



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



NHAVA-SHEVA, JAWAHARLAL NEHRU CUSTOM HOUSE,
न्हावा-शेवा, जवाहरलालनेहरूकस्टमहाउस,
TAL-URAN, DISTRICT- RAIGAD, MAHARASHTRA – 400
707.

ताल-उरण, जिला- रायगढ़, महाराष्ट्र - 400 707

F. No. CUS/APR/MISC/1384/2025-Gr 2 and 2(A-B)

Date of order: 17.02.2026

F. No. S/10-Adj-55/2025-26/II& II(A-B)/JNCH

Date of issue: 18.02.2025

DIN: 20260278 NW0000611223

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

Order No. 18910/2025-26/DC/NS-I/CAC/JNCH

Name of Party/Noticee/Importer: M/s Stallion India Flourochemicals
Ltd (IEC 0307041395)

मूलआदेश

1. यहप्रतिजिसव्यक्तिकोजारीकीजातीहै, उसकेउपयोगकेलिएनिःशुल्कदीजातीहै।
2. इसआदेशकेविरुद्धअपीलसीमाशुल्कअधिनियम1962कीधारा128 (1) केतहतइसआदेशकीसंसूचनाकीतारीखसेसाठदिनोंकेभीतरसीमाशुल्कआयुक्त(अपील), जवाहरलालनेहरूसीमाशुल्कभवन, शेवा, ता. उरण, जिला- रायगढ़, महाराष्ट्र-400707कोकीजासकतीहै। अपीलदोप्रतियोंमेंहोनीचाहिएऔरसीमाशुल्क(अपील) नियमावली, 1982केअनुसारफॉर्मसी.ए. 1संलग्नकमेंकीजानीचाहिए। अपीलपरन्यायालयफीसकेरूपमें1.50रुपयेमात्रकास्टांपलगायाजायेगाऔरसाथमेंयहआदेशयाइसकीएकप्रति लगायीजायेगी। यदिइसआदेशकीप्रतिसंलग्नकीजातीहैतोइसपरन्यायालयफीसकेरूपमें1.50रुपयेकास्टांपभीलगायाजायेगाजै साकिन्यायालयफीसअधिनियम1970कीअनुसूची1, मद6केअंतर्गतनिर्धारितकियागयाहै।
3. इसनिर्णययाआदेशकेविरुद्धअपीलकरनेवालाव्यक्तिअपीलअनिर्णीतरहनेतक, शुल्कयाशास्तिकेसंबंधमेंविवादहोनेपरमाँगयेशुल्कके7.5%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

The importer, M/s Stallion India Fluorochemicals Ltd., submitted two formal requests dated 06.01.2026 to the Group 2AB, NS-I, JNCH, seeking the mandatory landing permission required under Rule 32 of the Gas Cylinder Rules, 2016 (as amended). These requests pertained to the import of a total of seven gas cylinders, divided into two distinct consignments.

1. Detailed Particulars of the Consignments

The technical and logistical details of the two subject consignments are summarized in the table below:

Technical Details	Consignment 1	Consignment 2
Commodity Description	Solstice LBA	Solstice Propellant GMP
Quantity of Cylinders	05 Cylinders (Filler Certificate)	02 Cylinders (Filler Certificate)
Bill of Lading No. & Date	MEDUOQ728919 dtd. 29.11.2025	US37220942651 dtd. 29.11.2025
Import Invoice No. & Date	97766299 dtd. 29.11.2025	97770119 dtd. 29.11.2025
Vessel ETA	18.01.2026	12.01.2026
PESO License No.	G/HQ/MH/04/6745 (G158459)	G/HQ/MH/04/6742 (G157440)
PESO License Date	24.11.2025 (Valid till 24.11.2026)	21.11.2025 (Valid till 21.11.2026)
OIN Number	OIN2125685	OIN2084261

2. Departmental Verification and Identification of Discrepancies

In light of the request, the department conducted a thorough verification of the genuineness of the PESO (Petroleum and Explosives Safety Organization) licenses by accessing the official PESO online portal <https://peso.gov.in/web/en>. This investigation revealed several critical discrepancies:

- **Inconsistent Application Status:** For OIN2125685 (5 cylinders), the portal indicated "APPLICATION IS GRANTED." However, for OIN2084261 (2 cylinders), the status was explicitly flagged as "APPLICATION HAS BEEN

MARKED AS DISCREPANCY."

- **Documentary Mismatches:** Upon further scrutiny of OIN2125685, it was observed that the document number cited in the PESO records (Form D-G158459) did not align with the number appearing in the status check (Form F-G14305). Additionally, the physical Form F submitted by the importer to the department failed to match the document number on the portal.
- **Absence of Records:** A targeted search was performed for both PESO Form D documents using the specific numbers provided by the importer. The system returned no records, suggesting that the document numbers cited did not exist in the official PESO database.

Based on these findings, the department concluded that the PESO documents originally submitted were invalid. Consequently, the Principal Commissioner of Customs, NS-I, denied the landing permission for both consignments and ordered the matter to be adjudicated.

3. Subsequent Submissions by the Importer

Following the denial of permission, the Importer, *vide* a letter dated 12.02.2026, admitted to the submission of invalid PESO licenses, attributing the lapse to human error and oversight. To rectify the situation, they informed the department that they have since procured fresh, valid licenses from PESO with the following details:

- **License 1:** No. G/HQ/MH/04/6931 (G162798) dated 27.01.2026 (Valid till 27.01.2027) for 2 cylinders (Sr. Nos. NN001591 and NN002117).
- **License 2:** No. G/HQ/MH/04/6923 (G162821) dated 22.01.2026 (Valid till 22.01.2027) for 5 cylinders (Sr. Nos. 53115, 53796HO, 52170, 45493, 52084).

Further, the importer has submitted a formal representation stating that the transaction value for each cylinder is USD 250 (approx. Rs 22,685/-). In support of this declared value, they have produced a supplier's letter as documentary evidence to substantiate the price and verify the cost components of the imported goods.

The Importer has requested the department to take a lenient view of the matter and has further sought a waiver of the Show Cause Notice (SCN) and Personal Hearing (PH) to expedite the proceedings.

4. The subject import consignments, comprising 05 cylinders of Solstice LBA (covered under Bill of Lading No. MEDUOQ728919 dated 29.11.2025) and 02 cylinders of Solstice Propellant GMP (covered under Bill of Lading No. US37220942651 dated 29.11.2025) imported by M/s Stallion India Fluorochemicals Ltd., stand in direct violation of the statutory framework governing hazardous imports, specifically involving a dual contravention of the Gas Cylinder Rules, 2016.

- a. Firstly, the importer attempted to secure landing permission under Rule 32 by submitting PESO licenses (G/HQ/MH/04/6745 and G/HQ/MH/04/6742) which, upon departmental verification via the OIN numbers OIN2125685 and OIN2084261, were found to be invalid; the portal records showed a "discrepancy" status and a critical

document mismatch between the submitted Form D-G158459 and the system's Form F-G14305, thereby failing the fundamental legal requirement of producing a valid, genuine license at the threshold of the landing request.

- b. Secondly, while the importer subsequently admitted to this "human error" and submitted fresh licenses-namely No. G/HQ/MH/04/6931 dated 27.01.2026 and No. G/HQ/MH/04/6923 dated 22.01.2026-these new documents reveal a terminal regulatory violation: the Bill of Lading dates (29.11.2025) for both MEDUOQ728919 and US37220942651 significantly precede the issuance dates of the fresh PESO licenses. As per Gas Cylinder Rules, a valid license must be obtained prior to the shipment of the goods from the port of origin; however, in this instance, the cylinders were shipped nearly two months before legitimate licenses (issued on 27.01.2026 and 22.01.2026 respectively) were even granted. Consequently, the import is hit by both the initial absence of a valid license at the time of landing and the post-facto nature of the replacement licenses, rendering the entire importation unauthorized and subject to adjudication under the Customs Act, 1962.

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 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.

(vi) **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.

DISCUSSIONS AND FINDINGS

1. I find that paras above are facts of the case and therefore, I refrain myself from reproducing the same here. I have gone through all the case records and submission made by the importer. I find that the importer was given the opportunity to avail to present their case and to choose one or both of the Show Cause Notice and Personal Hearing or in case they have nothing more to add, to choose for waiver of Show Cause Notice, Personal Hearing or both. The importer *vide* their letter dated 12.02.2026 requested for waiver of SCN and personal hearing in the matter, thus, no SCN and PH were given to the importer.
2. Upon an exhaustive review of the records and the verification, I find that the PESO licenses initially submitted by the importer, M/s Stallion India Fluorochemicals Ltd., are fundamentally invalid and devoid of legal standing. Specifically, the importer relied upon PESO License No. G/HQ/MH/04/6745 (G158459) dated 24.11.2025 for the consignment of 05 cylinders (under B/L No. MEDUOQ728919) and PESO License No. G/HQ/MH/04/6742 (G157440) dated 21.11.2025 for the consignment of 02 cylinders (under B/L No. US37220942651), which were invalid.
3. I find that the licenses issued by PESO, namely G/HQ/MH/04/6923 (G162821) dated 22.01.2026 and G/HQ/MH/04/6931 (G162798) dated 27.01.2026 for the import of 05 and 02 filled cylinders respectively in the present consignments, were obtained after the date of the Bills of Lading (MEDUOQ728919 and US37220942651), both dated 29.11.2025. Regarding the date of import and the validity of the license at the time of shipment, I find it is relevant to quote the provisions of Para 2.17 (a) and 2.18 (a) of the Handbook of Procedures, which dictate that the relevant date for determining the validity of an authorization is the date of shipment/dispatch of the goods from the supplying country.
 - a. *2.17 Date of reckoning of Import / Export (a) Date of reckoning of import is decided with reference to date of shipment / dispatch of goods from supplying country as given in Paragraph 11.11 of Handbook of procedures and not the date of arrival of goods at an Indian port.*
 - b. *2.18 Validity of Authorisation / Licence for import/export (a) Authorisations must be valid on the date of import.*
4. The importer then obtained the fresh PESO Licenses, namely No. G/HQ/MH/04/6923 (G162821) dated 22.01.2026 and No. G/HQ/MH/04/6931

(G162798) dated 27.01.2026, for the import of 05 and 02 filled cylinders respectively, well after the date of reckoning of import, i.e., the Bill of Lading dates of 29.11.2025 (for B/L No. MEDUOQ728919 and B/L No. US37220942651). As the certificates issued by PESO in the present consignments post-date the date of reckoning of import, the goods in the current consignments cannot be considered to have been imported against a valid PESO license at the time of shipment.

5. I find that by not obtaining of required PESO Certificates before date of reckoning of import i.e, date of Bill of Lading, the importer has made the impugned goods liable for confiscation under Section 111 (d), 111(l) & 111(m) of Customs Act, 1962 and by this act of omission and commission, the importer has rendered themselves liable for penalty under Section 112 (a) of Customs Act, 1962.
6. As necessary certificates from Petroleum & Explosives Safety Organisation (PESO) has been now produced and as importer is ready to comply with conditions mentioned in said PESO Certificates, goods can be released for home consumption on payment of appropriate redemption fine and penalty.
7. In accordance with Section 46 of the Customs Act, 1962, the Customs Broker (CB) acted with the explicit consent and approval of the importer. However, the importer failed to discharge their responsibility to verify the authenticity and validity of the PESO licenses prior to their formal submission to this Office. By proceeding with the importation under these circumstances, the importer demonstrated either gross negligence or an intentional disregard for statutory legal requirements. Therefore, I hold that through the aforementioned acts of omission and commission, the importer, M/s Stallion India Fluorochemicals Ltd., has failed to perform their obligations under Section 46 of the Customs Act, 1962. Consequently, they have rendered the goods liable to confiscation and are themselves liable for a penalty under Section 112(a) of the Customs Act, 1962.
8. In view of the above discussion and findings, I pass the following order:

ORDER

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

- a. I, hereby order for the confiscation of 07 Gas Cylinders (comprising 05 cylinders of Solstice LBA and 02 cylinders of Solstice Propellant GMP) imported via Bill of Lading No. MEDUOQ728919 dated 29.11.2025 and Bill of Lading No. US37220942651 dated 29.11.2025, having assessable value of USD 1,750 (USD 250 * 7, approx. Rs. 1,58,795/-) under Section 111(d), 111(l), and 111(m) of the Customs Act, 1962. However, I give an option to the importer, M/s Stallion India Fluorochemicals Ltd., to redeem the said goods on payment of a redemption fine of Rs. 30,000 (Rupees Thirty Thousand Only) under Section 125(1) of the Customs Act, 1962.
- b. I impose a penalty of Rs. 5,000/-(Rupees Five Thousand Only) under Section 112 (a) of the Customs Act, 1962 on the Importer.

- c. I Impose a penalty of Rs. 50,000/-(Rupees Fifty Thousand Only) under Section 114 (AA) 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 customs Act, 1962 in addition to Redemption fine and penalty imposed above.
10. 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
Likhita Vijay Umare
Date: 17-02-2026
13:52:56
(Likhita V. Umare)

Deputy Commissioner of Customs,
Group 2AB, NS1, JNCH

To,

1. **M/s Stallion India Fluorochemicals Limited (IEC 0307041395)**

(Formerly known as Stallion India Fluorochemicals Private Limited)
Registered Address: 2, A Wing, Knox Plaza, Off Link Road,
MindSpace, Malad (West), Mumbai, Maharashtra - 400064, India.

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.