance of accomplishment of the purpose underlying conferment of such power. The purpose behind leaving such discretion with the Adjudicating Authority in relation to prohibited goods is, obviously, to ensure that all the pros and cons shall be weighed before taking a final decision for release or absolute confiscation of goods."

The Hon'ble Supreme Court further held, at Para 69.1, as follows:

"A bare reading of the provision aforesaid makes it evident that a clear distinction is made between 'prohibited goods' and 'other goods'. As has rightly been pointed out, the latter part of Section 125 obligates the release of confiscated goods (i.e., other than prohibited goods) against redemption fine but, the earlier part of this provision makes no such compulsion as regards the prohibited goods; and it is left to the discretion of the Adjudicating Authority that it may give an option for payment of fine in lieu of confiscation.…"

18.3.4 In view of the above para and considering the Importer's request for releasing the goods for home consumption, I find that the following material facts have been taken into consideration:

(i) BIS Exemption: I find that subsequent to the import of the subject consignment, the Ministry of Steel, Government of India, vide their Order dated 27.04.2026 has extended the compliance exemption for specific IS standards including IS 6911 (under which Cold Rolled Stainless Circles 201 fall) for the imports with Bill of lading having shipped on board date on or before 26.10.2026. The said Ministry of Steel Order dated 27.04.2026 specifically provides that goods falling under IS 6911, IS 5522, IS 15997 and IS 14650 shall be exempted from mandatory BIS compliance under the Steel and Steel Products Quality Control Order, 2024 for the imports with Bill of lading having shipped on board date on or before 26.10.2026. Since the subject goods continue to remain in Customs custody and are currently covered under the operational window of this exemption, the statutory bar/prohibition regarding BIS mandatory compliance effectively stands lifted by executive relaxation. Consequently, their clearance into the domestic market poses no contravention of existing quality control mandates. The release of these goods into the domestic market at their re-determined assessable value, accompanied by imposition of redemption fine and penalty, will in fact serve the revenue interest of the Government by realizing duty, fine and penalty.

In view of the above circumstances, I am of the considered view that the ends of justice would be met by allowing redemption of the subject goods for home consumption rather than ordering re-export or absolute confiscation. The imposition of an appropriate redemption fine under Section 125 of the Customs

Act, 1962, coupled with penalties under Sections 112(a)(i) and 114AA, is sufficient to purge the violations, safeguard government revenue, and serve as an effective deterrent

18.3.5 In view of the above, I am of the considered view that it is appropriate and proportionate to allow the importer to redeem the goods for home consumption, on payment of redemption fine, subject to payment of all applicable customs duty, differential duty and other charges. Accordingly, I give M/s. Jindal Job Work an option to redeem the Cold Rolled Stainless Circles 201 for home consumption on payment of redemption fine under Section 125(1) of the Customs Act, 1962, subject to payment of all applicable customs duty, differential duty and other charges.

19. FIFTH ISSUE — PENALTIES:

19.1 Penalty under Section 112(a)(i) of the Customs Act, 1962

I find that M/s. Jindal Job Work filed the Bill of Entry declaring the goods as Grade 17-4 PH and the goods were found, on the basis of the investigation and chemical composition, not to correspond with that declared grade. The importer also failed to produce BIS authorisation for the actual goods at the relevant stage. The acts and omissions rendered the goods liable to confiscation under Sections 111(d) and 111(m). I therefore hold that M/s. Jindal Job Work is liable to penalty under Section 112(a)(i), the quantum of which is determined in the operative part of this Order.

19.2 Penalty under Section 114AA of the Customs Act, 1962:

I find that M/s. Jindal Job Work filed Bill of Entry No. **7471729 dated 12.02.2026** declaring the imported goods as **"Cold Rolled Stainless Steel Coil Grade 17-4 PH, Finish 2B"** under CTH 72193590, whereas examination and laboratory testing revealed that the goods did not correspond to the declared grade. The declaration of grade was a material particular, having direct bearing on the applicability of mandatory BIS requirements, and the Investigation Report has specifically concluded that the grade was mis-declared to avoid such compliance. I further find that, in terms of Section 46(4) and 46(4A) of the Customs Act, 1962, the importer was under a statutory obligation to ensure the truth, accuracy and completeness of the particulars declared in the Bill of Entry and the authenticity and validity of the supporting documents. Considering the materiality of the incorrect grade declaration, its bearing on BIS compliance and the findings recorded during investigation, I hold that M/s. Jindal Job Work **knowingly/intentionally made and used a declaration which was false or incorrect in a material particular for the purposes of Customs clearance**, thereby attracting the provisions of **Section**

114AA of the Customs Act, 1962. Accordingly, I hold M/s. Jindal Job Work liable to penalty under Section 114AA of the Customs Act, 1962, the quantum of which is determined in the operative part of this Order.

20. In view of the aforesaid discussions and findings, I pass the following order:

ORDER

20.1 I reject the declared description/grade "Cold Rolled Stainless Steel Coil Grade 17-4 PH" in Bill of Entry No. 7471729 dated 12.02.2026 and order that the description be re-determined as Cold Rolled Stainless Steel Coils of grade other than the declared Grade 17-4 PH, as discussed above, while retaining the widths and quantities recorded in Table-VI.

20.2 I order confiscation of the subject 28,054 Kgs of Cold Rolled Stainless Steel Coils, having assessable value of Rs. 30,83,147/-, under Sections 111(d) and 111(m) of the Customs Act, 1962. However, I give the importer an option to redeem the goods for home consumption on payment of redemption fine of Rs.3,00,000/- (Rupees Three Lakh Only) under Section 125(1) of the Customs Act, 1962, as discussed above.

20.3 I impose a penalty of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) on M/s. Jindal Job Work (IEC/PAN AJFPJ7306N), C-12/1, Backside, Wazirpur Industrial Area, Delhi, North West Delhi, Delhi-110052 under Section 112(a)(i) of the Customs Act, 1962, as discussed above.

20.4 I impose a penalty of Rs. 10,000_/- (Rupees Ten Thousand Only) upon M/s. Jindal Job Work (IEC/PAN: AJFPJ7306N) under Section 114AA of the Customs Act, 1962.

21. This Order-in-Original is issued without prejudice to any other action that may be taken against M/s. Jindal Job Work or any other person under the provisions of the Customs Act, 1962, or any rules/regulations/notifications made thereunder, or under any other law for the time being in force.

Digitally signed by
Dipakbhai Zala
Date: 25-09-2026
17:58:29

(DIPAK ZALA)

Additional Commissioner of Customs,
Mundra Customs

To,
M/s. Jindal Job Work (IEC/PAN: AJFPJ7306N)
C-12/1, Backside, Wazirpur Industrial Area,
Delhi, North West Delhi, Delhi-110052

Copy to:
1. The Additional Commissioner (SIIB), Customs House, Mundra
2. The Dy./Asstt. Commissioner (RRA/TRC), Customs House, Mundra

3. The Dy./Asstt. Commissioner (EDI), Customs House, Mundra