



OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-I),  
सीमाशुल्कआयुक्तकार्यालय (एनएस -I)



NHAVA-SHEVA, JAWAHARLAL NEHRU CUSTOM HOUSE,  
न्हावा-शेवा, जवाहरलालनेहरूस्टमहाउस,  
TAL-URAN, DISTRICT- RAIGAD, MAHARASHTRA – 400 707.  
ताल-उरण, जिला- रायगढ़, महाराष्ट्र - 400 707

F. No. **CUS/SHED/OBJ/19/2026-Import Docks Section**  
09.03.2026

Date of order:

**F. No. S/10-Adj- 65 /2025-26/II& II(A-B)/JNCH**

Date of issue: 09.03.2026

**DIN: 20260378NW000001540D**

**Passed by: Smt. Likhita V. Umare**  
**Deputy Commissioner of Customs,**  
**Group 2 (A-B), NS-I, JNCH**

**Order No. 1968(L)/2025-26/DC/Gr. IIAB/NS-I/CAC/JNCH**

**Name of Party/Noticee/Importer: M/s THE CHEMOURS INDIA PRIVATE LIMITED (IEC 0514057491)**

**मूलआदेश**

1. यहप्रतिजिसव्यक्तिकोजारीकीजातीहै, उसकेउपयोगकेलिएनिःशुल्कदीजातीहै।
2. इसआदेशकेविरुद्धअपीलसीमाशुल्कअधिनियम1962कीधारा128 (1) केतहतइसआदेशकीसंज्ञनाकीतारीखसेसाठदिनोंकेभीतरसीमाशुल्कआयुक्त(अपील), जवाहरलालनेहरूसीमाशुल्कभवन, शेवा, ता. उरण, जिला- रायगढ़, महाराष्ट्र-400707कोकीजासकतीहै।अपीलदोप्रतियोंमेंहोनीचाहिएऔरसीमाशुल्क(अपील) नियमावली, 1982केअनुसारफॉर्मसी.ए. 1संलग्नकमेंकीजानीचाहिए।अपीलपरन्यायालयफीसकेरूपमें1.50रुपयेमात्रकास्टांपलगायाजायेगाऔरसाथमेंयहआदेशयाइसकीएकप्रतिलगायीजायेगी।यदिइसआदेशकीप्रतिसंलग्नकीजातीहैतोइसपरन्यायालयफीसकेरूपमें1.50रुपयेकास्टांपलगायाजायेगाजैसाकिन्यायालयफीसअधिनियम1970कीअनुसूची1, मद6केअंतर्गतनिर्धारितकियागयाहै।
3. इसनिर्णययाआदेशकेविरुद्धअपीलकरनेवालाव्यक्तिअपीलअनिर्णीतरहनेतक, शुल्कयाशास्तिकेसंबंधमेंविवादहोनेपरमाँगेशुल्कके7.5%का, अथवाकेवलशास्तिकेसंबंधमेंविवादहोनेपरशास्तिकाभुगतानकरेगा।

**ORDER-IN-ORIGINAL**

1. This copy is granted free of charge for the use of the person to whom it is issued.
2. An appeal against this order lies with the Commissioner of Customs (Appeal), Jawaharlal Nehru Custom House, Sheva, Tal :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.

3. 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**

1. M/s The Chemours India Private Limited, holding IEC No. 0514057491 and located at Bhave Warehousing Complex, Village Kiravali, Mumbra Panvel Road, Raigad, filed Bill of Entry (BE) No. 6365412 dated 17.12.2025 for the import of a consignment arriving from Norfolk, USA, via the vessel Cypress VOY 065 E. The import was facilitated by the Customs Broker M/s Freight Field (M) Pvt. Ltd. (CB Code: AAACF2350DCH006) and comprised two distinct items: 2,724 KGS of HFC-236FA gas (also known as R-236fa or 1,1,1,3,3,3-Hexafluoropropane) and five (05) High-Tonner (HT) empty gas cylinders, which were declared to be re-exported after emptying the contents. The goods were valued at a total Assessable Value of ₹49,77,997.91, and the importer sought to clear the shipment under the professional oversight of Group 2(A-B) at the Jawaharlal Nehru Custom House (JNCH).
2. To comply with the statutory requirements for the import of compressed gas, the importer presented PESO Licence No. G/HQ/MH/04/6628 (G158103) dated 16.10.2025, which explicitly authorized the importation of five cylinders manufactured by Worthington Cylinders conforming to DOT-4BW260 specifications. The license listed specific serial numbers for the authorized cylinders: 106823G, 106860G, 106973G, 106898G, and 106889G. Additionally, the importer relied on an Import Authorization for Restricted Items (No. 0111020811 dated 29.10.2024) issued by the Directorate General of Foreign Trade (DGFT), which covered various saturated fluorinated derivatives, including HFC-236fa, with a validity extending until 29.04.2026.
3. The discrepancy came to light during a physical examination of the shipment, which revealed that while four of the cylinders matched the authorized list, one cylinder bore Serial No. 106878G. This specific cylinder was not mentioned in the submitted PESO license nor in the supporting commercial invoice No. 7621802451 dated 03.11.2025, which only accounted for the values associated with the gas and the five intended cylinders. This omission represented a direct contravention of Rules 29, 31, and 32 of the Gas Cylinder Rules, 2016, which prohibit the landing of any imported gas cylinder without valid licensing and the express permission of the Commissioner of Customs. Furthermore, a significant misdeclaration was noted regarding the Country of Origin; despite the Bill of Entry declaring China as the origin for all items, the physical markings on the cylinders and the invoice details from the supplier in Wilmington, DE, clearly identified the origin as the United States of America.
4. Following the detection of these irregularities, the department deemed the cylinders at Serial No. 02 of the Bill of Entry liable for confiscation under Section 111(d) of the Customs Act, 1962, for violating statutory import restrictions, and Section 111(m) for the misdeclaration of material particulars. In their defense, the importer submitted on 10.02.2026 that the serial number discrepancy was a result of a typographical error by the overseas supplier. To rectify the legal standing of the unlisted cylinder, the importer subsequently obtained a fresh PESO Licence (G/HQ/MH/04/6915 dated 20.01.2026) that formally included Serial No. 106878G. Seeking an expeditious resolution, the importer waived the right to a formal Show Cause Notice (SCN) and requested a Personal Hearing, which was granted for 20.02.2026.

## **5. Departmental Verification and Identification of Discrepancies**

- a. The departmental verification process for Bill of Entry No. 6365412 dated 17.12.2025 involved a comprehensive cross-examination of the physical cargo against the statutory requirements of the Gas Cylinder Rules, 2016, and the Foreign Trade (Development and Regulation) Act, 1992. Upon physical examination of the five High-Tonner cylinders at the docks, the department identified a critical mismatch in serial numbers; specifically, one cylinder bore Serial No. 106878G, which was not authorized under the initially produced PESO Licence No. G/HQ/MH/04/6628 (G158103) dated 16.10.2025. This discrepancy extended to the supporting commercial documentation, as the same serial number (106878G) was found to be missing from the corresponding Commercial Invoice No. 7621802451 dated 03.11.2025. Consequently, the department determined that this specific cylinder had been imported without a valid PESO license and without the requisite landing permission from the Commissioner of Customs as mandated under Rule 32 of the Gas Cylinder Rules, 2016, thereby rendering the import restricted and ineligible for standard clearance.
- b. In addition to the licensing irregularities, the verification process uncovered a significant misdeclaration regarding the Country of Origin (COO) of the goods. While the importer had declared China as the origin in the Bill of Entry, physical inspection of the cylinders and a review of the supplier's details (The Chemours Company FC, LLC, based in Wilmington, DE) confirmed that the cylinders actually originated from the United States of America. Although a Certificate of Origin was provided, it contained conflicting information by stating the products were of Chinese origin despite being issued and notarized in Pennsylvania, USA. These combined findings of unlicensed importation and misdeclaration of origin led the department to conclude that the goods were liable for confiscation under Section 111(d) and Section 111(m) of the Customs Act, 1962.

## **6. Subsequent Submissions by the Importer**

- a. In response to the discrepancies identified by the department, M/s The Chemours India Private Limited submitted a formal representation dated 10.02.2026 to clarify the circumstances surrounding the import. The importer's primary submission was that the mismatch involving Cylinder Serial No. 106878G was neither intentional nor a deliberate attempt at evasion, but rather a typographical and clerical error committed by the overseas supplier during the preparation of the documentation. They further clarified that the omission of this specific serial number from both the original PESO license and the Commercial Invoice No. 7621802451 was an oversight that occurred at the point of shipment in the United States.
- b. To demonstrate their bona fides and commitment to regulatory compliance, the importer undertook immediate steps to regularize the technical standing of the unauthorized cylinder. They successfully obtained and presented a supplementary PESO License (No. G/HQ/MH/04/6915 / G162673 dated 20.01.2026), which explicitly included Serial No. 106878G, thereby fulfilling the licensing requirements

mandated under the Gas Cylinder Rules, 2016. Regarding the misdeclaration of the Country of Origin, the importer provided their explanation and sought a lenient view, noting that the error was part of the broader documentation discrepancy originating from the supplier's end.

- c. In a further bid to expedite the adjudication process and facilitate the urgent release of the HFC-236FA gas, the importer formally requested a Personal Hearing while voluntarily waiving the requirement for the issuance of a formal Show Cause Notice (SCN). They expressed a desire for a summary adjudication to avoid prolonged detention and additional costs, reaffirming that the five High-Tonner cylinders were temporary imports intended for re-export once emptied. The importer maintained that since they held a valid DGFT Import Authorization (No. 0111020811) for the chemical contents, there was no underlying intent to import restricted goods unlawfully.

7. The subject import consignment, comprising 05 cylinders of HFC-236FA (covered under Bill of Lading No. OOLU2163551940 dated 14.11.2025 ) imported by M/s The Chemours India Private Limited, stands in violation of the statutory framework governing restricted imports, specifically involving a dual contravention of the Gas Cylinder Rules, 2016.

(a) Firstly, the importer attempted to secure clearance by submitting PESO license No. G/HQ/MH/04/6628 (G158103) dated 16.10.2025, which, upon departmental verification during physical examination, was found to be insufficient for the entire consignment; while the license covered four cylinders, it did not include Cylinder Serial No. 106878G. Consequently, the landing and import of this specific cylinder occurred without a valid license and without the requisite permission from the Commissioner of Customs under Rule 32 of the Gas Cylinder Rules, 2016, failing the fundamental legal requirement of correctly declaring and licensing all restricted goods at the threshold of import.

(b) Secondly, while the importer subsequently admitted to a "typographical error" at the supplier's end and submitted a fresh license—namely No. G/HQ/MH/04/6915 (G162673) dated 20.01.2026—this new document reveals a regulatory discrepancy: the Bill of Lading date (14.11.2025) significantly precedes the issuance date of the fresh PESO license (20.01.2026). Under established law, restricted goods must be covered by a valid license at the time of import. Additionally, the department identified a misdeclaration of the Country of Origin, as the Bill of Entry declared China while the physical cylinders and commercial invoice No. 7621802451 identified the origin as the United States of America. Consequently, the import is hit by the initial absence of a valid license for Serial No. 106878G and the misdeclaration of material particulars, rendering the goods liable for confiscation under Section 111(d) and Section 111(m) of the Customs Act, 1962

## **8. LEGAL PROVISIONS**

A. Relevant Provisions of Gas Cylinder Rules, 2016 are produced below:

### **29. License for import of gas cylinders. –**

(1) No person shall import any gas cylinders filled or intended to be filled with any compressed gas except under and in accordance with the conditions of a licence granted under these rules and the relevant provisions of Foreign Trade (Development and Regulations) Act, 1992 (22 of 1992).

### **31. Production of licence for import.-**

Every person desiring to import cylinder filled with any compressed gas or intended to be so filled, valve and LPG regulator shall produce personally or through his agent, before the commissioner of Customs his license for the import of such gas cylinder, valve or LPG regulator, as the case may be.

**32. Permission of the Commissioner of Customs.-**

(1) No Imported cylinder, valve and LPG regulator shall be landed except with the permission of the Commissioner of Customs.

(2) If the Commissioner of Customs is satisfied that the gas cylinder, valve and LPG regulator can lawfully be imported, the shall permit it to be landed.

(3) Nothing in this rule shall affect the power of the commissioner of customs to detain the gas Cylinder, valve and LPG regulator under any other law for the time being in force

**B. The Relevant legal provisions of the Customs Act 1962 are reproduced here for the sake of brevity:-**

Relevant provisions of law relating to import of goods in general, the policy and rules relating to the import of impugned goods and liability of the persons concerned to penalty for improper/illegal imports, under the provisions of Customs Act, 1962 and any other laws for the time being in force, are summarized as below: -

**(i) Section 17 of the Customs Act, 1962--**(1) An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self- assess the duty, if any, leviable on such goods.

(2) The proper officer may verify the entries made under section 46 or section 50 and the self- assessment of goods referred to in sub-section (1) and for this purpose, examine or test any imported goods or export goods or such part thereof as may be necessary.

(3) the purposes of verification under sub-section (2), the proper officer may require the importer, exporter or any other person to produce any document or information, whereby the duty leviable on the imported goods or export goods, as the case may be, can be ascertained and thereupon, the importer, exporter or such other person shall produce such document or furnish such information.

(4) Where it is found on verification, examination or testing of the goods or otherwise that the self-assessment is not done correctly, the proper officer may, without prejudice to any other action which may be taken under this Act, re-assess the duty leviable on such goods.

(5) Where any re-assessment done under sub-section (4) is contrary to the self-assessment done by the importer or exporter and in cases other than those where the importer or exporter, as the case may be, confirms his acceptance of the said re-assessment in writing, the proper officer shall pass a speaking order on the re-assessment, within fifteen days from the date of re-assessment of the bill of entry or the shipping bill, as the case may be.

**(ii) Section 46(4A) of the Customs Act, 1962-**

*The importer who presents a bill of entry shall ensure the following namely:*

- (a) *the accuracy and completeness of the information given therein,*
- (b) *the authenticity and validity of any document supporting it, and*
- (c) *Compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.*

**(iii) Section 111 of the Customs Act, 1962-**  
*Confiscation of improperly imported goods, etc*

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

.....

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

*(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*

**(iv) Section 112 of the Customs Act, 1962 –**

*Penalty for improper importation of goods, etc.-*

*Any person, -*

*(a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or*

*(b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111*

*shall be liable, -*

*(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty 1 [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.*

**(v) Section 114AA: Penalty for use of false and incorrect material.**

*If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.*

(vi) **Section 125(1) of the Customs Act, 1962-**

*Whenever confiscation of any goods is authorised by this act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods or the person from whose possession or custody such goods have been seized, an option to pay in lieu of confiscation such fine as the said officer thinks fit.*

**C.** As per rule 32 of Gas Cylinder Rules, 2016 importer was required to obtain landing permission before the landing of the said goods. However in the instant case importer did not obtain landing permission before arrival of goods as per Rule 32 of Gas Cylinder Rules, 2016.

**D.** In view of the above, it appeared that the imported goods are liable for confiscation under Section 111 (d) of the Customs Act, 1962. Further, for the acts of omission and commission including landing of said goods without obtaining permission from Commissioner of Customs, as per Rule 32 of Gas Cylinder Rules, 2016, the importer appears to be liable for penalty under Section 112 (a) of the Customs Act, 1962.

### **9. DISCUSSIONS AND FINDINGS**

- a. I find that the paragraphs above detailed in the case history constitute the established facts of the matter, and I therefore refrain from reproducing them here. I have carefully examined the case records and the written submissions made by the importer. I find that the importer was provided the opportunity to present their case and chose to waive the requirement for a formal Show Cause Notice (SCN) via their letter dated 10.02.2026. While an SCN was waived, a Personal Hearing was scheduled for 20.02.2026 to ensure the principles of natural justice were upheld.
- b. Upon an exhaustive review of the documentation, I find that the PESO license initially submitted by the importer, M/s The Chemours India Private Limited, was insufficient to cover the entirety of the imported goods. Specifically, the importer relied upon PESO License No. G/HQ/MH/04/6628 (G158103) dated 16.10.2025, which authorized only five specific cylinder serial numbers. During physical verification, it was found that Cylinder Serial No. 106878G was not listed in this license, nor was it present in the supporting commercial Invoice No. 7621802451 dated 03.11.2025.
- c. I find that the fresh license produced by the importer, namely G/HQ/MH/04/6915 (G162673) dated 20.01.2026, which was intended to include the previously unlisted cylinder, was obtained well after the date of reckoning of import. The Bill of Lading No. OOLU2163551940 is dated 14.11.2025. Regarding the validity of the license at the time of shipment, it is relevant to note the provisions of the Handbook of Procedures, which dictate that the relevant date for determining the validity of an authorization is the date of shipment/dispatch from the supplying country.
  - i. **Date of Reckoning:** The date of reckoning of import is decided with reference to the date of shipment (14.11.2025) and not the date of arrival at the Indian port.
  - ii. **Validity:** Authorizations must be valid on the date of import.

- d. The importer obtained the fresh PESO License on 20.01.2026, which is more than two months after the date of reckoning of import on 14.11.2025. As this certificate post-dates the date of shipment, the cylinder Serial No. 106878G cannot be considered to have been imported against a valid PESO license at the time of dispatch. Furthermore, I find a distinct misdeclaration regarding the Country of Origin, as the goods were declared as originating from China despite physical markings and commercial documents identifying the origin as the United States of America.
- e. I find that by failing to obtain the required PESO coverage before the date of reckoning of import and by misdeclaring the Country of Origin, the importer has made the impugned goods liable for confiscation under Section 111(d) and Section 111(m) of the Customs Act, 1962. By these acts of omission and commission, the importer has rendered themselves liable for penalty under Section 112(a) of the Customs Act, 1962.
- f. However, as the necessary certificate from the Petroleum & Explosives Safety Organisation (PESO) has now been produced (dated 20.01.2026) and the importer has demonstrated a willingness to comply with the statutory conditions, the goods may be released for home consumption upon payment of an appropriate redemption fine and penalty.
- g. Regarding the liability for penal action, I find that the importer failed to discharge their responsibility to ensure that all serial numbers were accurately captured in their licensing and commercial documents prior to shipment. While the importer attributed the discrepancy to a "typographical error" by the supplier, the responsibility for accurate declaration under Section 46 of the Customs Act, 1962, rests solely with the importer. Therefore, I hold that the importer has failed to perform their statutory obligations, rendering the goods liable to confiscation and themselves liable for a penalty.
- h. In view of the above discussion and findings, I pass the following order:

### **ORDER**

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

(a) I hereby order for the confiscation of 01 High-Tonner (HT) Gas Cylinders having serial no. Serial No. 106878G (covered at Serial No. 02 of the Bill of Entry) imported via Bill of Lading No. OOLU2163551940 dated 14.11.2025, having an assessable value of USD 1,500 (Rs. 1,36,950/-), under Section 111(d) and 111(m) of the Customs Act, 1962. However, I give an option to the importer, M/s The Chemours India Private Limited, to redeem the said goods on payment of a redemption fine of Rs. 14,000/- (Rupees Fourteen thousand Only) under Section 125(1) of the Customs Act, 1962.

(b) I impose a penalty of Rs. 10,000/- (Rupees Ten thousand Only) under Section 112(a)(i) of the Customs Act, 1962 on the Importer.

(c) I impose a penalty of Rs. 10,000/- (Rupees Ten Thousand Only) under Section 114AA of the Customs Act, 1962 on the Importer.

(d) Importer is also liable to pay applicable duty and charges, if any, in terms of Section 125(2) of the Customs Act, 1962, in addition to the redemption fine and penalty imposed above.

11. 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.

*Likhita V. Umare*  
9/3/22

(Likhita V. Umare)

Deputy Commissioner of Customs,

Group 2(A-B), NS1, JNCH

To,

**M/s THE CHEMOURS INDIA PRIVATE LIMITED (IEC 0514057491)**  
BHAVE WAREHOUSING COMPLEX,  
VILLAGE KIRAVALI MUMBRA PANVEL RD,  
PANVEL, RAIGAD, MAHARASHTRA – 410208.

Copy to:

1. The Deputy/Assistant Commissioner of Customs, CAC, JNCH.
2. The Deputy Commissioner of Customs (Review Cell), JNCH.
3. The Deputy Commissioner of Customs, EDI, JNCH
4. Office Copy.

