

 BHARAT SARKAR	सीमाशुल्कआयुक्तकाकार्यालय)एनएस(1- OFFICE OF COMMISSIONER OF CUSTOMS (NS-1) जवाहरलालनेहरूस्टमहाउस,न्हावा-शेवा JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA ताल-उरण,जिला -रायगढ़,महाराष्ट्र707 400- TAL-URAN, DISTRICT- RAIGAD, MAHARASHTRA- 400707	 INDIAN CUSTOMS
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DIN:202510078NW000051085F

F. No: CUS/SHED/OBJ/373/2025/Gr. IIG/JNCH

Date of Order: 28.10.2025

S-10-Adj-292/2025-26/Gr. IIG/JNCH

Passed by: Jay G. Waghmare

Joint Commissioner of Customs (NS-I), JNCH, NhavaSheva.

द्वारा पारित :वाघमारेजयजी.संयुक्तआयुक्त, सीमाशुल्क, एनएस-I, जेएनसीएच.

Order No. 1042(L)/2025-26/JC/Gr. IIG/NS-I/CAC/JNCH

आदेशसंख्-1042(L)/2025-26/JC/Gr. IIG/NS-I/CAC/JNCH

Name of Importer / Party / Noticee: **M/s Danisco Nutrition and Biosciences India Private Limited (IEC: AAHCD6360N)**

मूलआदेश

- यह प्रति जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए निःशुल्क दी जाती है।
- इस आदेश के विरुद्ध अपील, सीमा शुल्क अधिनियम 1962 की धारा 128(1) के तहत, इस आदेश की सूचना की तारीख से साठ दिनों के भीतर, सीमा शुल्क आयुक्त (अपील), जवाहरलाल नेहरू सीमा शुल्क भवन, शेवा, ता. उरण, जिला - रायगढ़, महाराष्ट्र - 400707 को की जा सकती है। अपील दो प्रतियों में होनी चाहिए और सीमा शुल्क (अपील नियमावली, 1982) के अनुसार फॉर्म सी.ए.1 संलग्नक में की जानी चाहिए। अपील पर न्यायालय शुल्क के रूप में ₹1.50 मात्र का स्टॉप लगाया जायेगा और साथ में यह आदेश या इसकी एक प्रति लगाई जायेगी। यदि इस आदेश की प्रति संलग्न की जाती है, तो इस पर न्यायालय शुल्क के रूप में ₹1.50 का स्टॉप भी लगाया जायेगा, जैसा कि न्यायालय शुल्क अधिनियम 1970 की अनुसूची 1, मद 6 के अंतर्गत निर्धारित किया गया है।
- इस निर्णय या आदेश के विरुद्ध अपील करने वाला व्यक्ति, अपील अनिर्णीत रहने तक, शुल्क या शास्ति के संबंध में विवाद होने पर मांगे गए शुल्क के 7.5% का, अथवा केवल शास्ति के संबंध में विवाद होने पर शास्ति का भुगतान करेगा।

ORDER-IN-ORIGINAL

- This copy is granted free of charge for the use of the person to whom it is issued.
- An appeal against this order lies with the Commissioner of Customs (Appeal), Jawaharlal Nehru Custom House, Nhava Sheva, Taluka: Uran, Dist: Raigad, Maharashtra – 400707 under section 128(1) of the Customs Act, 1962 within sixty days from the date of communication of this order. The appeal should be in duplicate and should be filed in Form CA-1 Annexure on the Customs (Appeal) Rules, 1982. The Appeal should bear a Court Fee stamp of Rs.1.50 only and should be accompanied by this order or a copy thereof. If a copy of this order is enclosed, it should also bear a Court Fee Stamp of Rs. 1.50 only as prescribed under Schedule 1, items 6 of the Court Fee Act, 1970.
- Any person desirous of appealing against this decision or order shall, pending the appeal, make payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

Brief Facts of the Case

M/s Danisco Nutrition and Biosciences India Private Limited (IEC: AAHCD6360N) (hereinafter referred to as *the importer*) having registered addressed at C/o. JWL Cold Store Pvt Ltd, Survey National Highway-66, Mumbai Goa Road, Navi Mumbai- 410221 filed Bills of Entry as shown in table below for clearance of following goods:

Bill of Entry No. & Date	Item Description	Assessable Value	Duty
3890715 & 14.08.2025	Methocel TM K4M Premium CR (Hydropropyl Methyl Cellulose)	1,19,67,379	33,19,152
3885869 & 14.08.2025	METHOCEL TM E5 Premium LV (Hydroxypropyl Methyl Cellulose)	1,25,54,265	34,81,956
4460969 & 12.09.2025	Methocel TM K15M Premium CR (Hydroxypropyl Cellulose)	1,17,20,232	33,75,606

The Bills of Entry were filed through their Customs Broker, M/s Babaji Shivram Clearing & Carriers Pvt. Ltd. The documents submitted in support of the import included the Commercial Invoice, and Packing List.

2. As per the examination order, the Docks Officer carried out a physical examination of the consignment, wherein 20% of the goods were opened and inspected. The description and quantity were found to be as declared. However, it was observed that the goods were imported in pre-packaged condition without the compliance of the Legal Metrology (Packaged Commodities) Rules, 2011 (LMPC Rules).

3. The Notification No. 44(RE-2000)/1997-2002 dated 24.11.2000, issued in accordance with the provisions of the Legal Metrology (Packaged Commodities) Rules, 2011 (LMPC Rules), issued by the Directorate General of Foreign Trade (DGFT), mandates that all pre-packaged commodities imported into India must comply with the LMPC Rules before clearance from Customs. As per LMPC Rules, 2011 (Chapter-II) the provisions shall not apply to:

- (a) packages of commodities containing quantity of more than 25 kg or 25 litre excluding cement and fertilizer sold in bags up to 50 kg; and
- (b) packaged commodities meant for industrial consumers or institutional consumers.

4. Further, PN No. 112/2016 issued by the Commissioner of Customs, NS-III, JNCH, Nhava Sheva defines:

“Industrial consumer” means the consumer who buys packaged commodities directly from the manufacturer or from an importer or from wholesale dealer for use by that industry and the package shall have declaration ‘Not for retail sale’.

“Institutional consumer” means the institution who hires or avails of the facilities or services in connection with transport, hotel, hospital or other organization which buy packaged commodities directly from the manufacturer or from an importer or from wholesale dealer for use by the institution and the package shall have declaration ‘Not for retail sale’.

5. During examination, it was further found that the goods were packed in 25 Kgs bag, as declared. However, packaging did not carry any of the mandatory declarations mentioned above, thereby rendering the imported goods non-compliant with the provisions of the LMPC Rules, 2011.

6. In response, the importer has submitted a clarification letter dated 17.09.2025 stating that the material is imported as an excipient and recommend use will be in industrial for manufacturing of pharmaceutical formulations. As per the nature of use, these materials are not intended for retail sale and are exclusively supplied to

industrial/institutional customers. Therefore, the requirement of LMPC (Legal Metrology Packaged Commodity) labelling, which is applicable only for retail sales, does not apply in this case.

7. These findings clearly indicate that the goods, although claimed to be industrial raw materials, were actually imported in retail packaging intended for direct sale in the domestic market, without compliance with the mandatory labelling requirements. Hence, the importer's contention regarding the inapplicability of Notification No. 44(RE-2000)/1997-2002 is not acceptable.

8. In view of the above, it is evident that the goods fall within the ambit of Notification No. 44(RE-2000)/1997-2002 and are required to comply with the provisions of the Legal Metrology (Packaged Commodities) Rules, 2011. The failure to fulfil these statutory requirements renders the goods liable for appropriate action under the said Rules and relevant provisions of the Customs Act, 1962.

9. Legal Provisions: -

Section 17 (Assessment of duty), subsection (1) reads as:

'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.'

9.2 Section 28 (Recovery of duties not levied or not paid or short-levied or short-paid or erroneously refunded) reads as:

'(4) Where any duty has not been levied or not paid or has been short-levied or short-paid or erroneously refunded, or interest payable has not been paid, part-paid or erroneously refunded, by reason of,-

- (a) collusion; or*
- (b) any wilful mis-statement; or*
- (c) suppression of facts,*

by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been so levied or not paid or which has been so short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice.

(5) Where any duty has not been levied or not paid or has been short-levied or short paid or the interest has not been charged or has been part-paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts by the importer or the exporter or the agent or the employee of the importer or the exporter, to whom a notice has been served under subsection (4) by the proper officer, such person may pay the duty in full or in part, as may be accepted by him, and the interest payable thereon under section 28AA and the penalty equal to fifteen per cent of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing. '

9.3 Section 46 (Entry of goods on importation), subsection (4) reads as:

'(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, and such other documents relating to the imported goods as may be prescribed.'

9.4 Section 111 (Confiscation of improperly imported goods etc.) reads as:

'The following goods brought from a place outside India shall be liable to confiscation:

(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 trans-shipment, with the declaration for trans-shipment referred to in the proviso to sub-section (1) of section 54;'

9.5 Section 112 (Penalty for improper importation of goods etc.) reads as:

'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.'

9.6 Section 114A (Penalty for short-levy or non-levy of duty in certain cases):-

'Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (8) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined.'

9.7 Section 114AA - Knowingly making false or incorrect statements or documents

Section 114AA states that if any person knowingly makes any false or incorrect declaration or statement in any bill of entry, shipping bill, or other documents required under the Customs Act, 1962, with the intent to evade duty, such person shall be liable to a penalty.

10. Consequent upon the amendment to Section 17 of the Customs Act, 1962, vide the Finance Act, 2011, the concept of Self-Assessment was introduced in customs clearance procedures. As per Section 17 of the Customs Act, 1962, effective from 08.04.2011 [CBEC's (now CBIC) Circular No. 17/2011 dated 08.04.2011], the importer is required to self-assess the duty liability on imported goods while filing the Bill of Entry electronically. Further, Section 46 of the Act makes it mandatory for the importer to file a Bill of Entry electronically before the proper officer for clearance of imported goods. According to Regulation 4 of the Bill of Entry (Electronic Declaration) Regulations, 2011, a Bill of Entry shall be deemed to have been filed and self-assessment completed once the electronic declaration is entered into the Indian Customs Electronic Data Interchange System (ICEGATE) and a Bill of Entry number is generated. Under the system of self-assessment, it is the sole responsibility of the importer to ensure correct classification of goods, accurate valuation, applicability of exemption notifications (if any), and payment of appropriate customs duty at the time of filing the Bill of Entry. Thus, since 08.04.2011, the importer bears enhanced responsibility for correctly declaring the description, classification, and value of goods and determining the correct rate of duty under the Customs Act, 1962.

11. In the instant case, M/s Danisco Nutrition and Biosciences (I) Pvt Ltd (IEC: AAHCD6360N), while filing Bills of Entry mentioned below:

Bill of Entry No. & Date	Item Description	Assessable Value	Duty
3890715 14.08.2025	& Methocel TM K4M Premium CR (Hydropropyl Methyl Cellulose)	1,19,67,379	33,19,152
3885869 14.08.2025	& METHOCEL TM E5 Premium LV (Hydroxypropyl Methyl Cellulose)	1,25,54,265	34,81,956
4460969 12.09.2025	& Methocel TM K15M Premium CR (Hydroxypropyl Cellulose)	1,17,20,232	33,75,606

has failed to comply with the mandatory labelling and declaration requirements prescribed under Notification No. 44(RE-2000)/1997-2002 dated 24.11.2000, issued under the provisions of the Legal Metrology (Packaged Commodities) Rules, 2011 (LMPC Rules). The goods were imported in pre-packaged condition without the required declarations such as the “not for retail sale”. Under the self-assessment procedure, it was the importer’s responsibility to ensure compliance with all applicable statutory requirements, including LMPC provisions, before filing the Bill of Entry. The deliberate omission of mandatory declarations indicates wilful negligence and an attempt to clear non-compliant goods in contravention of applicable laws.

12. The examination of the goods revealed that they were packed in retail form — packaging in 25 Kgs bag, as declared. However, none of these packages bore the mandatory LMPC declarations i.e. “not for retail sale. These findings clearly show that the importer misrepresented the nature and intended use of the goods as “industrial raw materials” to circumvent the LMPC requirements. Such misdeclaration constitutes a contravention of the provisions of the Customs Act, 1962, rendering the goods liable for confiscation under Section 111(d) of the Act for misdeclaration of particulars with the intent to evade compliance with statutory labelling requirements.

13. In view of the above, since M/s Danisco Nutrition and Biosciences (I) Pvt. Ltd. is the importer of the impugned goods, the firm is held responsible for the acts and omissions in relation to the import of pre-packaged commodities without mandatory declarations, in violation of Notification No. 44(RE-2000)/1997-2002 and the Legal Metrology (Packaged Commodities) Rules, 2011. Accordingly, M/s Danisco Nutrition and Biosciences (I) Pvt. Ltd. is liable for penal action under Section 112(a)(i) of the Customs Act, 1962, for rendering the goods liable to confiscation under Section 111(d) of the Act.

Personal Hearing & Written Submissions:

14. Ms. Trupti Datae and Mr. Merwyn Fernandes, the authorised representatives of the importer appeared before the adjudicating authority on 09.10.2025. They have submitted that the imported goods are solely supplied to industrial pharmaceutical companies & not meant for retail sale. They have submitted MSDS sheet of goods and purchase orders of their buyers to support their contention.

Further, in their letter dated 09.10.2025, has stated that they had PH with the adjudicating authority and explained their case that they are not selling the material to the retail market and hence LMPC is not applicable to them. The importer further submitted that but as per LMPC Rules, 2011 if the package is less than 25 kgs or below and not selling the same in retail then the labels must specify “Not for Retail Sale”.

Considering the above fact, the importer has submitted that they do not want Show Cause Notice or further personal hearings in this matter and respectfully requested to adjudicate the matter with applicable fine & penalty.

DISCUSSION AND FINDINGS

15. M/s Danisco Nutrition and Biosciences (I) Pvt Ltd (IEC: AAHCD6360N), having registered addressed at C/o. JWL Cold Store Pvt Ltd, Survey National Highway-66,

Mumbai Goa Road, Navi Mumbai- 410221, filed Bills of Entry shown 3890715 dated 14.08.2025, 3885869 dated 14.08.2025 and 4460969 dated 12.09.2025 for clearance of goods as described Hydropropyl Methyl Cellulose under CTH 39123919. The Bills of Entry were filed through their Customs Broker, M/s Babaji Shivram Clearing & Carriers Pvt. Ltd. The documents submitted in support of the import included the Commercial Invoice, and Packing List. The details of the Bills of entry are as follows:-

Bill of Entry No. & Date	Item Description	Assessable Value	Duty
3890715 14.08.2025	& Methocel TM K4M Premium CR (Hydropropyl Methyl Cellulose)	1,19,67,379	33,19,152
3885869 14.08.2025	& METHOCEL TM E5 Premium LV (Hydroxypropyl Methyl Cellulose)	1,25,54,265	34,81,956
4460969 12.09.2025	& Methocel TM K15M Premium CR (Hydroxypropyl Cellulose)	1,17,20,232	33,75,606

16. During physical verification, 20% of the consignment was opened, and the description and quantity were found to match the declaration. However, the goods were imported in pre-packaged form without the mandatory declarations i.e. “Not for Retail sale” required the **Legal Metrology (Packaged Commodities) Rules, 2011 (LMPC Rules)**.

17. The consignment was packed in 25 Kgs bag. However, packaging did not display the mandatory declarations i.e. “Not for Retail sale”, thereby rendering the imported goods non-compliant with the provisions of the LMPC Rules, 2011.

18. The importer, vide their letter dated 17.09.2025, contended that the material is imported as an excipient and recommend use will be in industrial for manufacturing of pharmaceutical formulations. As per the nature of use, these materials are not intended for retail sale and are exclusively supplied to industrial/institutional customers. and therefore, exempt from LMPC compliance.

20. Consequently, the goods qualify as pre-packaged commodities under Rule 2(l) of the LMPC Rules, 2011, and fall squarely under the provisions of Notification No. 44(RE-2000)/1997-2002. The importer’s claim of inapplicability is therefore untenable.

21. The failure to comply with the mandatory labelling and declaration requirements renders the goods liable for confiscation under Section 111(d) of the Customs Act, 1962, for import in contravention of law. Accordingly, the consignment is held liable for confiscation, and the importer is liable for penalties under Section 112(a)(i) for acts rendering the goods.

22. In view of the foregoing, it is established that M/s Danisco Nutrition and Biosciences (I) Pvt Ltd is responsible for the importation of pre-packaged goods in violation of LMPC provisions and failed to ensure compliance prior to clearance. Penalties under Sections 112(a)(i) is thus justified in addition to confiscation under Section 111(d) of the Customs Act, 1962.

23. In view of the discussion and findings in above paras, I pass the following order:

ORDER

23.1 I hereby hold that the imported goods described under along with the Bills of Entry

Bill of Entry No. & Date	Item Description	Assessable Value	Duty
3890715 14.08.2025	& Methocel TM K4M Premium CR (Hydropropyl Methyl Cellulose)	1,19,67,379	33,19,152
3885869 14.08.2025	& METHOCEL TM E5 Premium LV (Hydroxypropyl Methyl Cellulose)	1,25,54,265	34,81,956
4460969 12.09.2025	& Methocel TM K15M Premium CR (Hydroxypropyl Cellulose)	1,17,20,232	33,75,606

filed by M/s Danisco Nutrition and Biosciences (I) Pvt Ltd (IEC: AAHCD6360N) through their Customs Broker, M/s Babaji Shivram Clearing & Carriers Pvt. Ltd., are pre-packaged commodities imported in retail packing without the mandatory declarations as required under Notification No. 44(RE-2000)/1997-2002 issued under the Legal Metrology (Packaged Commodities) Rules, 2011 (LMPC Rules). Accordingly, I order that the goods are liable for confiscation under Section 111(d) of the Customs Act, 1962. I allow the importer an option to redeem the goods on payment of a redemption fine of **Rs. 10,00,000/- (Rupees ten lakhs only)** as prescribed under Section 125 of the Customs Act, 1962.

23.2 I impose a penalty of **Rs. 5,000/- (Rupees five thousand only)** on M/s Danisco Nutrition and Biosciences (I) Pvt Ltd under Section 112(a)(i) of the Customs Act, 1962, for acts and omissions which rendered the goods liable to confiscation.

24. In respect of goods required to comply with the conditions stipulated under DGFT Notification No. 44 (RE-2000)/1997-2002 dated 24.11.2000, it is essential to ensure that the prescribed labelling, as mandated under the said notification, is affixed on the goods prior to their clearance from the CFS. The labelling process must be completed before granting clearance from the CFS to ensure full compliance with the mandatory requirements of RE-44.

25. This order is issued without prejudice to any other action that may be taken in respect of the goods in question and/or against the persons concerned or any other person, if found involved under the provisions of the Customs Act, 1962, and/or any other law for the time being in force in the Republic of India.

Digitally signed by
Jay Girijappa Waghmare
Date: 28-10-2025
16:31:02

Jay G. Waghmare
Joint Commissioner of Customs,
Group-2G, JNCH, Nhava Sheva

To,
M/s Danisco Nutrition and Biosciences (I) Pvt Ltd (IEC: AAHCD6360N)
C/o. JWL Cold Store Pvt Ltd, Survey National Highway-66,
Mumbai Goa Road, Navi Mumbai- 410221,

Copy to;

- 1. The Deputy Commissioner of Customs, CAC, JNCH.
- 2. The Deputy Commissioner of Customs, CRAC, JNCH.
- 3. Notice Board
- 4. Office Copy