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 No.02838-271423/271426
E-mail id- exportasses-mundra@gov.in

File No.	CUS/SIIB/ALT/913/2025-SIIB-O/o Pr Commr-Cus-Mundra
Order-in- Original No.	MCH/ADC/AKM/241/2026-27
Passed by	Additional Commissioner of Customs, Custom House, Mundra
Date of order /Date of issue	25.08.2026/25.08.2026
Name of Exporter	M/s. Elite Traders (as per IGM No. 1149803 dated 11/08/2025)
Bill of Entry No.	No BE filed, IGM No. 1149803 dated 11/08/2025
Show Cause Notice No. & Date	115/2026-27/ADC/AKM/MCH dtd 29.07.2026 and PH waiver
Description of Goods	SB 3813054 (200 CTN) & SB 3813055 (319 CTN) both dated 23.07.2025 Back-to-town cargo consisting of: Assorted Toiletries (Lifebuoy Sets – HS 34011190) RG Pan Masala (HS 21069020 – multiple variants)
Noticee(s)/Party/ Exporter	M/s. Elite Traders (as per IGM No. 1149803 dated 11/08/2025) M/s. Maxim Shipping Line

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),
7 वीं मंजिल, मृदुल टावर, टाइम्स ऑफ इंडिया के पीछे, आश्रम रोड़, अहमदाबाद 380 009"
"THE COMMISSIONER OF CUSTOMS (APPEALS),
Having his office at 7th Floor, Mridul Tower, Behind Times of India,

Ashram Road, Ahmedabad-380 009."

3. उक्त अपील यह आदेश 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, सीमा शुल्क)अपील (नियम, 1982और सीमा शुल्क अधिनियम, 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.

ORDER-IN-ORIGINAL

1. Brief facts of the Case:

1.1 On the basis of NCTC Alert No. 2025-26/IMP/2733, a long-standing consignment imported in Container No. MSCU9504586 was placed on hold for detailed 100% examination by SIIB, Mundra, at CWC CFS, Mundra. The said consignment was shipped from Jebel Ali, UAE (AEJEA) and is covered under Gateway IGM No. 1149803 dated 11.08.2025, Line No. 53, Sub-line No. 0, corresponding to Bill of Lading No. DBXDADJEA2500702 dated 23.07.2025, filed at Mundra Port.

1.2 The cargo is declared as 01 × 40 FT FCL container STC: BACK TO TOWN consisting of 519 cartons weighing 10,831.48 kgs, described as ASSORTED TOILETRIE ITEMS. The goods pertain to Invoice Nos. EX/25-26/011 and EX/25-26/012 dated 20.07.2025, and Shipping Bill Nos. 3813054 and 3813055 both dated 23.07.2025 filed under self sealing. The importer's IEC is AALFE5614M. The information, as per the NCTC Alert, is tabulated as Table A below.

TABLE-A

S. No.	Port of Shipment	Gateway IGM No. & Date	Cargo Description	Quantity	Container No.
1	AEJEA	IGM No. 1149803 dated 11.08.2025, Line No. 53, Sub-line No. 0 (Bill of Lading No. DBXDADJEA2500702 dated 23/07/2025) filed at Mundra Port	01 X 40FT FCL CONTAINER STC: BACK TO TOWN DESCRIPTION: ASSORTED TOILETRIES ITEMS. INVOICE NO.: EX/25-26/011 & EX/25-26/012 INVOICE DATE: 20-07-2025 SHIPPING BILL NO.: 3813055, 3813054 SB DATE: 23.07.2025 HS CODE: 34011190 IEC NO.:	519 CARTONS 10831.48 Kgs (519 packages in CTN)	MSCU9504586

			AALFE5614M		

1.3 Based on the Indian Customs EDI System (ICES) data for IGM No. 114980 dated 11.08.2025, it is observed that the Consignor's Name & Address and the Importer's/Buyer's Name & Address are the same — both recorded as M/s. Elite Traders, 212, Second Floor, Okhla Industrial Estate, Phase–III, New Delhi – 110020. The status of both the Shipping Bills in the EDI system is reflected as "SB is cancelled".

Details of the mentioned SBs in NCTC alert is tabulated below as Table B:

TABLE-B

Sr. No.	Shipping Bill No.	Declared Goods	CTH	Packages (CTN)	Declared G.WT (Kgs)
1	3813054 dated 23.07.2025	Lifebuoy soaps Set (100×36)	34011190	200	4000
2	3813055 dated 23.07.2025	RG Pan Masala (multiple variants)	21069020	319	6831.48
	Total			519	10831.48

2. Examination of the Goods:

2.1 The examination of goods [RUD-1] in Container No. MSCU9504586 was carried out on 25.12.2025 at CWC CFS, Mundra, by the SIIB officers, Customs House Mundra The Exporter, M/s Elite Traders, was represented by Shri Manoj Rajesh Tahiliani, and the CFS unit, CWC CFS Mundra, was represented by Shri Vivek D. Raut.

2.2 At the commencement of physical inspection, the container was examined externally and found structurally sound with no signs of damage, tampering, or forced entry. The seal on the container was verified and found intact and matching the documents. The seal was then cut open and the container doors were opened to facilitate detailed inspection.

2.3 Upon opening the container, various cartons containing Pan Masala and Lifebuoy Soap Sets were found stacked inside. On destuffing, a detailed physical inspection was carried out and the cargo was found as per the following particulars Table C:

TABLE-C

Sr. No	Description	CTH	Declared in SB quantity (CTN)	Found (CTN)	Average weight per carton (KGS)	Total weight (KGS)
1	RG PAN MASALA 17 GM	21069020	108	108	23.4	2,527
2	RG PAN MASALA 100 GM	21069020	17	17	25.4	432
3	RG PAN MASALA 4 GM	21069020	188	192	20.35	3,907
4	RG PAN MASALA 2.2 GM	21069020	6	6	22.46	135
5	LIFEBUOY	34011190	200	200	18.5	3,700

	SET					
	Total		519	523		10,701

2.4 The NCTC alert and the corresponding Shipping Bills declare a total weight of 10,831.48 kg, the CWC CFS weigh-slip indicates a weight of 11,020 kg, and the weight found during the examination is approximately 10,701 kg.

2. 5 During the detailed physical examination, the following items are found as declared in terms of description and number of cartons, except for one item:

- RG PAN MASALA 17 GM – Found tallying (108 CTN) with the declared quantity (as per Shipping Bill No. 3813055 dated 23.07.2025).
- RG PAN MASALA 100 GM – Found tallying (17 CTN) with the declared quantity (as per Shipping Bill No. 3813055 dated 23.07.2025).
- RG PAN MASALA 2.2 GM – Found tallying (6 CTN) with the declared quantity (as per Shipping Bill No. 3813055 dated 23.07.2025).
- LIFEBUOY SET – Found tallying (200 CTN) with the declared quantity (as pe Shipping Bill No. 3813054 dated 23.07.2025).
- RG PAN MASALA 4 GM – 4 (four) additional cartons are found over and above the declared quantity (as per Shipping Bill No. 3813055 dated 23.07.2025).

Except for the variation in RG PAN MASALA 4 GM, where 188 cartons are declared and 192 cartons are found, resulting in 4 excess cartons, the cargo is found to be as declared in terms of description and number of cartons when matched with the corresponding Shipping Bills 3813054 dated 23.07.2025 and 3813055 dated 23.07.2025, as mentioned in the NCTC alert. No concealment of any other goods or undeclared packing material is noticed.

3. Investigations Conducted:

3.1 During the course of investigation, it was found that the following Shipping Bills were filed by the exporter, M/s Elite Traders, 212 S/F, Okhla Industrial Estate, Phase –III, New Delhi – 110020, through their Customs Broker, M/s Uniqe Line (CHA) for export of goods declared as “RG PAN MASALA” under CTH 21069020 and “LIFEBUOY SOAP SET” under CTH 34011190. The consignment consisted of a total o 519 cartons, comprising 200 cartons of Lifebuoy Soap Sets (100 × 36) and 319 cartons of RG Pan Masala (multiple variants), having a declared gross weight of 10,831.48 kgs (4,000 kgs + 6,831.48 kgs). The said goods were consigned to M/s Lamsat Jamal Trading LLC, SHAMS Business Centre, Sharjah Media City, SHAMS Fre Zone Street, Al Messaned, Sharjah, UAE. The status of both the Shipping Bills in the EDI system is reflected as "SB is cancelled". The details are as under Table D:-

TABLE-D

Sr. No.	Shipping Bill No.	Declared Goods	CTH	Packages (CTN)	Declared G.WT (Kgs)
1	3813054 dated 23.07.2025	Lifebuoy soaps Set (100×36)	34011190	200	4000
2	3813055 dated 23.07.2025	RG Pan Masala (multiple variants)	21069020	319	6831.48
	Total			519	10831.48

3.2 The goods arrived as per IGM No. 1149803 dated 11.08.2025, Line No. 53, Sub-line No. 0, Bill of Lading No. DBXDADJEA2500702 dated 23.07.2025, stuffed in Container No. MSCU9504586, were examined on 25.12.2025 at CWC CFS, Mundra and based on the Indian Customs EDI System (ICES) data for IGM No. 1149803 date 11.08.2025, it is observed that the Consignor's Name & Address and the Importer's/Buyer's Name & Address are the same — both recorded as M/s. Elite Traders, 212, Second Floor, Okhla Industrial Estate, Phase –III, New Delhi – 110020. The seal on the container was verified and found intact and matching with the documents. During the examination, it was observed that, except for a variation in respect of RG PAN MASALA 4 GM, wherein 188 cartons were declared but 192 cartons were found, resulting in an excess of 4 cartons, the cargo was otherwise found to be as declared in terms of description and number of cartons when compared with the corresponding Shipping Bills No. 3813054 and 3813055 both dated 23.07.2025, as mentioned in the NCTC alert. No concealment of any other goods found in declared cargo or packing material was noticed during the examination.

3.3 Further, summons to Exporter M/s. Elite Traders, CHA M/s. Uniqe Line, Office No. 118, First Floor, Siddhivinayak Complex, Ward-6, Commercial Plot 1, Rotary circle, Gandhidham, Kachchh 370201 and Shipping Line M/s. Maxim Shipping Line,B- 1906, Arihant Aura, Plot No. 13/1, TTC Industrial Area, Turbhe, Navi Mumbai – 400705, issued on dated 08.01.2026 for further investigation and for recording their statements in the matter.

3.3.1 The Shipping Line M/s. Maxim Shipping Line, vide email dated 12.01.2026 [RUD-2], submitted that Container No. MSCU9504586 was initially loaded on Vessel MV ADVANCE / 073W which sailed on 28.07.2025. After the vessel's departure, they were informed by the customer that the Shipping Bill copy had not been generated and the export clearance remained pending. Accordingly, the container was ROB (Return on Board) back to Mundra and arrived on the same vessel with ETA 17.08.2025. Upon arrival, the IGM was filed and the container was made available; however, the same was put on hold by SIIB and subsequently moved to CWC CFS for clearance. The Shipping Line has requested cancellation of IGM No. 1149803 dated 11.08.2025 on the ground that the said container pertains only to an export consignment and not to any import cargo, and that the container was originally booked solely for export.

3.3.2 In response to the summons, the Exporter, vide email dated 13.01.2026 [RUD-3], submitted that the above container covered under Shipping Bill Nos. 3813054 and 3813055 was meant for export and that due to an error on the part of the Shipping Line, the container was loaded and sailed without completion of Customs clearance formalities. The container was thereafter ROB (Return on Board) back to Mundra for undertaking necessary Customs procedures; however, the Shipping Line filed IGM upon its return. The exporter has further requested permission for Back-to-Town of the goods at the earliest, stating that the goods are perishable in nature and prolonged delay would result in deterioration as well as heavy financial loss due to mounting detention and demurrage charges levied by the Shipping Line and CFS.

3.4. The exporter has submitted that Shipping Bill Nos. 3813054 and 3813055, both dated 23.07.2025, were filed for export of Pan Masala and Soap respectively, and that the consignment was placed under hold by this office for examination and was duly examined; however, in the meantime, the overseas buyer declined to accept the goods due to unavoidable reasons, leaving the exporter with no option but to request Back-to-Town, further stating that the goods have a very short shelf life and are likely to deteriorate if retained for a longer period, and that the goods are presently lying at CWC CFS.

3.5 In view of the foregoing facts and circumstances, the exporter's request dated 13.01.2026 for Back-to-Town of the export goods appears justified and merits acceptance, considering that the goods are perishable in nature and that the delay occurred due to a procedural lapse on the part of the Shipping Line, resulting in prolonged detention and accumulation of demurrage charges. Further, it is evident that the goods were originally meant for export under Shipping Bills and were not intended for import at any stage; therefore, in order to avoid further deterioration of the perishable cargo, the goods were considered for provisional release subject to compliance with necessary formalities and execution of appropriate bond/bank guarantee. Accordingly, Back-to-Town permission was granted on 21.01.2026.

3.6 Further, during the examination conducted by SIIB, Mundra on 25.12.2025, an apparent discrepancy was noticed in respect of the export goods covered under Shipping Bill No. 3813055 dated 23.07.2025. As per the declaration made in the Shipping Bill, the export consignment comprised 188 cartons of RG Pan Masala (4 GM). However, during the physical examination of Container No. MSCU9504586 at CWC CFS, Mundra, the examining officers counted 192 cartons of RG Pan Masala (4 GM), resulting in an apparent excess of 04 cartons over and above the declared number of cartons. Since the physical count did not tally with the declaration made in the Shipping Bill, the discrepancy required verification to ascertain whether the same indicated any excess export of goods or misdeclaration.

3.7 Accordingly, vide email dated 22.06.2026, clarification was sought from the exporter, M/s. Elite Traders, regarding the apparent discrepancy observed during examination. In response, vide email dated 23.06.2026 [RUD-4], the exporter submitted that the discrepancy was merely apparent in nature and had arisen on account of the manner in which the goods were packed and counted during the course of examination. The exporter explained that the export consignment had been declared, assessed and cleared primarily on the basis of weight, and not on the basis of the number of cartons. It was further submitted that the gross weight declared in the Shipping Bill was 6,831.48 Kgs., and that the weight of the cargo actually found during examination substantially corresponded with the declared gross weight, thereby indicating that there was no material variation in the actual quantity of goods exported.

3.8 The exporter further contended that the number of cartons constituted only the mode of packing adopted for transportation and handling of the goods, whereas the assessable quantity of the export goods was determined with reference to their weight. It was also submitted that the valuation of the export goods, assessment by Customs, and the admissibility of export incentives, wherever applicable, were linked to the declared weight of the goods and not to the number of cartons used for packing. According to the exporter, the net quantity of RG Pan Masala (4 GM) contained in the consignment remained unchanged and was fully in conformity with the quantity declared in the Shipping Bill and other export documents. Therefore, the apparent excess of 04 cartons did not represent any excess quantity of export goods but was attributable solely to packing variations, including the manner in which the pouches were distributed among the cartons for packing convenience.

3.9 The explanation furnished by the exporter has been examined in light of the examination report and the records available on file. It is observed that no discrepancy was noticed with regard to the gross weight of the consignment during examination and that the weight of the goods found was substantially in accordance with the weight declared in the Shipping Bill. Thus, while an apparent variation was noticed in the number of cartons, no corresponding variation was observed in the actual quantity of goods measured in terms of weight. In the absence of any evidence indicating excess quantity of goods, excess weight, or any consequential impact on valuation, assessment or admissibility of export benefits, the apparent discrepancy in the number of cartons, by itself, does not appear to constitute a material misdeclaration of the export goods. Accordingly, the explanation furnished by the exporter appears to be consistent with the examination findings, and the apparent excess of 04 cartons is attributable to packing variation rather than any excess export of goods.

3.10 Further, Summons vide File No. CUS/SIIB/ALT/913/2025-O/o Pr Commr-Cus Mundra dated 19.03.2026 (DIN: 20260364WYO00082335E) was issued under Section 108 of the Customs Act, 1962 to M/s Maxim Shipping Pvt. Ltd., Navi Mumbai, requiring their appearance for tendering statement and submission of documents in connection with IGM No.

1149803 dated 11.08.2025, filed against Shipping Bill Nos. 3813054 & 3813055 both dated 23.07.2025 pertaining to container No. MSCU9504586. In compliance with the said summons, Ms. Jaswinder Kaur Alva, Director of M/s Maxim Shipping Pvt. Ltd., appeared before SIIB, Customs House, Mundra on 27.03.2026 and her statement [RUD-5] was recorded under Section 108 of the Customs Act, 1962. The statement summarized as under:-

- The noticee confirmed that their company handled the export operations for the cargo covered under Shipping Bill Nos. 3813054 and 3813055, both dated 23.07.2025. The booking was received from Aiyer Shipping on 16.07.2025 for movement of goods from ICD Dadri to Jebel Ali (UAE), and a Delivery Order was issued on the same day for container pick-up and factory stuffing. After stuffing, the container was handed over to ICD Dadri for onward movement to Mundra Port and was gated in on 26.07.2025. The container was subsequently loaded on vessel MV Advance (Voyage No. 073W) and sailed on 28.07.2025, and the "Shipped on Board" confirmation was shared with Aiyer Shipping on 29.07.2025.
- She further admitted that the mandatory Let Export Order (LEO) was not verified prior to loading the container on vessel MV Advance (Voyage No. 073W). It was stated that submission and verification of all requisite Customs documents, including LEO, to the vessel Master is required before permitting loading; however, due to miscommunication and inadvertent oversight due to time constraints during operations, the same was not ensured before issuing loading instructions to the vessel operator, for which responsibility is acknowledged.
- She further stated that the lapse occurred due to miscommunication and inadvertent oversight during operations, for which responsibility has been acknowledged. Upon realizing the error, the Master of the vessel was promptly informed that the container had been loaded without proper Customs clearance, and instructions were issued to the vessel operator (VOA) via email dated 29.07.2025 to treat the cargo as "Return on Board" (ROB) and return it to Mundra. Since the Bill of Lading had not been issued, a No Objection Certificate (NOC) was also issued vide email dated 31.07.2025 to the vessel operator/shipping line permitting the return of the container to the loading port from their end.
- Further stated that the Customs authorities were not informed immediately at the time of occurrence, as it was understood that since the container was being arranged to be returned to the load port, the matter would be duly brought to the notice of the Customs authorities upon its arrival back.
- The container was subsequently brought back to Mundra, and IGM No. 1149803 dated 11.08.2025 was filed on the insistence of the vessel operator for operational purposes. Upon realizing that the container had been loaded without proper Customs clearance, corrective action was promptly taken by informing the vessel operator and instructing them to return the container to the load port. It is further stated that no payment was received from the booking party, i.e., Aiyer Shipping, in respect of the export of the said cargo due to the lapse. The vessel operator (COSCO, Vessel MV Advance,

IMO: 9149859), vide email dated 16.08.2025, insisted on filing of the Import General Manifest (IGM), stating that an IGM number was necessary for operational purposes to enable discharge of the container at Mundra Port.

- The identity of the returned cargo was established by matching the container and seal numbers across relevant documents. The loading list submitted to the vessel operator vide email dated 29.07.2025 records container no. MSCU9504586 with seal no. 001591, while Annexure-C provided by the exporter at the time of gate-in also reflects container no. MSCU9504586 with seal no. MX001591. Further, the discharge list submitted by the vessel operator vide email dated 18.08.2025 confirms the same container number MSCU9504586 with seal no. 001591. The consistency of these details across all documents establishes that the same container, and hence the same cargo, was returned to the port of loading.
- She further requested that a lenient view may kindly be taken by the Customs authorities while deciding the case and undertook to abide by the decision taken by the Customs authorities in this matter.

3.11 In response to the summons issued under the provisions of the Customs Act, 1962, the Customs Broker, M/s. Uniqe Line, vide email dated 30.03.2026, submitted their written reply. In the said reply, the Customs Broker categorically stated that the discrepancy observed in the present case had occurred solely due to an error on the part of the Shipping Line and that there was neither any act of commission nor omission attributable to them. It was submitted that the Shipping Bill had been filed strictly on the basis of the documents, declarations and particulars provided by the exporter and that the Customs Broker had not made any independent declaration beyond the information furnished by the exporter.

3.12 The Customs Broker further submitted that the exporter was operating under the facility of self-sealing/self-certification as permitted under the applicable Customs procedures. Accordingly, the stuffing of the export goods into the container, sealing of the container with a self-seal, and declaration regarding the description, quantity, weight, packing particulars and other details of the export cargo were undertaken by the exporter at their approved premises. It was contended that the Customs Broker had no role in the physical stuffing, packing, counting or sealing of the export cargo and had no opportunity to verify the actual contents of the container prior to export.

3.13 Relying upon the aforesaid submissions of the exporter, the Customs Broker reiterated that the particulars declared in the Shipping Bill had been filed in good faith on the basis of the documents and declarations received from the exporter and that no independent knowledge of, or involvement in, the alleged discrepancy could be attributed to them. The Customs Broker, therefore, requested that no adverse inference may be drawn against them and that the matter may be decided on the basis of the documentary evidence and material already available on record.

3.14 The Customs Broker further conveyed that they did not wish to avail themselves of any further summons or personal hearing in the matter and requested that their written submissions may be treated as their final representation and considered while adjudicating the case.

4.1 On the basis of the facts and circumstances emerging from the investigation, the documents available on record, the examination report, the submissions furnished by the concerned persons and the statement recorded during the course of investigation, Show Cause Notice No. 115/2026-27/ADC/AKM/MCH dated 29.07.2026 was issued to M/s. Elite Traders, the Exporter, and M/s. Maxim Shipping Pvt. Ltd., the Shipping Line, under Section 124 of the Customs Act, 1962, proposing penal action under the provisions of the Customs Act, 1962. The Show Cause Notice alleged that the export goods covered under Shipping Bill Nos. 3813054 and 3813055, both dated 23.07.2025, stuffed in Container No. MSCU9504586, were loaded on board Vessel MV ADVANCE / Voyage No. 073W and the vessel sailed on 28.07.2025, without completion of the prescribed Customs export clearance procedure and without obtaining the mandatory Let Export Order (LEO) from the proper officer. It was alleged that such loading and sailing of the export cargo without obtaining LEO was in contravention of Section 51 of the Customs Act, 1962, which provides for clearance and loading of goods for exportation only upon an order of the proper officer permitting such clearance and loading.

4.2 The Show Cause Notice further alleged that M/s. Maxim Shipping Pvt. Ltd., the Shipping Line, being responsible for handling and permitting the loading of the export container, failed to ensure that the requisite Customs export clearance formalities, including verification of the Let Export Order (LEO), had been completed before permitting Container No. MSCU9504586 to be loaded on board Vessel MV ADVANCE / Voyage No. 073W. It was further alleged that the Shipping Line failed to exercise the requisite level of care and diligence in complying with the prescribed Customs procedures and thereby permitted the loading and sailing of the export cargo without completion of the mandatory Customs clearance formalities. The Show Cause Notice further alleged that, despite becoming aware that the requisite Customs clearance had not been completed and that the Shipping Bill copy/LEO had not been generated prior to sailing, the Shipping Line failed to immediately bring such non-compliance to the notice of the Customs authorities. Accordingly, the aforesaid commissions and omissions on the part of M/s. Maxim Shipping Pvt. Ltd. were alleged to constitute contravention of the provisions of the Customs Act, 1962, particularly Section 51 thereof, and the Shipping Line was alleged to be liable to penal action under Section 117 of the Customs Act, 1962.

4.3 The Show Cause Notice also referred to the discrepancy noticed during the physical examination of the export cargo covered under Shipping Bill No. 3813055 dated 23.07.2025, wherein 188 cartons of RG Pan Masala (4 GM) had been declared in the Shipping Bill, whereas 192 cartons were found during physical examination, resulting in an apparent excess of 04 cartons over and above the declared quantity. The said discrepancy was alleged to indicate failure on the part of M/s. Elite Traders, the Exporter, to ensure the accuracy and completeness of the particulars declared in the Shipping Bill, as required under Section 50(3) of the Customs Act, 1962. The Show Cause Notice also took note of the explanation subsequently furnished by the exporter that the discrepancy had arisen on account of packing/counting variation and that there was no material variation in the actual quantity of goods in terms of weight. However, the Show Cause Notice proposed that the said explanation and the discrepancy noticed during physical examination be considered in the context of the statutory obligation cast upon the exporter under Section 50(3) of the Customs Act, 1962, particularly the requirement to ensure the accuracy and completeness of the information furnished in the Shipping Bill, and that appropriate penal action be taken for the alleged failure to ensure accuracy and completeness of the particulars declared in the export documents.

4.4 The Show Cause Notice further alleged that the aforesaid commissions and omissions attracted the provisions of Section 117 of the Customs Act, 1962, being the general penalty provision applicable to any person who contravenes any provision of the Customs Act, or abets such contravention, or fails to comply with any provision of the Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure.

Accordingly, **M/s. Elite Traders (Exporter)** was called upon to show cause as to why penalty under Section 117 of the Customs Act, 1962 should not be imposed upon them for the alleged failure to ensure the accuracy and completeness of the particulars declared in Shipping Bill No. 3813055 dated 23.07.2025, particularly with reference to the discrepancy of four cartons of RG Pan Masala (4 GM). Similarly, **M/s. Maxim Shipping Pvt. Ltd. (Shipping Line)** was called upon to show cause as to why penalty under Section 117 of the Customs Act, 1962 should not be imposed upon them for permitting the loading and sailing of Container No. MSCU9504586 without ensuring the grant of LEO, for failure to comply with the prescribed Customs export clearance requirements, for failure to exercise the requisite care and diligence in handling the export cargo under Customs control, and for failure to immediately bring the non-compliance to the notice of the Customs authorities despite becoming aware that the Shipping Bill copy/LEO had not been generated prior to sailing.

4.5 In view of the foregoing facts, allegations and proposals contained in the Show Cause Notice, the Noticees, namely M/s. Elite Traders (Exporter) and M/s. Maxim Shipping Pvt. Ltd. (Shipping Line), were called upon to show cause before the Adjudicating Authority as to why:

(i) penalty should not be imposed upon M/s. Elite Traders (Exporter) under Section 117 of the Customs Act, 1962; and
(ii) penalty should not be imposed upon M/s. Maxim Shipping Pvt. Ltd. (Shipping Line) under Section 117 of the Customs Act, 1962.

The Noticees were accordingly afforded an opportunity to submit their written representations against the allegations contained in the Show Cause Notice and to avail the opportunity of Personal Hearing in accordance with the principles of natural justice

5. Final submissions of the Noticees against SCN:-

5.1 In response to the Show Cause Notice dated 29.07.2026, M/s. Elite Traders, vide email dated 10.08.2026, submitted as under:

"Respected Sir,

With reference to summons issued by your good office vide file SCN No. 115/2026-27/ADC/AKM/MCH Date: 29-07-2026 .We wish to inform your good office that we are not at any fault , its mistake of shipping line that they loaded the unit without LEO .

We further wish to inform that we dont want any PH in this matter. Kindly decide the case on merits"

5.2. In response to the Show Cause Notice, M/s. Maxim Shipping Pvt. Ltd. vide its written submission dated 07.08.2026, submitted as under:

"We received the booking from Aiyer Shipping for the export of goods covered under the above-mentioned Shipping Bills, destined from ICD Dadri to Jebel Ali, UAE, on 16.07.2025.

Aiyer Shipping had received the booking from another freight forwarder, who, in turn, had received the booking from the shipper of the said goods. Hence multiple forwarders are involved in shipment

On the same day i.e 16.07.2025, we issued the Delivery Order (DO) for the container pick-up, and the container was accordingly picked up for factory stuffing.

The booking party, i.e., Aiyer Shipping followed by other forwarder arranged for the container to be taken to the factory for stuffing of the cargo as per the Shipping Bills. Upon completion of stuffing, the container was handed over to ICD Dadri for onward movement to Mundra Port for loading on board the vessel MV Advance (Voyage No.

073W).

The container was gated in at Mundra Port on 26.07.2025, and the vessel sailed on 28.07.2025 with the said container on board. Subsequently, on 29.07.2025, we shared the "Shipped on Board" confirmation with the booking party, Aiyer Shipping.

We fully understand and acknowledge that obtaining the Let Export Order (LEO) from the Customs authorities is a mandatory requirement before the loading of export cargo onto a vessel.

In the normal course of operations, after the container is gated in and all Customs formalities are completed, all requisite documents, including the Let Export Order (LEO), are required to be verified before permitting the container to be loaded on board the vessel for its onward journey to the destination country. However, due to an inadvertent oversight and internal miscommunication under operational time constraints, we failed to verify the Customs Let Export Order (LEO), before issuing loading instructions to the vessel operator. We sincerely acknowledge this lapse and take full responsibility for the same."

"Immediately upon becoming aware of the oversight, we informed the Master of the vessel that the container had been loaded without the requisite Customs clearance. Thereafter, on 29.07.2025, we issued instructions to the vessel operator (VOA) by email to treat the cargo as "Return on Board" (ROB) and arrange for the container to be returned to the original load port, Mundra.

Further, as the Bill of Lading (BL) had not been issued owing to the above lapse, we issued a No Objection Certificate (NOC) to the vessel operator through our email dated 31.07.2025, authorizing the return of the container to the loading port.

The Customs authorities were not informed immediately at that stage, as it was our bona fide understanding that, since the container was already being arranged to return to the load port, the matter would be brought to the notice of the Customs authorities upon its arrival back at Mundra for completion of the necessary Customs formalities.

We respectfully and sincerely request your good office to consider this matter sympathetically. This incident occurred solely due to an inadvertent human error and internal miscommunication, without any intention to violate the applicable Customs procedures or regulations. We assure you that this is the first such instance in our operations, and we have already strengthened our internal verification procedures to ensure that such an oversight does not recur in the future.

We therefore humbly request you to kindly consider this case leniently and treat it as our first and last inadvertent mistake. We sincerely regret the lapse and assure you of our continued commitment to full compliance with all applicable Customs laws, rules, and procedures.

We don't want any personal hearing in this matter, Kindly decide the case on merits.

Thanking you,"

5.3 The submissions made by the Noticees, as reproduced above, have been carefully considered and are dealt with in the succeeding paragraphs under "Discussion and Findings".

6. Applicable Legal Provisions:

6.1 Section 30 – *Delivery of Import Manifest / Import Report:*

(1) The person-in-charge of—
(i) a vessel; or
(ii) an aircraft; or
(iii) a vehicle,
carrying imported goods [or export goods] or any other person as may be specified by the Central Government, by notification in the Official Gazette, in this behalf shall, in the case of a vessel or an aircraft, deliver to the proper officer [an [arrival manifest or import manifest] by presenting electronically prior to the arrival] of the vessel or the aircraft, as the case may be, and in the case of a vehicle, an import report within twelve hours after its arrival in the customs station, in [such form and manner as may be prescribed] and if the [arrival manifest or import manifest] or the import report or any part thereof, is not delivered to the proper officer within the time specified in this sub-section and if the proper officer is satisfied that there was no sufficient cause for such delay, the person-in-charge or any other person referred to in this sub-section, who

causes such delay, shall be liable to a penalty not exceeding fifty thousand rupees:]

[PROVIDED that the [Principal Commissioner of Customs or Commissioner of Customs] may, in cases where it is not feasible to deliver [arrival manifest or import manifest] by presenting electronically, allow the same to be delivered in any other manner.]

(2) The person delivering the [arrival manifest or import manifest] or import report shall at the foot thereof make and subscribe to a declaration as to the truth of its contents.

(3) If the proper officer is satisfied that the [arrival manifest or import manifest] or import report is in any way incorrect or incomplete, and that there was no fraudulent intention, he may permit it to be amended or supplemented.

.

6.2 ***Section 42*** *– No conveyance to leave without written order:*

(1) The person-in-charge of a conveyance which has brought any imported goods or has loaded any export goods at a customs station shall not cause or permit the conveyance to depart from that customs station until a written order to that effect has been given by the proper officer.

(2) No such order shall be given until—

(a) the person-in-charge of the conveyance has answered the questions put to him under section 38;

(b) the provisions of section 41 have been complied with;

(c) the shipping bills or bills of export, the bills of transhipment, if any, and such other documents, as the proper officer may require have been delivered to him;

(d) all duties leviable on any stores consumed in such conveyance, and all charges and penalties due in respect of such conveyance or from the person-in-charge thereof have been paid or the payment secured by such guarantee or deposit of such amount as the proper officer may direct.

(e) the person-in-charge of the conveyance has satisfied the proper officer that no penalty is leviable on him under section 116 or the payment of any penalty that may be levied upon him under that section has been secured by such guarantee or deposit of such amount as the proper officer may direct;

(f) in any case where any export goods have been loaded without payment of export duty or in contravention of any provision of this Act or any other law for the time being in force relating to export of goods,—

(i) such goods have been unloaded, or

(ii) where the [Assistant Commissioner of Customs or Deputy Commissioner of Customs] is satisfied that it is not practicable to unload such goods, the person-in-charge of the conveyance has given an undertaking, secured by such guarantee or deposit of such amount as the proper officer may direct, for bringing back the goods to India."

6.3 **Section 50** – Entry of goods for exportation:

"(1) The exporter of any goods shall make entry thereof by presenting electronically [on the customs *automated system]] to the proper officer in the case of goods to be exported in a vessel or aircraft, a shipping bill, and in the case of goods to be exported by land, a bill of export [in such form and manner as may be prescribed]:*

[PROVIDED that the [Principal Commissioner of Customs or Commissioner of Customs] may, in cases where it is not feasible to make entry by presenting electronically [on the customs automated system], allow an entry to be presented in any other manner.

(2) The exporter of any goods, while presenting a shipping bill or bill of export, shall [xxx] make and subscribe to a declaration as to the truth of its contents.

[(3) The exporter who presents a shipping bill or bill of export under this section 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.]"

6.4 **Section 51** – Clearance of goods for exportation:

"[(1)] Where the proper officer is satisfied that any goods entered for export are not prohibited goods and the exporter has paid the duty, if any, assessed thereon and any charges payable under this Act in respect of the same, the proper officer may make an order permitting clearance and loading of the goods for exportation:

***[PROVIDED that such order may also be made electronically through the customs automated system on the basis of risk evaluation through appropriate selection criteria:*

*PROVIDED FURTHER that]** the Central Government may, by notification in the Official Gazette, permit certain class of exporters to make deferred payment of said duty or any charges in such manner as may be provided by rules.*

[(2) Where the exporter fails to pay the export duty, either in full or in part, under the proviso to sub-section (1) by such due date as may be specified by rules, he shall pay interest on said duty not paid or short-paid till the date of its payment at such rate, not below five per cent. and not exceeding thirty-six per cent. per annum, as may be fixed by the Central Government, by notification in the Official Gazette.]"

6.5 **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 penalty not exceeding [four lakh rupees.]"

7. Discussion and Findings:-

7.1 I have carefully gone through the records of the case, the Show Cause Notice and the written submissions made by both the Noticees. Both the Noticees have requested waiver of Personal Hearing and have requested that the case may be decided on merits on the basis of the records available on file. The principles of natural justice as provided under Section 122A of the Customs Act, 1962 have accordingly been complied with. The requests of the Noticees for waiver of Personal Hearing are taken on record. I find that the following main issues are required to be decided:

(i) Whether the loading of Container No. MSCU9504586 on board Vessel MV ADVANCE / Voyage No. 073W and its sailing on 28.07.2025 without obtaining the requisite Let Export Order (LEO) constituted a contravention of the provisions of Section 51 of the Customs Act, 1962, and whether M/s. Maxim Shipping Pvt. Ltd. is liable to penalty under Section 117 of the Customs Act, 1962;

(ii) Whether the discrepancy of 04 cartons of RG Pan Masala (4 GM), wherein 188 cartons were declared in Shipping Bill No. 3813055 dated 23.07.2025 whereas 192 cartons were found during examination, constituted failure to comply with the requirements of Section 50(3) of the Customs Act, 1962, and whether M/s. Elite Traders is liable to penalty under Section 117 of the Customs Act, 1962; and

(iii) Whether the subsequent return of the container to Mundra under ROB, the corrective action taken by the Shipping Line, filing of IGM No. 1149803 dated 11.08.2025 and subsequent Back-to-Town permission have any bearing on the contraventions established and the quantum of penalty, if any.

7.2 Regarding the first issue, I find from the records that Shipping Bill Nos. 3813054 and 3813055, both dated 23.07.2025, were filed by M/s. Elite Traders for export of Lifebuoy Soap Sets and RG Pan Masala respectively. The goods were stuffed in Container No. MSCU9504586 for export to Sharjah, UAE. The container was subsequently loaded on Vessel MV ADVANCE / Voyage No. 073W and the vessel sailed on 28.07.2025. The records further establish that the requisite Let Export Order (LEO) had not been granted by the proper officer prior to such loading and sailing. I further find that the Shipping Line, M/s. Maxim Shipping Pvt. Ltd., in its written communication as well as through the statement of its Director recorded under Section 108 of the Customs Act, 1962, has admitted that the mandatory LEO was not verified before the container was loaded on the vessel. The lapse has been attributed to miscommunication, inadvertent oversight and operational time constraints. **Section 51 of the Customs Act, 1962** specifically provides that, where the proper officer is satisfied regarding the eligibility of the goods for export, the proper officer may make an order permitting clearance and loading of the goods for exportation. Thus, loading of export goods is required to take place only after completion of the prescribed Customs clearance and grant of the requisite order permitting clearance and loading. Further, **Section 42(1)** provides that the person-in-charge of a conveyance which has loaded export goods at a customs station shall not cause or permit the conveyance to depart from that customs station until a written order to that effect has been given by the proper officer. In the present case, the Shipping Line admittedly permitted the container to be loaded and the vessel to sail without ensuring the existence of the requisite Customs clearance/LEO. The subsequent explanation of inadvertent oversight or operational miscommunication may explain the circumstances in which the lapse occurred, but it does not efface the statutory requirement of obtaining the requisite clearance before loading and departure of the conveyance. I, therefore, find that the act of permitting loading and sailing of the export container without LEO constituted a failure to comply with the statutory Customs procedure. The Shipping Line, being responsible for ensuring that the requisite Customs clearance documents were available before permitting loading/departure, failed to exercise the requisite diligence in this regard. Accordingly, I hold that the contravention on this count is attributable to M/s. Maxim Shipping Pvt. Ltd.

7.3 Further, Section 117 provides for penalty where any person contravenes any provision of the Customs Act or fails to comply with any provision with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention. The statutory provision is reproduced in Para 6.5 above. In the instant case, the Shipping Line admittedly permitted loading of the export container without verification/availability of LEO and permitted the vessel to sail. The subsequent conduct of the Shipping Line in instructing the vessel operator to return the container to Mundra and taking corrective action is a relevant mitigating circumstance, but does not negate the occurrence of the original procedural contravention. The record itself establishes that the Shipping Line became aware of the lapse after sailing and thereafter instructed the vessel operator to treat the container as ROB and return it to Mundra. I therefore hold that M/s. Maxim Shipping Pvt. Ltd. is liable to penalty under Section 117 of the Customs Act, 1962. However, while determining the quantum of penalty, the subsequent corrective action, return of the same container and cargo, absence of any evidence of substitution or diversion of goods, and the overall circumstances of the case would constitute relevant mitigating factors.

7.4 The second issue relates to the discrepancy noticed during examination of the export cargo covered under Shipping Bill No. 3813055 dated 23.07.2025. Against the declared quantity of 188 cartons of RG Pan Masala (4 GM), 192 cartons were found during physical examination, resulting in an excess of 04 cartons over the quantity declared in the Shipping Bill. **Section 50(3)** of the Customs Act, 1962 casts a specific obligation upon the exporter presenting a Shipping Bill to ensure, inter alia, the accuracy and completeness of the information given therein, the authenticity and validity of supporting documents and compliance with the applicable restrictions or prohibitions. Thus, the responsibility for correctness and completeness of the particulars declared in the Shipping Bill rests upon the exporter. I have considered the explanation furnished by M/s. Elite Traders that the difference of four cartons arose due to packing/counting variation and that there was no material variation in the quantity of goods in terms of weight. However, the fact remains that 188 cartons were declared in the Shipping Bill whereas 192 cartons were found during physical examination. The declared carton-wise particulars, therefore, did not correspond with the goods actually presented for export. The explanation regarding packing/counting variation may explain the circumstances in which the discrepancy occurred, but it does not absolve the exporter of the statutory obligation under Section 50(3) to ensure accuracy and completeness of the particulars declared in the Shipping Bill. I further find that the examination did not reveal any concealment or any other undeclared goods apart from the aforesaid discrepancy. I also take note of the fact that no material variation in the quantity of goods in terms of weight, or any consequential revenue implication, has been established from the records. These circumstances, however, do not negate the established fact that the quantity declared in terms of number of cartons was not accurate. Accordingly, I hold that M/s. Elite Traders failed to ensure the accuracy and completeness of the particulars declared in Shipping Bill No. 3813055 dated 23.07.2025, thereby **contravening the requirement contained in Section 50(3)** of the Customs Act, 1962. The explanation furnished by the exporter is considered as a relevant mitigating circumstance while determining the quantum of penalty; however, the same does not extinguish the contravention. I, therefore, hold that the allegation made in the Show Cause Notice against M/s. Elite Traders stands established and that the Noticee is liable to penalty under Section 117 of the Customs Act, 1962, as proposed in the Show Cause Notice.

7.5 I further find that M/s. Maxim Shipping Pvt. Ltd. permitted the loading of Container No. MSCU9504586 on board Vessel MV ADVANCE / Voyage No. 073W, which subsequently sailed on 28.07.2025, without ensuring that the mandatory Let Export Order (LEO) had been granted by the proper officer. The Shipping Line has itself admitted in its written submission that obtaining LEO was a mandatory requirement and that, due to inadvertent oversight and internal miscommunication under operational time constraints, it failed to verify the LEO before issuing loading instructions to the vessel operator. I further find that the Shipping Line, despite becoming aware of the aforesaid lapse, failed to immediately bring the non-compliance to the notice of the Customs authorities and instead initiated corrective action by instructing the vessel operator to treat the container as ROB (Return on Board) and arrange its return to Mundra. The subsequent corrective action taken by the Shipping Line is a relevant mitigating circumstance; however, such subsequent action does not retrospectively regularise the loading and sailing of the export cargo which had already taken place without the requisite LEO. The records further establish that the same container and export cargo were subsequently returned to Mundra and that the identity of the cargo remained established. The subsequent filing of IGM No. 1149803 dated 11.08.2025 was in connection with the return of the container. I find that the subsequent return of the cargo and the corrective measures undertaken by the Shipping Line do not obliterate the original contravention, although the same may be taken into consideration while determining the quantum of penalty. Accordingly, I hold that M/s. Maxim Shipping Pvt. Ltd. failed to ensure compliance with the prescribed Customs export clearance procedure before permitting loading and sailing of the export container without LEO, failed to exercise the requisite care and diligence in handling the export cargo under Customs control and failed to immediately bring the non-compliance to the notice of the Customs authorities. The allegation made in the Show Cause Notice against the Shipping Line is, therefore, established.

7.6 Effect of subsequent ROB and Back-to-Town permission I further find that the subsequent ROB and return of the export cargo to Mundra, as well as the Back-to-Town permission subsequently granted in respect of the said export cargo, are events occurring after the lapse relating to loading of the export cargo without LEO. The subsequent return of the same cargo, absence of any evidence of substitution or diversion and the corrective action taken by the Shipping Line are relevant circumstances to be taken into consideration while determining the quantum of penalty. However, these subsequent events do not retrospectively extinguish the contraventions already committed by the respective Noticees. The grant of Back-to-Town permission is also not a determination that the original loading without LEO was permissible. It was a subsequent procedural permission in respect of the returned export cargo and, therefore, does not absolve either Noticee from the statutory obligations applicable at the time of export clearance and loading. Accordingly, on careful consideration of the records of the case, the Show Cause Notice, the statements recorded during investigation, the written submissions of the Noticees and the applicable provisions of the Customs Act, 1962, I hold that the charges proposed in the Show Cause Notice stand established against both the Noticees. **M/s. Elite Traders** failed to ensure the accuracy and completeness of the particulars declared in the Shipping Bill, in **contravention of Section 50(3)** of the Customs Act, 1962, and is accordingly liable to penalty under Section 117. **M/s. Maxim Shipping Pvt. Ltd**. permitted loading and sailing of the export container without ensuring grant of LEO and failed to exercise the requisite care and diligence and to immediately bring the non-compliance to the notice of Customs, in **contravention of Section 51** of the Customs Act, 1962, and is accordingly liable to penalty under Section 117. The subsequent corrective measures and return of the cargo are taken into consideration as mitigating circumstances while determining the quantum of penalty against the respective Noticees.

8. In view of the foregoing discussion and findings, I find that the allegation regarding loading of export goods in Container No. MSCU9504586 on board Vessel MV ADVANCE / Voyage No. 073W and its subsequent sailing on 28.07.2025 without obtaining the requisite Let Export Order (LEO) stands established from the records of the case. M/s. Maxim Shipping Pvt. Ltd., the Shipping Line, has itself admitted that the LEO was not verified prior to loading and has attributed the lapse to inadvertent oversight, internal miscommunication and operational time constraints. The subsequent corrective action taken by the Shipping Line, including instructing the vessel operator to treat the cargo as "Return on Board" (ROB) and arranging return of the container to Mundra, does not obliterate the contravention already committed, though the same constitutes a relevant mitigating circumstance while determining the quantum of penalty.

8.2 I further find that the allegation against M/s. Elite Traders (Exporter) regarding the discrepancy of 04 cartons of RG Pan Masala (4 GM), wherein 188 cartons were declared in Shipping Bill No. 3813055 dated 23.07.2025 whereas 192 cartons were found during physical examination, stands established. The explanation furnished by the exporter attributing the difference to packing/counting variation has been duly considered. However, the said explanation does not absolve the exporter of its statutory obligation under Section 50(3) of the Customs Act, 1962 to ensure the accuracy and completeness of the particulars declared in the Shipping Bill. The discrepancy between the declared and examined quantity establishes failure to comply with the said statutory obligation. Accordingly, the proposal for imposition of penalty under Section 117 of the Customs Act, 1962 upon M/s. Elite Traders is sustainable.

8.3 In view of the above, I hold that the proposals contained in the Show Cause Notice for imposition of penalty under Section 117 of the Customs Act, 1962 upon M/s. Elite Traders and M/s. Maxim Shipping Pvt. Ltd. are sustainable and are liable to be confirmed. While determining the quantum of penalty against the respective Noticees, I have taken into consideration the facts and circumstances of the case, including the explanation furnished by M/s. Elite Traders regarding the four-carton discrepancy, the admission of the lapse by M/s.

Maxim Shipping Pvt. Ltd., the absence of evidence of any mala fide intention, substitution or diversion of the export cargo, and the subsequent corrective action resulting in return of the container and cargo to Mundra. The penalty imposed upon each Noticee should, therefore, be proportionate to the nature and gravity of the respective contravention.

9. In view of the facts and circumstances discussed hereinabove and in exercise of the powers conferred upon me under the **Customs Act, 1962**, I pass the following order:

ORDER

(i) I hold that **M/s. Elite Traders (IEC: AALFE5614M)** failed to ensure the accuracy and completeness of the particulars declared in Shipping Bill No. 3813055 dated 23.07.2025, in contravention of **Section 50(3)** of the Customs Act, 1962, and accordingly impose upon them a penalty of **₹50,000/- (Rupees Fifty Thousand only)** under Section 117 of the Customs Act, 1962.

(ii) I hold that **M/s. Maxim Shipping Pvt. Ltd. (Shipping Line)** failed to ensure the requisite LEO before loading and sailing of Container No. MSCU9504586 on board Vessel MV ADVANCE / Voyage No. 073W, and failed to exercise due diligence and promptly inform Customs of the non-compliance in contravention of **Section 51** of the Customs Act, 1962. Accordingly, I impose a penalty of **₹2,00,000/- (Rupees Two Lakhs only)** under Section 117 of the Customs Act, 1962.

(iii) The above penalties shall be paid by the respective Noticees within the prescribed period from the date of communication of this Order.

Digitally signed by
AMIT KUMAR MISHRA
Date: 25-08-2026
18:21:30

ADDITIONAL COMMISSIONER,
CUSTOM HOUSE, MUNDRA.

To,

1. M/s. Elite Traders (IEC: AALFE5614M), 212 S/F Okhla Industrial Estate Phase–III, New Delhi – 110020.
2. M/s Maxim Shipping Pvt. Ltd. B-1906, Arihant Aura, Plot No. 13/1, TTC Industrial Area, Turbhe, Navi Mumbai – 400705 Email: jassi@maxim-shipping.com, cs@ maxim-shipping.com
3. M/s. Uniqe Line, Office No. 118, First Floor, Siddhivinayak Complex, Ward-6, Commercial Plot 1, Rotary circle, Gandhidham, Kachchh 370201 Email: info@uniqeline.com

Copy to:-

1. The Addl. Commissioner, Export Assessment, Customs House, Mundra.
2. The Deputy Commissioner, Export Assessment, Customs House, Mundra.
3. The Deputy Commissioner, SIIB, Customs House, Mundra.
4. RRA Section.