

	OFFICE OF THE COMMISSIONER OF CUSTOMS NHAVA-SHEVA-I, JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA, TALUKA: URAN, DIST.: RAIGAD, MAHARASHTRA-400 707.
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आदेशसंख्या.:

DIN- 20251278NW000000B932

S/10-Adj-45/2025-26/II C-F

आदेश की तिथि: 11-12-2025

जारी करने की तिथि: 11-12-2025

जारीकर्ता: Dr. Parul Singhal

Joint Commissioner of Customs
Group-II(C-F), NS-I, JNCH

Order No. 1302 (4)/2025.26/IC/Gr II(C-F) NS-I/CAC/JNCH

पार्टी का नाम: **M/s Yatu Coatings LLP (IEC: AACFY4059M), having registered address as Ground Floor, Gala No-3, Opp. Kopar Bus Stop, Puma Village, Bhiwandi-421302.****मूलआदेश**

1. यह प्रति उस व्यक्ति के प्रयोग में लाये जाने के लिए निःशुल्क दी जाएगी जिसके लिए इसे जारी किया गया है।

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2. इस आदेश के विरुद्ध अपील सीमा शुल्क अधिनियम 1962 की धार 128 (1) के तहत आदेश की संसूचना की तारीख से साठ दिन के भीतर ऐसे मामले जहां शुल्क या शुल्क और जुर्माना विवादित हैं या जुर्माना जहां सिर्फ जुर्माना ही विवादित है, की 7.5% राशि अदा करने पर सीमा शुल्क आयुक्त (अपील) सीमा शुल्क भवन, मुंबई, के समक्ष की जा सकती है।

An appeal against this order shall lie before the Commissioner of Customs (Appeals), New Custom House, Ballard Estate, Mumbai 400001 under Section 128 (1) of the Customs Act, 1962 within Sixty days from the date of communication of this order and 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.

3. अपील सीमा शुल्क (अपील) नियम 1982 में प्रदर्शित फॉर्म सी.ए.-I में दो प्रति में की जानी चाहिए। अपील रुपये 1.50/- के न्यायालय फी स्टॉप तथा इस आदेश या आदेश की प्रति के साथ संलग्न होनी चाहिए। यदि आदेश की प्रति संलग्न की जाती है तो इसमें भी न्यायालय फीस अधिनियम 1970 की अनुसूची 1 में प्रदर्शित रुपये 1.50/- की न्यायालय फीस स्टॉप भी होना चाहिए।

The appeal should be in duplicate and should be filed in Form CA - 1 appeared in Custom (Appeals) Rule, 1982. The appeal should bear a court fee stamp of Rs. 1.50 paise paid 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 paise only as prescribed under Schedule 1, item 6 of the Court Fees Act, 1970.

4. जो व्यक्ति इस निर्णय या आदेश के विरुद्ध अपील कर रहा है वह अपील को अनीर्णित रखेगा, और सीमा शुल्क अधिनियम, 1962 की धारा की 129 ई के उपबंधों के अंतर्गत पैरा 2 के अनुसार धन राशि जमा कराएगा तथा अपील के समय उन भुगतान का प्रमाण प्रस्तुत करेगा, जिसके अनुपालन न किए जाने पर सीमा शुल्क अधिनियम 1962 की धारा 128 (1) के उपबंधों के अधीन अपील अस्वीकार कर दी जाएगी।

Any person appealing against this decision or order shall, pending the appeal, deposit the amount as per Para 2 above under Section 129E of the Customs Act, 1962 shall produce proof of such payment along with the appeal, failing which the appeal is liable to be rejected for non-compliance with the provisions of Section 128(1) of the Customs Act, 1962.

BRIEF FACTS OF THE CASE

M/s Yatu Coatings LLP (IEC: AACFY4059M), having registered address as Ground Floor, Gala No-3, Opp. Kopar Bus Stop, Puma Village, Bhiwandi-421302 (hereinafter referred to as the 'Importer') filed Bill of Entry 5639118 dated 11.11.2025 through their authorised Customs Broker M/s Pushpak Agency for clearance of imported goods through Nhava Sheva. Details of declared Assessable Value and Duty is provided below:

Table-A

Sl. No.	Bill of Entry No	Assessable Value	Duty
1	5639118 dated 11.11.2025	Rs. 45,93,416/-	Rs. 14,29,197/-

2. During assessment under FAG, it was observed that the imported goods were pre-packaged commodities meant for retail sale in India. However, the Importer failed to submit the mandatory Legal Metrology (Packaged Commodities) Rules, 2011 (LMPC) Registration Certificate, which is required prior to import.

3. Accordingly, the Bill of Entry was pushed from FAG to PAG for further scrutiny and compliance verification.

4. Since the goods were imported without LMPC compliance at the time of import, the same appeared liable for action under Customs Act, 1962.

5. During assessment under FAG, it was observed that the imported goods were pre-packaged commodities intended for retail sale. However, the importer failed to submit the mandatory LMPC Registration Certificate required prior to import under the Legal Metrology (Packaged Commodities) Rules, 2011. Therefore, the aforesaid Bill of Entry was pushed from FAG to PAG for detailed scrutiny and compliance verification.

6. Legal provisions relevant to the instant case are:

The determination of liability in the present proceedings is governed by

the provisions of the Customs Act, 1962, the Legal Metrology Act, 2009, the Legal Metrology (Packaged Commodities) Rules, 2011, and the Foreign Trade (Development and Regulation) Act, 1992, which collectively regulate lawful importation of goods and mandate statutory compliance prior to clearance for home consumption. The relevant provisions are elaborated below:

6.1 Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011

6.1.1 Rule 27 of the Legal Metrology (Packaged Commodities) Rules, 2011 mandates that all importers engaged in importing pre-packaged commodities intended for retail sale in India must obtain mandatory registration as an importer from the Director of Legal Metrology before importation, failing which the goods cannot be legally brought into the country.

6.1.2 Rule 6 of the same Rules further prescribes statutory declarations to be printed on every pre-packaged commodity meant for retail trade, including:

- Name and address of the manufacturer or importer,
- Common or generic name of the commodity,
- Net quantity in standard unit of measurement,
- Month and year of manufacture or import, and
- Maximum Retail Price (MRP), inclusive of all taxes.

6.1.3 These requirements are compulsory and non-waivable, forming part of consumer protection and regulatory compliance measures. Import of pre-packaged commodities without LMPC registration constitutes a contravention of the Legal Metrology Act and the Rules framed thereunder.

6.2 Foreign Trade (Development and Regulation) Act, 1992

6.2.1 Section 11(1) of the FTDR Act stipulates:

“No person shall make any import or export except in accordance with the provisions of this Act, the rules and orders made thereunder, and the foreign trade policy for the time being in force.”

Accordingly, any import executed without fulfilling pre-import statutory conditions—including LMPC registration—is deemed to be an unauthorized or irregular import, punishable under the Act and liable for action under Customs law.

6.3 The Customs Act, 1962:

6.3.1 Section 2(33) — Definition of Prohibited Goods

This section defines prohibited goods as:

“Any goods the import or export of which is subject to any prohibition under this Act or under any other law for the time being in force.”

As LMPC registration is compulsory before import, failure to obtain it renders the goods prohibited at the time of importation within the meaning of Section 2(33).

6.3.2 Section 17 — Self-Assessment

Section 17 places the statutory responsibility on the importer to:

- Make an accurate declaration,
- Ensure correctness of classification, valuation, and compliance, and
- Submit all mandatory certificates at the time of filing the Bill of Entry.

Failure to attach LMPC registration at the time of filing constitutes defective or incomplete self-assessment.

6.3.3 Section 46(4) — Declaration Requirement

Section 46(4) mandates that the importer must:

"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 required."

Non-submission of LMPC certificate violates this requirement.

6.3.4 Section 111(d) — Confiscation of Goods Imported Contrary to Law

This section provides for confiscation of:

"Any goods imported or attempted to be imported contrary to any prohibition imposed by or under this Act or any other law for the time being in force."

Since LMPC compliance was mandatory prior to import and was not submitted at that stage, the goods fall squarely within the scope of Section 111(d).

6.3.5 Section 112(a) — Penalty

This section prescribes penalty against any person:

"Who does or omits to do any act which renders the goods liable for confiscation under Section 111."

Thus, the importer is liable for penalty due to failure to comply with mandatory statutory obligations at the time of import.

6.3.6 Section 114AA — Penalty for Using False or Incorrect Declaration

Section 114AA states:

"Any person who 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 shall be liable to a penalty not exceeding five times the value of the goods."

Since the Bill of Entry was filed without mandated LMPC compliance, the declaration was materially incomplete and therefore attracts this provision.

6.4 Section 125(1) — Option to Redeem Confiscated Goods

6.4.1 Section 125(1) reads as:

"Whenever confiscation of any goods is authorized by this Act, the officer

adjudging it may, in the case of goods the import or export of which is prohibited under this Act or under any other law for the time being in force, give the owner of the goods an option to pay fine in lieu of confiscation."

6.4.2 As the importer has now furnished LMPC compliance and the violation is procedural in nature, release of goods upon payment of redemption fine under this section is justified and appropriate.

RECORD OF PERSONAL HEARING AND SUBMISSION OF IMPORTER

7. A Personal Hearing was conducted on 28.11.2025, which was attended by Shri Satendra Shukla, Marketing Director and authorised representative of the importer. During the hearing, Shri Satendra Shukla submitted that the importer was unaware of the requirement to obtain a mandatory LMPC Registration Certificate prior to import. He stated that upon being notified of the non-compliance by Customs, the importer immediately applied for LMPC registration, and the required certificate has now been obtained and submitted to the department for record.

The importer further submitted that the imported goods are intended for use in the reworking engineering industry and are not meant for retail sale. It was also stated that the goods belong to Yatu Advanced Material, a related firm, and the SVB proceedings for the said related party have already been finalised. Shri Satendra Shukla additionally submitted that the import duty on the consignment is significantly high and the delay in clearance has resulted in demurrage and detention charges, causing substantial financial burden on the company. He informed that the importer is a small-scale business entity handling approximately 5-6 consignments annually, and such delays adversely impact their business operations.

Further, the importer vide letter dated 10.12.2025 reiterated the above submissions and requested that no Show Cause Notice may be issued in the matter and requested for sympathetic consideration and clearance of the goods without any fine or penalty, submitting that the compliance lapse was inadvertent and without malafide intention, and that the importer is now fully compliant with statutory requirements.

DISCUSSION AND FINDINGS

8. I have carefully gone through the facts of the case. I find M/s Yatu Coatings LLP (IEC: AACFY4059M), having registered address as Ground Floor, Gala No-3, Opp. Kopar Bus Stop, Puma Village, Bhiwandi-421302 filed Bill of Entry 5639118 dated 11.11.2025 with declared assessable value and duty as mentioned in Table A above. I find that the imported goods are pre-packaged commodities intended for retail trade, and therefore fall under the compliance framework of the **Legal Metrology (Packaged Commodities) Rules, 2011**.

9. Now, I will take up the above matter in detail. I find that goods imported vide Bills of Entry No. **5639118 dated 11.11.2025**, required compulsory submission of **Legal Metrology (Packaged Commodities) Certificate** as the imported goods are pre-packaged commodities intended for retail trade. However, in the present case, the importer did not adhere to the prescribed guidelines, and did not submit the LMPC Certificate at the time of filing the Bill of Entry, which rendered the goods prohibited at the time of import under Section 2(33) read with the Legal Metrology Rules.

10. Further, I find that subsequent procurement and submission of LMPC registration does not regularize the initial violation, although it is acknowledged as corrective compliance. Failure to present the mandatory LMPC certificate at import stage attracts confiscation under Section 111(d) and warrants penal consequences under Sections 112(a) and 114AA of the Customs Act, 1962. However, considering the voluntary compliance and cooperation of the importer, the goods may be released on payment of redemption fine under section 125(1) of the Customs Act, 1962 and penalty.

11. I find that the importer during personal Hearing conducted on 28.11.2025, which was attended by Shri Satendra Shukla, Marketing Director and authorised representative of the importer submitted that the importer was unaware of the requirement to obtain a mandatory LMPC Registration Certificate prior to import. He stated that upon being informed of the non-compliance by Customs, the importer immediately applied for the LMPC registration, and the required certificate has since been obtained and submitted to the department. He further requested that, since the compliance requirement has now been fulfilled, the consignment may be allowed clearance without imposition of punitive action, contending that the lapse was inadvertent and without any mala fide intention. Further, the importer vide letter dated 10.12.2025 reiterated the above submissions and requested that no Show Cause Notice may be issued in the matter and requested for sympathetic consideration and clearance of the goods without any fine or penalty, submitting that the compliance lapse was inadvertent and without malafide intention, and that the importer is now fully compliant with statutory requirements. Based on this scenario, I impose the redemption fine and penalty in the order portion mentioned below:

12. Accordingly, I pass the following order:

ORDER

(i). I order for confiscation of the impugned goods imported vide Bill of Entry No. 5639118 dated 11.11.2025 under Section 111(d) read with Section 2(33) of the Customs Act, 1962. However, I give the Importer an option under provision of Section 125(1) of the Customs Act, to redeem the said goods on payment of redemption fine of ₹ 1,00,000 (Rupees One Lakh only).

(ii) I impose a penalty of ₹ 20,000 (Rupees Twenty Thousands only) on M/s Yatu Coatings LLP under Section 112(a) of the Customs Act, 1962, for their act of omission and commission.

(iii). The goods shall be released only after payment of Redemption Fine, penalty, and verification of LMPC compliance.

13. This Order is issued without prejudice to any other action that may be taken against the noticee or persons or imported goods under the provisions of the Customs Act, 1962 or any other law for the time being in force in India.

Digitally signed by
Parul Singhal
(Dr. Parul Singhal, 11/12/2025 पारुल सिंघल)
Joint Commissioner of Customs,
Group-2(C-F), NS-I, JNCH.

To,

M/s Yatu Coatings LLP (IEC: AACFY4059M), having registered address as Ground Floor, Gala No-3, Opp. Kopar Bus Stop, Purna Village, Bhiwandi-421302.

Copy to:

1. The Deputy Commissioner of Customs, CRAC, JNCH
2. The Deputy Commissioner of Customs, CAC, JNCH
3. The Deputy Commissioner of Customs, EDI, JNCH
4. Notice Board
5. Guard file