

DIN No:- 20260178NW000000D629

भारतसरकार/**Government of India**वित्तमंत्रालय/**Ministry of Finance**

सत्यमेव जयते

सीमाशुल्कप्रधानआयुक्तकाकार्यालय (एनएस-1), मुंबईसीमाशुल्कजोन-II

जवाहरलालनेहरूकस्टमहाउस, पोस्ट: शेवा, तालुका: उरण, जिला: रायगढ़,
महाराष्ट्र-400707**OFFICE OF THE PR. COMMISSIONER OF
CUSTOMS (NS-I), MUMBAI CUSTOMS ZONE-II****JAWAHARLAL NEHRU CUSTOM HOUSE, Post:
Sheva, Taluka: Uran, Dist: Raigad,
Maharashtra 400707.**

F. No. CUS/APR/SCN/1800/2025/Gr. I & IA

Date: 07-01-2026

SCN No.- 1791/2025-26/Pr. Commr. /GR-I & IA/ NS-I /CAE/JNCH
S/10-1606/Adj. /Pr. Commr. /GR-I & IA/ NS-I /CAE/JNCH**Show Cause Notice under Section 124 read with Section 28(4) of
the Customs Act, 1962**

During the course of CRA Audit, it was observed that the importer, M/s **JSW Steel Limited (IEC No. 0794007368)**, JSW CENTRE BANDRA KURLA COMPLEX, BANDRA EAST, MUMBAI, MUMBAI SUBURBAN, MAHARASHTRA, 400051, imported "**OLIFLUX 0-3 MM BULK**" (as per **Table-1**). The imported items were classified under CTH 25309099 "Mineral Substances not elsewhere specified or included; other) and levied BCD @ 5% along with other applicable duties and 5% IGST as per notification no. 01/2017- Integrated Tax (Rate) dated 28th June 2017, S. No. I/137. But the imported item attracts BCD @7.5% & IGST @ 18% as per the notification no. 01/2017- Integrated Tax (Rate) dated 28th June 2017, S. No. III/97 along with other applicable cess.

2. HSN explanatory Notes to Chapter 2530 are reproduced below for ready reference:

25.30 • MINERAL SUBSTANCES NOT ELSEWHERE SPECIFIED OR INCLUDED.**2530.10** • Vermiculite, perlite and chlorites, unexpanded**2530.20** • Kieserite, epsomite (natural magnesium sulphates)**2530.90** • Other**(A) EARTH COLOURS, WHETHER OR NOT CALCINED OR MIXED TOGETHER; NATURAL MICACEOUS IRON OXIDES**

The colours classified here are usually naturally occurring clays mixed with white or coloured mineral substances, particularly iron oxide; because of their colouring properties, they are generally used as pigments.

They include :

- (1) Ochres (yellow, brown, red, Spanish red, etc.).
- (2) Siennas (Italian sienna, yellow•brown; and burnt sienna, orange•brown, etc.).
- (3) Umbers (including burnt umber), which are brown or dark brown.
- (4) Black earths and natural vandyke brown (Cassel and Cologne earths). Soluble Vandyke brown is a prepared pigment which falls in heading **32.06**.
- (5) Verona earth and Cyprus earth (green).

Calcination or the mixing together of various earth colours does not affect their classification. However, when mixed with other substances or presented as dispersions in water, oil, etc., they fall in Chapter 32.

The heading excludes iron ores (heading 26.01) and earth colours containing 70 % or more by weight of combined iron evaluated as Fe₂O₃ (heading 28.21).

However, micaceous iron oxides, used mainly as anti•rust pigments are classified in this heading although they naturally contain more than 70 % by weight of combined iron.

(B) MEERSCHAUM (WHETHER OR NOT IN POLISHED PIECES) AND AMBER; AGGLOMERATED MEERSCHAUM AND AGGLOMERATED AMBER, IN PLATES, RODS, STICKS OR SIMILAR FORMS, NOT WORKED AFTER MOULDING; JET

(1) Natural meerschaum is a very light and porous hydrated silicate of magnesia, white, yellowish, grey or pink, found almost exclusively in Asia Minor. It is obtained in small pieces (the sides seldom exceed 30 cm). These pieces are submitted to a preliminary cleaning, scraping, wool polishing and drying (in the sun or in an oven), followed by further flannel and wax polishing, in order to improve their appearance and to establish their grade or quality.

Agglomerated meerschaum is obtained by agglomerating shavings and other waste of natural meerschaum with binding agents (oils, alum, etc.) under the influence of heat. It falls here only when in plates, rods, sticks or similar forms, not worked after moulding.

(2) Amber is a fossilised resin (also known as “succinite” or “Karabé”). It generally ranges in colour from yellow to deep orange. Care should be taken not to confuse amber or succinite with ambergris, a secretion of the whale, classified in heading 05.10.

Agglomerated amber (or ambroid) is an opaque mineral substance formed by agglomerating amber waste. It falls in this heading only when in plates, rods, sticks or similar forms, not worked after moulding.

(3) Jet is a compact variety of lignite. It is intensely black, easily carved and takes a high polish. Although employed in the manufacture of jewellery, it is not regarded as a precious stone for the purpose of the Nomenclature.

(C) STRONTIANITE (WHETHER OR NOT CALCINED), OTHER THAN STRONTIUM OXIDE

This group covers strontianite (natural strontium carbonates) and calcined strontianite, which consists mainly of impure strontium oxide.

The heading excludes pure strontium oxide (heading 28.16).

**(D) MINERAL SUBSTANCES NOT ELSEWHERE SPECIFIED OR INCLUDED;
BROKEN POTTERY**

This group covers, inter alia :

(1) Natural arsenic sulphides. The two main varieties are :

(i) Realgar, which is an arsenic disulphide, bright red in colour, used in pyrotechnics.

(ii) Orpiment, which is an arsenic trisulphide, bright yellow, used in paint-making.

Mispickel (arsenical pyrites or iron thioarsenide) is also included in this heading.

(2) Alunite, also called alumstone because it is employed in the manufacture of alum. It is a stony substance, reddish-grey or yellowish in colour, and stains the fingers.

(3) Vermiculite, a mineral allied to mica and similar in colour but usually in the form of smaller flakes; also chlorites and perlite, minerals chemically related to vermiculite. These minerals expand when heated and then constitute heat-insulating materials. In the expanded (or exfoliated) forms they are, however, classified in heading 68.06.

(4) Lydite, a very hard, rough, fine-textured and even-grained, dark stone, not attacked by acids. Touchstones made of lydite (e.g., for testing precious metals) fall in heading 68.15.

(5) Celestite (natural strontium sulphate); Iceland spar (or calcite) and aragonite, which are crystallised calcium carbonates; lepidolite (lithium mica) (fluosilicoaluminate of potassium and lithium) and amblygonite (aluminium phosphatelithium fluoride).

(6) Garden earth, heath earth, marsh earth, marl, alluvium, leaf moulds and excavated soil and subsoil, which, although used in agriculture or in landscaping, are not included under Chapter 31 (Fertilisers) whether or not they contain in the natural state small quantities of nitrogen, phosphorus or potassium. However, the heading excludes excavated natural sands of all kinds (heading 25.05).

(7) Pozzolana, santorin, trass and similar earths, sometimes called natural cements because they are used in cement manufacture.

(8) Limestone (known as " lithographic stone " and used in the printing industry), in the crude state.

(9) Broken pottery, broken pieces of brick and broken pieces of concrete.

(10) Ores of the rare earth metals (e.g., bastnasite, xenotime, gadolinite), but not including monazites and other ores used solely or principally for the extraction of uranium or thorium (heading 26.12).

(11) Opacifiers used in enamelling, obtained by the treatment (purification with hydrochloric acid and micronisation) of zircon sand.

(12) Molybdenite "concentrates" obtained from molybdenum ores by certain physical treatments such as washing, grinding, flotation and by heat treatment (other than calcination) designed to drive off traces of oil and water, for non-metallurgical uses (lubrication).

(13) Nsutite, a manganese ore containing not less than 79 % by weight of manganese oxides, not used in the metallurgical industry for the extraction of manganese but in electric batteries.

(14) Natural cryolite, obtained mainly from Greenland, snow-white, occasionally tinged with colour, shiny and almost transparent, used as a flux particularly in the electrolytic production of aluminium; natural chiolite, which, like cryolite, may be regarded as a sodium fluoroaluminate. The heading excludes chemically produced fluorides of similar composition to cryolite and chiolite (heading 28.26).

3. HSN explanatory Notes to Chapter 3824 are reproduced below for ready reference:

3824: PREPARED BINDERS FOR FOUNDRY MOULDS OR CORES; CHEMICAL PRODUCTS AND PREPARATIONS OF THE CHEMICAL OR ALLIED INDUSTRIES (INCLUDING THOSE CONSISTING OF MIXTURES OF NATURAL PRODUCTS), NOT ELSEWHERE SPECIFIED OR INCLUDED

3824.10 - Prepared binders for foundry moulds or cores

3824.30 - Non-agglomerated metal carbides mixed together or with metallic binders

3824.40 - Prepared additives for cements, mortars or concretes

3824.50 - Non-refractory mortars and concretes

3824.60 - Sorbitol other than that of subheading 2905.44

- Goods specified in Subheading Note 3 to this Chapter :

3824.81 - - Containing oxirane (ethylene oxide)

3824.82 - - Containing polychlorinated biphenyls (PCBs), polychlorinated terphenyls (PCTs) or polybrominated biphenyls (PBBs)

3824.83 - - Containing tris(2,3-dibromopropyl) phosphate

3824.84 - - Containing aldrin (ISO), camphechlor (ISO) (toxaphene), chlordane (ISO), chlordecone (ISO), DDT (ISO) (clofenotane (INN), I, I, 1-trichloro-2,2-bis(p-chlorophenyl) ethane), dieldrin (ISO, INN), endosulfan (ISO), endrin (ISO), heptachlor (ISO) or mirex (ISO)

3824.85 - - Containing 1,2,3,4,5,6-hexachlorocyclohexane (HCH (ISO)), including lindane (ISO, INN)

3824.86 - - Containing pentachlorobenzene (ISO) or hexachlorobenzene (ISO)

- 3824.87** - - Containing perfluorooctane sulphonic acid, its salts, perfluorooctane sulphonamides, or perfluorooctane sulphonyl fluoride
- 3824.88** - - Containing tetra-, penta-, hexa-, hepta- or octabromodiphenyl ethers
- 3824.89** - - Containing short-chain chlorinated paraffins
- 3824.91** - Other:
 - - Mixtures and preparations consisting mainly of (5-ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphinan-5-yl)methylmethylmethylphosphonate and bis[(5-ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphinan-5-yl)methyl]methylphosphonate
- 3824.92** - - Polyglycol esters of methylphosphonic acid
- 3824.99** - - Other

4. The imported goods '**OLIFLUX 0-3 MM**' is magnesium iron silicate (a combination silicon oxide & Magnesium Oxide) used for sinter making and iron ore pellets, wherein it performs a specific chemical function by regulating slag formation and improving sinter quality. On detailed examination of the technical literature, chemical composition, end-use and trade parlance, it is evident that the said goods are not a naturally occurring mineral, but a chemically prepared product used in metallurgical processes. Thus the goods do not retain the essential character of a crude or natural mineral. As the goods are not a mineral substance but chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), the imported goods are rightly classifiable under CTH 38249900 (Prepared Binders for foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included: other) and attracts BCD @ 7.5% & IGST @ 18% alongwith other applicable cess.

5. M/s JSW Steel Limited imported consignments of "Oliflux 0-3 MM" without payment of applicable BCD @7.5% along with other cess and IGST @18%/. The details of such imports are as under:-

Table-I

Sl. No.	BE No.	BE Date	Item Description	CTH	Assessable Value (Item) in Rs.
1.	8649839	12.05.2022	OLIFLUX 0-3 MM BULK -	25309099	276295873/-
2.	8749345	19.05.2022	OLIFLUX 0-3 MM	25039099	274463112/-

			BULK -		
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6. For reasons discussed above and as per the Customs Tariff Act, 1975, the above-mentioned goods i.e. "Oliflux 0-3MM" merits classification under CTH-38249900 (Prepared Binders for foundry moulds or cores; chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), not elsewhere specified or included: other) and attracts BCD@ 7.5%, SWS @10% and IGST @ 18% as per Sl. No. III/97 of notification no. 01/2017- Integrated Tax (Rate) dated 28th June 2017.

7. Accordingly, the subject goods attract BCD @7.5%, SWS @ 10% & IGST @18% and thus differential duty for goods i.e. "Oliflud 0-3mm", works out at Rs. 9,34,08,724/- as calculated in table below:-

Table-II

Sl.No.	B.E. No	B.E. Date	A.V. (in Rs.)	Duty Paid (BCD@5%, SWS @10%, IGST@5%) (in Rs.)	Duty Applicable (BCD@7.5%, SWS @10%, IGST@18%) (in Rs.)	Diff duty (in Rs.)
1	8649839	12.05.2022	276295873/-	29770880	76630660.4	46859780
2	8749345	19.05.2022	274463112/-	29573400	76122344.2	46548943.8
Total-						9,34,08,724/-

8 . Accordingly, a Consultative Letter dated 16.06.2025 vide F.No. S/26-Misc-455/2025-26/Gr.I&IA was issued to the importer for payment of short levied duty along with applicable interest and penalty. Vide the aforementioned Consultative letter, the Importer was advised to pay the Differential Duty along with interest and penalty in terms of Section 28(4) of the Customs Act 1962. The importer was further advised to avail the benefit of lower penalty in terms of Section 28(5) of the Customs Act, 1962, by early payment of short paid duty and interest along with penalty @ 15%. However, as per records available, till date no response in this regard has been received from the importer.

9. In light of the discussions above, it appears that the importer has deliberately and willfully misclassified the subject goods with an intention to wrongfully avail lower rate of duty, thus the importer has evaded the payment of duty which has resulted in loss to government exchequer.

10. By resorting to the aforesaid mis-classification of subject goods the importer has short paid the duty amounting to **Rs. 9,34,08,724/- (Rs. Nine Crore Thirty Four Lakh Eight Thousand Seven Hundred Twenty Four only)** as detailed in Table-II above.

11. It also appears that consequently, the duty short paid is recoverable from the importer under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962 and for the same reason penalty is also required to be imposed on the importer under Section 114A of the Customs Act, 1962. Further, as the importer has mis-declared the classification of the imported goods and has availed undue benefit of concessional duty, it also appears that the subject goods are liable for confiscation under Section 111 (m) of the Customs Act, 1962 and the importer is liable for penalty under Section 112 (a) & (b) and/or 114A ibid.

12. From the foregoing, it appears that importer has deliberately and willfully mis-classified the subject goods with an intention to wrongfully avail benefit of lower rate of duty. Thus, the importer has evaded payment of duty which has resulted in a loss to the government exchequer equal to the differential duty. The repeated non-payment across multiple consignments indicates a systematic approach to availing lower duty. Such repetition cannot be termed a mere clerical or classification error and suggests deliberate intention on the part of the Importer. Therefore, for the acts of omission and commissions mentioned above the importer has rendered themselves for Penal action under Section 114AA of the Customs Act, 1962.

13. Whereas, consequent upon amendment to the Section 17 of the Customs Act, 1962 vide Finance Act, 2011, 'Self-assessment' has been introduced in customs clearance. Section 17 of the Customs Act, provides for self-assessment of duty on imported goods by the importer himself by filing a Bill of Entry, in the electronic form. Thus, with the introduction of self-assessment by amendments to Section 17, since 08.04.2011, it is the added and enhanced responsibility of the importer to declare the correct classification, description, value, notification benefit, etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods. In other words, the onus on the importer in order to prove that they have paid all the applicable duty.

14. As discussed above, it is the responsibility of the importer to classify the goods under import properly. In the instant case, the importer has wrongly assessed the above said impugned goods under CTH 25309099 and paid lower rate of BCD & IGST. On the other hand, the subject goods which are correctly classifiable under CTH 38249900 attract payment of a higher rate of BCD & IGST and thus, it has resulted in short payment of duty by the importer. It appears that the importer has done the self-assessment wrongly with an intention to get financial benefit by paying lesser duty. The wrong assessment of goods is nothing but suppression of facts with an intention to get financial benefit. Hence, it appears that the importer has suppressed the facts, by wrong assessment of the impugned goods leading to short payment of duty. As there is suppression of facts, extended period of five years can be invoked for demand of duty under Section 28(4) of the Customs Act, 1962.

15. Legal provisions applicable in the case:

15.1 After the introduction of self-assessment vide Finance Act, 2011, the onus is on the Importer to make true and correct declaration in all aspects including Classification and calculation of duty, but in the instant case the subject goods have been mis-classified and duty has not been paid correctly.

Section 17(1) Assessment of duty, 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.

14.2 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 sub-section (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.

(6) Where the importer or the exporter or the agent or the employee of the importer or the exporter, as the case may be, has paid duty with interest and penalty under sub-section(5), the proper officer shall determine the amount of duty or interest and on determination, if the proper officer is of the opinion-

(i) that the duty with interest and penalty has been paid in full, then, the proceedings in respect of such person or other persons to whom the notice is served under sub-section (1) or sub-section (4), shall, without prejudice to the provisions of sections 135, 135A and 140 be deemed to be conclusive as to the matters stated therein; or

(ii) that the duty with interest and penalty that has been paid falls short of the amount actually payable, then, the proper officer shall proceed to issue the notice as provided for in clause (a) of sub-section (1) in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of two years shall be computed from the date of receipt of information under sub-section (5).

15.3 SECTION 28AA- Interest on delayed payment of duty

15.4 SECTION 46- Entry of goods on importation, subsection 46(4) reads as:

15.5 Section 111- (Confiscation of improperly imported goods etc.)

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

15.7 SECTION 114A- Penalty for short-levy or non-levy of duty in certain cases.

15.8 114AA. Penalty for use of false and incorrect material.

16. Acts of omission and commission by the Importer:

16.1 As per section 17(1) of the Act, "An Importer entering any imported goods under section 46, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods." Thus, in this case the importer had self-assessed the Bills of Entry and appears to have Short paid duty. Importer has given a declaration under section 46(4) of the Act, for the truthfulness of the content submitted at the time of filing Bill of Entry. As the importer got monetary benefit due to said act, it is apparent that the same was done deliberately by with an intention to avail undue benefit of Notification on the said goods in the Bills of Entry during self-assessment. Therefore, differential duty amount is recoverable from the importer under Section 28(4) of the Customs Act, 1962 along with applicable interest as per Section 28AA of the said Act.

16.2 It appears that the Importer has given a declaration under section 46(4) of the Act, for the truthfulness of the content submitted at the time of filing Bill of Entry. However, the applicable duty on the imported goods was not paid by the Importer at the time of clearance of goods. It also appears that the Importer has submitted a false declaration under section 46(4) of the Act. By the act of presenting goods in contravention to the provisions of section 111(m), it appears that the Importer has rendered the subject goods liable for confiscation under section 111(m) of the Act. For the above act of deliberate omission and commission that rendered the goods liable to confiscation. Accordingly, the Importer also appears liable to penal action under Section 112 (a) & (b) /or 114A of the Customs Act, 1962.

17. In view of the above, the importer, **M/s JSW Steel Limited (IEC No. 0794007368)**, JSW CENTRE BANDRA KURLA COMPLEX, BANDRA EAST, MUMBAI, MUMBAI SUBURBAN, MAHARASHTRA, 400051 is required to show cause to the Pr. Commissioner of Customs, NS-I, Jawaharlal Nehru

Custom House, Nhava Sheva, Taluk: Uran, District: Raigad, Maharashtra, Pin: 400707 within 30 days of receipt of the this notice as to why: -

(a) the self-assessment in the classification of "Oliflux 0-3MM" under CTH 25309099 as declared by the importer M/s. JSW Steel Limited (IEC 0794007368) at the time of import in respect of the bills of entry as mentioned in Table-I, should not be rejected and re-classified under CTH 38249900 of the Customs Tariff and that Customs duty on the subject goods should not be levied at applicable rates corresponding to the tariff item 38249900.

(b) Differential Duty amounting to **Rs. 9,34,08,724/- (Rs. Nine Crore Thirty Four Lakh Eight Thousand Seven Hundred Twenty Four only)** with respect to the items covered under Bills of entry as mentioned in Table-II should not be demanded under Section 28 (4) of the Customs Act, 1962 along with applicable interest as per Section 28AA of the Customs Act, 1962;

(c) The subject goods as detailed in Table-I having a total assessable value of **Rs. 55,07,58,985/- (Rs. Fifty Five Crore Seven Lakh Fifty Eight Thousand Nine Hundred Eighty Five only)** should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962;

(d) the applicable interest on the amount specified above should not be recovered from them in terms of section 28AA of the Customs Act, 1962.

(e) penalty should not be imposed under section 112(a)&(b) and/ or 114A of Customs Act, 1962.

18. Any representation in writing or oral against this notice should be submitted within thirty (30) days from the receipt of this notice along with all relevant supporting documents. The importer may also specify whether he wants to be heard in person before the case is decided.

19. The importer may also avail the benefit of reduced penalty @15% of duty and interest so specified in this notice in terms of Section 28(5) of the Customs Act, 1962 by payment of duty and interest within 30 days of receipt of this notice, falling which the importer may subject to higher penalty equal to the duty and interest so determined.

20. In case the importer fails to respond within the stipulated time, or in case the importer fails to attend the personal hearing as and when held,

the matter will be decided ex-parte without further intimation.

21. The department reserves its right to amend, modify or supplement this notice at any point of time prior to the adjudication of the case.

22. This Show Cause Notice is issued without prejudice to any other action that may be taken against the noticee or any other persons/ companies concerned in respect of the aforesaid goods or any other goods imported by the importer under the Customs Act, 1962 and / or any other law for the time being in force in the Union of India.

Digitally signed by
Yashodhan Arvind Wanage
Date: 07-01-2026
11:50:27

(Yashodhan A. Wanage)

Pr. Commissioner of Customs

Gr. 1&1A NS-I, JNCH

Encl: RUD (Consultative Letter Vide F. No.S/26-Misc-455/2025-26/Gr. I &IA dated 16.06.2025)

To,

M/s JSW Steel Limited (IEC No. 0794007368),

JSW CENTRE BANDRA KURLA COMPLEX,

BANDRA EAST, MUMBAI, MUMBAI SUBURBAN,

MAHARASHTRA, 400051

Copy to: -

1 . The Assistant Audit Officer, Director General of Audit (Central), Mumbai, C-25, Audit Bhavan, Bandra Kurla Complex, Bandra(E)- 400 051. Email ID: pdacentralmumbai@cag.gov.in

2. The Dy./Asstt. Commissioner of Customs, Adjudication Cell, (I), JNCH.

(For adjudication)

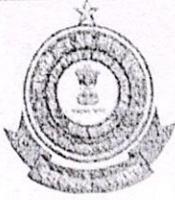
3. CHA- M/s J K Shipping & Logistics

4. Office copy

5. Notice Board (for display)

CUS/APR/SCN/1800/2025-Gr (1And1A)-O/o Commr-CUS-Nhava Sheva-I

I/3716579/2026



OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-I), MUMBAI
ZONE-II,
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,
TAL - URAN, DIST-RAIGAD, MAHARASHTRA - 400 707.

F. No. S/26-Misc-455/2025-26/Gr.1&1A

Date: 06.2025

DIN - 20250678 NW000000629

To,

M/s. JSW Steel Limited,
Bandra Kurla Complex, Bandra (East),
Mumbai, Maharashtra, India - 400051

Gentlemen,

Sub: Short levy of Duty due to misclassification of OLIFLUX 0-3mm-reg.

1. M/s. JSW Steel Limited., had filed bills of entry mentioned in Annexure-A for clearance of "OLIFLUX 0-3 MM" under CTH 25309099.

2. The analysis of online bills of entry revealed that M/s JSW Steel Limited imported 02 consignment of "OLIFLUX 0-3 MM" in May 2022 through NS I Commissionerate, JNCH, Mumbai. The imported goods were classified under CTH 25309099 (Mineral substances not elsewhere specified or included: Other: Other: and BCD @5% was paid. Further, IGST @ 5% was paid as per the Notification no. 01/2017-Integrated Tax (Rate) dated 28 June 2017, S. No. 1/137.

The imported goods 'OLIFLUX 0-3 MM' are magnesium iron silicate (a combination of silicon oxide & Magnesium Oxide) used for sinter making and iron ore pellets. As the goods are not a mineral substance but chemical products and preparations of the chemical or allied industries (including those consisting of mixtures of natural products), the imported goods are rightly classifiable under CTH 38249900 and attract BCD @ 7.5% & IGST @ 18% along with other applicable cess.

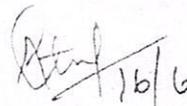
This misclassification of goods resulted in short levy of duty of Rs.9,34,08,724/- (Annexure enclosed)

3. If you agree with the above view, it is advised to pay the above-mentioned differential duty amount under section 28 of the Customs Act, 1962 along with applicable interest and penalty thereon under Section 28AA of the Customs Act, 1962 within 15 days of receipt of this letter. The amount of duty and interest along with penalty @15% may also be paid in respect of any other such consignment of goods imported by you earlier and which is not included in the Annexure-A.

In case, you do not agree with the prima-facie views described above, please reply with your substantive contentions supported with documents (including for pre E-Sanchit period such as invoice, packing list, bill of lading etc.) in respect of Bills of entry mentioned in Annexure-A and convey if you would like to be heard in person.

4. It is requested to reply within 15 days of receipt of this letter, informing your agreement (along with duty and interest paid) or disagreement with the above views, as the case may be.

5. This consultation letter is issued taking into account the Pre-notice Consultation Regulations, 2018. The Department reserves the right to proceed in terms of the relevant provisions including Section 28 of the Customs Act, 1962.



(Atul Choudhary)

Dy. Commissioner of Customs,
Group-1&1A, NS-I, JNCH

BE NO	BE Date	Type	AG	Importer Name	Item Description	Inv No	Item No	CTH	Assess Value	Duty	BCD @ 7.5%	SWS @ 10%	IGST @ 18%	Total Duty	Difference of duty
8645839	12-05-2022	H	1B	JSW STEEL LIMITED	OUFLUX 0.3 MM BULK	1	1	25309099	276295873	29770880	20722190	2072219	53836250.9	76630660.4	46859780
870345	19-05-2022	H	1B	JSW STEEL LIMITED	OUFLUX 0.3 MM BULK	1	1	25309099	274463112	29573400	20584733	2058473	53479137.4	Total	46548943.8
															93408723.8