



OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-I),
सीमाशुल्क आयुक्त का कार्यालय (एनएस -I)
NHAVA-SHEVA, JAWAHARLAL NEHRU CUSTOM HOUSE,
न्हावा-शेवा, जवाहरलाल नेहरू कस्टम हाउस,
TAL-URAN, DISTRICT- RAIGAD, MAHARASHTRA - 400 707.
ताल-उरण, जिला- रायगढ़, महाराष्ट्र - 400 707

F. No. CUS/APR/INV/708/2025-Gr 2(C-F)

Date of order: 2.12.2025

F. No. 5/10-Adj-43/2025-26/II-C-F/JNCH

Date of issue: 2.12.2025

DIN : 20251278NW000061666F

Passed by: **Dr. Parul Singhal, Joint Commissioner of Customs, Group II (C-F), NS-I, JNCH**

Order No.: 12586/2025-26/JC/Gr.II(C-F)/NS-I/CAC/JNCH

Name of Party/Noticee/Importer: **Two Stallions (IEC- AYEPS0076Q)**

मूल आदेश

1. यह प्रति जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए निः शुल्क दी जाती है।
2. इस आदेश के विरुद्ध अपील सीमाशुल्क अधिनियम 1962 की धारा 128 (1) के तहत इस आदेश की संसूचना की तारीख से साठ दिनों के भीतर सीमाशुल्क आयुक्त) अपील (जवाहरलाल नेहरू सीमाशुल्क भवन, शेवा, ता. उरण, जिला - रायगढ़, महाराष्ट्र- 400707 को की जा सकती है। अपील दो प्रतियों में होनी चाहिए और सीमाशुल्क (अपील (नियमावली, 1982 के अनुसार फॉर्म सी.ए.-1 संलग्नक में की जानी चाहिए। अपील पर न्यायालय फीस के रूप में 2.00 रुपये मात्र का स्टॉप लगाया जायेगा और साथ में यह आदेश या इसकी एक प्रति लगायी जायेगी। यदि इस आदेश की प्रति संलग्न की जाती है तो इस पर न्यायालय फीस के रूप में 2.00 रुपये का स्टॉप भी लगाया जायेगा जैसा कि न्यायालय फीस अधिनियम 1870 की अनुसूची 1, मद 6 के अंतर्गत निर्धारित किया गया है।
3. इस निर्णय या आदेश के विरुद्ध अपील करने वाला व्यक्ति अपील अनिर्णीत रहने तक, शुल्क या शास्ति के संबंध में विवाद होने पर माँगे गये शुल्क के 7.5% का, अथवा केवल शास्ति के संबंध में विवाद होने पर शास्ति का भुगतान करेगा।

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 (Appeals), Jawaharlal Nehru Custom House, Sheva, Taluka: Uran, Distt.: 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 annexed to the Customs (Appeals) Rules, 1982. The appeal should bear a Court Fee stamp of Rs.2.00 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.2.00 only as prescribed under Schedule 1, Item 6 of the Court Fees Act, 1870.
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

Specific intelligence was received that consignment cover under Bill of Entry No. 2738955 dated 18.06.2025 filed by Customs Broker M/s Transworld Logistics (CB Code- AALFT5929LCH001) on behalf of importer M/s. Two Stallions (IEC- AYEPS0076Q) has some mis-declared items other than the declaration made in the said bill of entry.

2. Details of said Bill of Entry no. 2738955 dated 18.06.2025 were verified in the ICES system and scrutiny of the document revealed that the importer had filed said Bill of Entry for import of 25 miscellaneous items viz. Bathroom Fitting Shattaf, Bathroom Shower Head, Table decorative Artifact, HSS Cutter, Empty Luggage, Pouch Bag, Plastic Buckle, Mould, parts of zipper machine sliders, parts of zipper machine cup punching machine, parts of zipper machine heater, metal hook, Automobile parts metal connector, parts of E-rickshaw differential, clothing, PVC folding doors, Folding door parts, Coffee mug, Empty packing box, Belt punching pliers, Hot case, sealing glue, Artificial jewelry, Artificial Nail, Buckle parts. The said consignment was put on hold by SIIB vide hold letter dated 20.06.2025 for further investigation. Details of the said Bill of Entry are as follows: -

Table-I

Bill of Entry No. & date	2738955 dated 18.06.2025
Importer/IEC	M/s. Two Stallions (IEC No. AYEPS0076Q)
CHA	M/s Transworld Logistics (CB Code- AALFT5929LCH001)
B/L No. & Date	031F538082 dated 31.05.2025
Container No.	WHSU5180344 (1X40 feet)
Declared Description of goods	Bathroom Fitting Shattaf, Bathroom Shower Head, Table decorative Artifact, HSS Cutter, Empty Luggage etc.
Quantity	961 packages
Supplier	Senda Global Supply Chain Co. Ltd, China
Country of Origin	China
Invoice Value (USD)	14069.47
Assessable Value declared (INR)	12,20,528.51/-
Declared Duty (INR)	4,57,032/-

3. 100% examination of above-mentioned consignment covered under aforesaid Bill of Entry, stuffed in Container No. WHSU5180344 was conducted on 23.06.2025 at Navkar CFS-III, Raigad, 410206 in the presence of authorized representative of the Importer M/s Two Stallions and CB under Panchanama dated 23.06.2025. The details

of items declared in the said Bill of Entry as well as in Packing List are as under:

Table-II

Sr. No.	Description of goods	Cartons	Quantity	Net Weight (in Kgs)
1.	Bathroom Fitting Health Shattaf (100 set/Ctn) Jr	60	6000 set	1254
2.	Bathroom fitting shower head 2125 5" (100Pcs/Ctn) JR	15	1500 Pcs	214
3.	Table decorative artifact 80 Pcs/Ctn) KF	05	400 Pcs	31
4.	Hss Cutter	05	11000 Pcs	100
5.	Empty Luggage (1 Pcs/Ctn) TDG	10	10 Pcs	-
6.	Pouch bag (800 Pcs/Ctn) Umesh	12	9600 Pcs	214
	Pouch bag (400 Pcs/Ctn)	01	400 Pcs	
7.	Plastic buckle Rocky	02	71 Kgs	71
8.	Mould UG/RO	04	04 Pcs	990
9.	Parts of zipper machine-sliders assembly machine UG/RO	02	02 Set	352
10.	Parts of zipper machine- Cup punching machine UG/RO	02	02 Set	352
11.	Parts of zipper machine- Heater UG/RO	02	55 Set	80
12.	Metal Hook UG/RO	20	485 kgs	485
13.	Automobile Parts-Metal Connector	13	12000 Doz	2403
	Automobile parts-metal connectors (100 ctn in 02plt) Abhi	02	60000 Doz	
14.	Parts of E-Rickshaw -Differential (40 Pcs in 01 Plt) Chanda	01	40 Pcs	974
15.	Clothing (Assorted)	03	43 kg	43
16.	Pvc Folding Door	318	318 Ps	4220
17.	Folding Door Parts-Screw	01	100 Pcs	209
	Folding Door parts-Top Rail	09	104 Set	
18.	Coffee Mug (48 Pcs/Ctn)	50	2400 Pcs	1149
	Coffee Mug (24 Pcs/Ctn)	119	2856 Pcs	
19.	Empty Packing Box	02	42 Kgs	82
	Empty Packing Box	02	40 Kgs	
20.	Belt Punching Pliers (50 Pcs/Ctn) Rehaan	20	1000 Pcs	-

21.	Hot Case (25Pcs/Ctn)	250	6250 Pcs	2739
22.	Sealing Glue (1400 Pcs/Ctn)	08	11200 Pcs	5438
23.	Artificial Jewellery (Assorted Size and Patterns 2480 Dozen)	20	60 Kgs	60
24.	Artificial Nail (1000 Pkt/ Ctn)	02	2000 Pkt	18
25.	Buckle Parts	01	46 Kgs	46

4. Since, the consignment was having declared items as HSS Cutter and Artificial Jewellery, the composition of said items was felt necessary. Therefore, during the course of examination, Shri Tyrone A. Misquitia, proprietor of M/s Alloy Metallic Testing, was requested for P.M.I testing of the said 02 items namely HSS Cutter and Artificial Jewellery (assorted size and pattern). Shri Tyrone A. Misquitia had tested the said items on the spot with the help of PMI Testing Machine and submitted P.M.I. test report No. 157 dated 23.06.2025. The said test report confirms that cutters are not made up of HSS but made up of tungsten. In respect of Artificial Jewellery, he opined that it contains copper, ferrous, zinc etc. Further, the details of goods found during examination are as under:

Table-III

Sr. No.	Description of goods	No. of Cartons found	Quantity found	Gross Weight found (in Kgs)
1.	Bathroom Fitting Health Shattaf (100 set/Ctn) Jr	60	6000 set	1320 Kgs
2.	Bathroom fitting shower head 2125 5" (100Pcs/Ctn) JR	15	1500 Pcs	225 Kgs
3.	Table decorative artifact 80 Pcs/Ctn) KF	05	400 Pcs	33 Kgs
4.*	HSS cutter found as Tungsten made cutter	05	100 Kgs	104 Kgs
5.*	Empty Luggage found as Battery-operated smart riding Suitcase (1 Pcs/Ctn) TDG	10	10 Pcs	114 Kgs
6.	Pouch bag (800 Pcs/Ctn) Umesh	12	214 kg	225 Kgs
	Pouch bag (400 Pcs/Ctn)	01		
7.	Plastic buckle Rocky	02	71 Kgs	74.6 Kgs
8.	Mould UG/RO	04	04 Pcs	1042 Kgs
9.*	Parts of zipper machine sliders found as Complete Zipper Machine-sliders	02	02 Set	370 Kgs

	assembly machine UG/RO			
10.*	Parts of zipper cup punching machine found as Complete Zipper Machine- Cup punching Machine UG/RO	02	02 Set	370 Kgs
11.	Parts of zipper machine- Heater UG/RO	02	55 Set	84 Kgs
12.	Metal Hook UG/RO	20	485 kgs	510 Kgs
13.	Automobile Parts-Metal Connector	13	380 Kgs	380 Kgs
	Automobile Parts-metal connectors (100 Ctn in 02 Plt) Abhi	02	2149 Kgs	2149 Kgs
14.	Parts of E-Rickshaw - Differential (40 Pcs in 01 Plt) Chanda	01	40 Pcs	1025 Kgs
15.*	Clothing (Assorted) found as 1200 pcs of T- shirts and 240 pcs of Shirts	03	1200 pc T- Shirts, 240 pc Shirts	Total 254.9 Kgs weight found during the examination. However, declared total weight is 43 Kgs
16.	PVC Folding Door	318	318 Pcs	4442 Kgs
17.	Folding Door Parts- Screw	01	100 Pcs	08 Kgs
	Folding Door parts-Top Rail	09	104 Set	212 Kgs
18.*	Coffee mug found as Insulated Steel and plastic made Coffee Mug of 250 to 300 ml capacity (50 Pcs/Ctn)	43	2150 Pcs	2150 Pcs
	Coffee mug found as Insulated Steel and plastic made Coffee Mug of 550 ml capacity (24 Pcs/Ctn)	158	3792 Pcs	3792 Pcs
19.	Empty Packing Box	02	42 Kgs	44 Kgs
	Empty Packing Box	02	40 Kgs	42 Kgs
20.	Belt Punching Pliers (50 Pcs/Ctn) Rehaan	20	1000 Pcs	474 Kgs
21.*	Hot case found as Insulated Steel Water Bottle of 850 ml	151	3020 Pcs	2883 Kgs

	capacity (20Pcs/Ctn)			
22.	Sealing Glue (1400 Pcs/Ctn)	08	11200 Pcs	6251 Kgs
23.*	Artificial Jewellery (Assorted Size and Patterns)	20	626 Kgs	-
24.*	Artificial Nail	02	18 kg	-
25.	Buckle Parts	01	46 Kgs	48.6 Kgs

5. Above findings clearly indicate that goods have been mis-declared wrt description, quantity, composition as discussed at Table III above and as recorded in Panchanama dated 23.06.2025. The details of such misdeclaration are tabulated as under:

TABLE-IV

Goods declared in BE		Goods found during Examination	
Sr. No. 4. of Table-II above	HSS Cutter	Sr. No. 4. of Table-III above	<i>Tungsten made cutter</i>
Sr. No. 5. of Table-II above	Empty Luggage	Sr. No. 5. of Table-III above	<i>Battery-operated smart riding Suitcase</i>
Sr. No. 9. of Table-II above	Parts of zipper machine-sliders assembly machine UG/RO	Sr. No. 9. of Table- III above	<i>Complete Zipper Machine-sliders assembly machine UG/RO</i>
Sr. No. 10. Of Table-II above	Parts of zipper machine Cup Punching machine UG/RO	Sr. No. 10. Of Table- III above	<i>Complete Zipper-Machine-Cup punching Machine UG/RO</i>
Sr. No. 15 of Table-II	Clothing (Assorted)	Sr. No. 15. Of Table- III	<i>T-shirts (1200pcs) and Shirts (240 Pcs) weight of the same goods i.e. Clothing was mentioned 43 Kgs however total 254.9 Kgs of clothes was found during the examination</i>
Sr. No. 18. Of Table-II	Coffee Mug	Sr. No. 18. Of Table- III	<i>Insulated Steel and plastic made Coffee Mug</i>

Sr. No. 21. Of Table-II	Hot Case	Sr. No. 21. Of Table- III	<i>Insulated Steel Water Bottle of 850 ml capacity</i>
Sr. No. 23. Of Table-II	Artificial Jewellery (Assorted Size and Patterns 2480 Dozen), Weighing 60 Kgs	Sr. No. 23. Of Table- III	<i>Artificial Jewellery (Assorted Size and Patterns) found to be weighing as 626 Kgs</i>
Sr. No. 24. Of Table-II	Artificial Nail weighing as 18 Kgs	Sr. No. 24. Of Table- III	<i>Artificial Nail weighing as 36 Kgs</i>

6. In view of above, item 4 of said Bill of Entry declared as HSS Cutters 100 KG was found to be made up of Tungsten. The metal tungsten is much costlier than HSS. Item 5 of said Bill of Entry declared as Empty Luggage was actually found as Battery operated Smart Riding Suitcases. Item 9 of said Bill of Entry declared as parts of zipper machine-slider assembly machine was found as complete Sliders Assembly Machines. Item 10 of said Bill of Entry declared as parts of Zipper Machine-cup punching machine was found as complete Zipper Machine-Punching Machine. Item 15 of said Bill of Entry declared as Clothing assorted 43 kg were found to be as 254.9 kg having 1200 pcs T Shirts, 240 pc Shirts. Item 18 declared as coffee mugs were found as Insulated Steel & Plastic made Coffee Mugs insulated wares. Item 21 declared as Hot Case were found as Insulated Steel Water Bottle. Item 23 declared as Artificial Jewellery 80 kg were found as Artificial Jewellery 626 kg. Item 24 declared as Artificial Nails 18 kg were found as Artificial Nails 36 kg. Since, the goods imported vide Bill of Entry No. 2738955 dt 18.06.2025 were found mis-declared in respect of description and quantity, the value has also been mis-declared. Since, item Insulated wares also found which requires BIS Certification and importer do not have BIS, these items have been imported in violation of BIS.

7. Therefore, the said goods were seized vide Seizure Memo dt 02.07.2025 bearing DIN-2025077790C0000333D00 under Section 110(1) of Customs Act, 1962, under the reasonable belief that the same are liable for confiscation under the provisions of Section 111(d), 111(l) and 111(m) of the Customs Act, 1962.

8. Importer, M/s Two Stallions, vide letter dated 25.06.2025 has requested for NOC for warehousing of the goods imported vide said Bill of Entry under section 49 of the Customs Act, 1962. As per the Order Instruction issued vide CBEC F.No. 450/95/2012-Cus-IV dated 20.11.2012 regarding measures for promoting cost efficiency of imports by Indian Trade and Industry, NOC to warehouse the goods under Section 49 of the Customs Act, 1962 was issued to concerned assessing group under intimation to the importer on 03.07.2025.

9. Statement of Importer Recorded under Section 108 of the Customs Act, 1962: -

9.1. Summons dated 08.07.2025 bearing DIN 2025077790C000000BFC7 was issued to the importer for recording of

the Statement on 16.07.2025. Shri Rohan Singh, Authorized representative of importer M/s. Two Stallions appeared in NSPU. He has submitted copy of authorization duly signed by the proprietor of M/s Two Stallions Shri Mandeep Singh. This authorization states that Shri Mandeep Singh authorizes Shri Rohan Singh Nagi his brother-in-law, is also manager in the firm to tender statements on his behalf. Therefore, statement of Shri Rohan Singh Nagi was recorded under Section 108 of Customs Act, 1962 on 16.07.2025. Since, proprietor has authorized him, any legal action binding on the firm will be binding on the proprietor of said firm. In his statement, Shri Rohit Singh Nagi inter-alia stated that:

9.1.1 His name is Rohan Singh. He has been working in the import firm M/s. Two Stallions as Manager since Feb 2024. He is in charge of managing the sales, purchase, Customs clearance and any other work on day-to-day basis.

9.1.2. That his firm got their IEC Certificate on 12.04.2022 and after some time of getting IEC Certificate they started importing the goods. His firm has only one Current Account in ICICI Bank, A/c No. -62930504 1905, IFSC- ICICO006293, Rajouri Garden Branch, New Delhi-110027 and their proprietor Shri Mandeep Singh has Saving Account in ICICI Bank, A/c No.-629301514946, IFSC-ICICO006293, Rajouri Garden Branch, New Delhi-110027.

9.1.3. On being asked to submit past import data and remittance proof for the last 05 years, he replied that he submitted 22 copies of BEs and was ready to submit the remaining copies if required.

9.1.4. On being asked about nature of import of their firm, he replied that they mainly import part of E-Rickshaw, parts of bathroom fitting, wallpapers, miscellaneous automobile parts, PVC wall panels and some furniture items. Apart from said items, they import other miscellaneous goods on their client's order basis.

9.1.5. On being asked about overseas suppliers, he replied that they place their orders for import consignments to their supplier based on China only.

9.1.6. On being asked about the procurement of orders from overseas suppliers and payment thereon, he replied that they placed the order mostly through telephone and sometimes in person if travelling to China. Once orders are placed, they finalize the order confirmation sheet and accordingly purchase order is prepared. Suppliers consold their orders. They got in touch with supplier through online platform for the first time and thereafter, they visited to supplier's office in China. They made 100% payment after arrival of consignments and thereafter suppliers released the BL (BL Telex). He also added that Goods were shipped on CIF basis and Supplier paid for freight and Insurance.

9.1.7. On being asked about the connection with the Customs Broker firm M/s Transworld Logistics (CB Code-AALFT5929LCH001), he submitted that they got in touch with the Customs Broker firm through a reference of friend about 02 years ago. They didn't have any formal agreement with the CB firm, and they paid them on shipment-to-shipment basis. He also added that Bills of Entry were filed by their authorized Customs Broker after getting approval of checklists by the import firm. They provide the

CB firm Commercial Invoice, Packing List, Bill of Lading and sometimes catalogue/literature (if required by CB) before filing BoE.

9.1.8. On being asked about the application of HSN code on the imported goods, he replied that they decided the HSN code of goods on the basis of their understandings of HSN Code and sometimes through contemporaneous imports data available online. They generally pay the import duty by themselves on ICEGATE.

9.1.9. On being asked about the knowledge of the various compliances viz. MSME, EPR under the Plastic Waste Management Rules of 2016 as implemented by the Central Pollution Control Board (CPCB), BIS Act, 2016 and Legal Metrology Act, 2009, he replied that they are aware of all the compliances mentioned above and he submitted self-attested copies of MSME, EPR and LMPC.

9.1.10. On being asked about the imports through other ports, apart from Nhava Sheva, he submitted that they imported goods from other ports viz ICD Ballabgarh, ICD TKD and accordingly, he submitted some of the Bills of Entry for imported goods from the said ICDs and if required, he is ready to submit the remaining Bills of Entry with related documents.

9.1.11. On being asked about the communication with overseas suppliers and determination of value of imported goods, he replied that the value of the goods is declared as per the actual Invoice received from the supplier. He coordinated directly with the supplier, and he is also responsible for overseeing the entire import process including co-ordination with Customs Broker, Shipping Lines and other relevant agencies for smooth clearance of shipments. He also added that they do not have any formal agreement with supplier and transact with mutual verbal understanding. Most of the conversations with suppliers happen on WhatsApp and a while ago, his phone got damaged and the data was lost. He submitted the self-attested copy of recent e-mail conversations that happened after the discrepancies in respect of quantity and description when found during examination of the subjected goods on 23.06.2025 imported vide Bill of Entry No. 2738955 dtd 18.06.2025.

9.1.12. On being asked about the discrepancies and non-compliances found during the examination of the imported goods covered vide Bill of Entry No. 2738955 dtd 18.06.2025, he replied that the Bill of Entry No. 2738955 dtd 18.06.2025 is filed strictly as per commercial invoice and packing list. With regard to mis-declaration, he submitted that due to the mistake made by supplier's staff, some goods were erroneously loaded into the container to which they got to know after the examination of subject goods on 23.06.2025. Accordingly, they contacted the supplier over e-mail.

9.1.13. On being asked about the past imports of the firm, he stated that in recent past, 02 of their shipments imported vide BE No. 6602398 dt. 10.11.2024 and BE No. 8362227 dt. 14.02.2025 were examined by SIIB, Air Cargo Delhi and SIIB, Patparganj respectively. In case of BE No. 6602398 dt. 10.11.2024, they got NOC from department after closure report was filed in the said matter under section 28(6) of Customs Act, 1962 wherein penalty@15% of Rs 38,490/- was imposed. In case of BE No. 8362227 dtd 14.02.2025, case was adjudicated and RF of Rs.

5,000/-, Penalty of Rs. 5,000/- was imposed. For reference, he submitted the copies of said NOC and O-i-0.

9.1.14. On being asked about the undervaluation of the imported goods, he stated that they declared the value as per Invoices raised by supplier and paid them accordingly by transferring the money through Banking Channel.

10. Statement of Customs Broker recorded under Section 108 of the Customs Act, 1962: -

10.1. Summon dtd 24.07.2025 bearing DIN- 202507790C000000BD54 was issued to CB M/s. Transworld Logistics for recording of statement under section 108 of Customs Act, 1962. Shri Rajesh Kumar Shahi, Power of Attorney holder and G-card holder (No. G/PA/MUMB1/20235380) of the Custom Broker firm M/s Transworld Logistics (CB Code-AALFT5929LCH001) appeared in NSPU, and his statement was recorded on 29.07.2025 wherein he inter-alia stated that-

10.1.1 He is power of attorney holder and having G-card No. G/PA/MUMB1/20235380 in Customs Broker M/s Transworld Logistics (CB Code AALFT5929LCHO01).

10.1.2. On being asked about the KYC verification of the importer firm M/s Two Stallions (IEC-AYEPS0076Q) and filing of the subject Bill of Entry, he stated that they did the KYC verification of the subject importer firm. Further he added that their CB firm has filed the subject BE pertaining to import of the miscellaneous goods imported vide Bill of Entry No-2738955 dtd. 18.06.2025 on behalf of the importer.

10.1.3. On being asked about the verification of Check-lists before filing BE, he stated that their firm shared the draft check lists with the importer firm and after getting approval from them, they filed the subject BE.

10.1.4. On being asked about the compliance of Section 10(d) and 10(f) of the Customs Brokers Licensing Regulations, 2018 while filing BE, he replied in positive.

10.1.5. On being asked about the compliance of Section 10(k) of the Customs Brokers Licensing Regulations, 2018 i.e. all legal correspondence, financial transaction with the IEC, he replied that all conversations and correspondences with importer happened via e-mail and if asked, they would provide the available correspondence with importer. Regarding financial transactions, they submitted the copy of Invoices.

10.1.6. On being asked about the past import, he stated that they cleared 126 Bills of Entry till 29.07.2025. He also added that they mostly cleared Automobile Parts, Bathroom Fittings and Furniture. Apart from the said items some miscellaneous goods are also cleared by them on behalf of the said importer.

10.1.7. On being asked about the connection with the said importer firm, he replied that they got to know the said importer around 1 year back through a common friend based in Mumbai.

10.1.8. On being asked about the discrepancies and non-compliances found during the examination of the imported goods covered vide Bill of Entry No. 2738955 dtd 18.06.2025, he replied

that they prepared the checklist on the basis of documents viz, Commercial Invoice, Packing List and Bill of Lading as shared by importer. After approval of checklist from the importer, they filed the Bill of Entry in the ICES. Import consignments of subject importer are regularly examined by docks officers and so far, all import consignments with respect to subject importer has been cleared. They have never ever had any discussion with the importer about the import of mis-declared and restricted goods, and they have no idea about that.

11. Valuation of the goods:

11.1. The facts discussed above clearly indicate that the said importer has not declared details of the goods correctly. The description and quantity of some items have been mis-declared as discussed at para 3 above. Section 46(4) of the Customs Act, 1962, prescribes that "the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any relating to the imported goods". In the present case, the importer has not declared correct details of the goods and therefore, invoice presented by them is showing incorrect details. This raises doubts regarding the veracity of the declared transaction value. Thus, the said goods appeared to have been mis-declared in terms of description, quantity and value too. As per Rule 11 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, *the importer or his agent shall furnish -(a) a declaration disclosing full and accurate details relating to the value of imported goods;* In the present case, the said importer has not declared description and quantity of the goods correctly. Therefore, there appears to be valid reasons to doubt the truth and accuracy of the declaration made by the importer w.r.t. goods imported vide said Bill of Entry filed under the provisions of section 46 of the Customs Act, 1962. Therefore, it appears that the value declared by the importer to customs for clearance of the aforesaid imported goods cannot be considered as representing true transaction value under Rule 3 of CVR. Hence, declared value in case of said Bill of Entry appears liable to rejection under rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 (hereinafter referred to as CVR, 2007).

11.2. In this regard, Rule 12 of said rules reads as under:

Rule 12: Rejection of declared value. -

(1) When the proper officer has reason to doubt the truth or accuracy of the value declared in relation to any imported goods, he may ask the importer of such goods to furnish further information including documents or other evidence and if, after receiving such further information, or in the absence of a response of such importer, the proper officer still has reasonable doubt about the truth or accuracy of the value so declared, it shall be deemed that the transaction value of such imported goods cannot be determined under the provisions of sub-rule(1) of rule 3.

(2) At the request of an importer, the proper officer, shall intimate the importer in writing the grounds for doubting the truth or accuracy of the value declared in relation to goods imported by such importer and provide a reasonable opportunity of being heard, before taking a final decision under sub-rule (1).

Explanation. - (1) For the removal of doubts, it is hereby declared that: -

(i) This rule by itself does not provide a method for determination of value, it provides a mechanism and procedure for rejection of declared value in cases where there is reasonable doubt that the declared value does not represent the transaction value; where the declared value is rejected, the value shall be determined by proceeding sequentially in accordance with rules 4 to 9.

(ii) The declared value shall be accepted where the proper officer is satisfied about the truth and accuracy of the declared value after the said enquiry in consultation with the importers.

(iii) The proper officer shall have the powers to raise doubts on the truth or accuracy of the declared value based on certain reasons which may include -

(a) the significantly higher value at which identical or similar goods imported at or about the same time in comparable quantities in a comparable commercial transaction were assessed;

(b) the sale involves an abnormal discount or abnormal reduction from the ordinary competitive price;

(c) the sale involves special discounts limited to exclusive agents;

(d) the misdeclaration of goods in parameters such as description, quality, quantity, country of origin, year of manufacture or production;

(e) the non declaration of parameters such as brand, grade, specifications that have relevance to value;

(f) the fraudulent or manipulated documents.

11.3. From the facts discussed above, it is apparent that the said importer has not declared parameters such as correct description, quantity, composition (grade) that have relevance to value. Therefore, declared value in case of said Bill of Entry appears liable to rejection under rule 12 (2) (iii) (d) & (e) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

11.4. Once the declared value has been rejected, value of imported goods has to be re-determined in accordance with Section 14 of the Customs Act, 1962 read with Customs Valuation Rules, 2017. The valuation of imported goods for the purpose of assessment is required to be done in terms of Section 14 of the Customs act, 1962 read with Customs Valuation (Determination of Value of Imported Goods) Rule, 2007 (hereinafter referred to as CVR, 2007). In term of Section 14 of the Customs Act, 1962:

"For the purpose of the Customs Tariff Act, 1975 (51 of 1975) or any other law for the time being in force, the value of imported goods shall be transaction value of imported goods shall be the transaction value of such goods that is to say, the price actually paid or payable for the goods, when sold for export to India for delivery at the time and place of importation, where the buyer and seller of the goods are not related and the price is the sole consideration for the sale subject to such other condition as may be specified in the rules made in this behalf.

Provided that such transaction value in the case of imported goods shall include in addition to the price aforesaid any amount paid or payable for cost and service, including commissions and brokerage, engineering, design work, royalties and licence fees, cost of transportation to the place of importation, insurance, loading and handling charges to the manner specified in the rules made in this behalf".

11.5. As per rule 12(2) (i) of CVR, 02007, "Where the declared value is rejected, the value shall be determined by proceeding sequentially in accordance with Rules 4 to 9.

11.6. This office has verified contemporaneous import NIDB data for identical goods to the goods found in examination. Contemporaneous data of identical goods of same description, same commercial quantity, quality and in the same commercial considerations from the same country of origin could not be found, it is not feasible to redetermine the transaction value of the goods imported by the instant importers under Rule 4 of Customs Valuation Rule, 2007. Therefore, Rule 4 was inapplicable.

11.7. Similarly, contemporaneous imports in respect of similar goods were also not available in the NIDB data for determination of Transaction value as goods of same description, same commercial quantity or nearby quantity, quality and in the same commercial considerations from the same country of origin could not be found Comparable 'similar' goods data. Hence, Rule 5 could not be applied.

12. Applicability of Rule 6 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

12.1. Rule 6 of the CVR, 2007 states if the value of imported goods cannot be determined under the provisions of Rules 3, 4 and 5; the value shall be determined under the provisions of Rule 7. Hence, going sequentially, the value shall be determined under the provisions of Rule 7 of CVR, 2007.

13. Applicability of Rule 7 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

13.1. Rule 7 of the CVR, 2007 (deductive value) states that the value of the imported goods shall be based on the unit price at which the imported goods or identical or similar imported goods are sold in the greatest aggregate quantity to persons who are not related to the sellers in India, subject to deductions of commission, transportation cost, insurance costs, customs duties and other taxes payable in India. The factors applicable under Rule 7 of the CVR, 2007 is also not available in

this instant case, as the value of the imported products depends on quality, design and material, finishing etc. Hence, the value of the goods cannot be ascertained as per Rule 7 (Deductive value) of the CVR, 2007.

14. Applicability of Rule 8 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

14.1. Rule 8 (Computed value) of the CVR, 2007 is also of no help and is to be negated in this case, as Substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods is required to compute the value under Rule 8 *ibid*. The imported goods were manufactured in China and therefore, the authentic data in respect of the said goods imported from China is not available. Further, the impugned goods are of a varied description, variety, specification. Against this backdrop, it is not feasible to re-determine the value of the impugned goods in terms of Rule 8 of Customs Valuation Rule, 2007.

15. Applicability of Rule 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

15.1. Rule 9 of the CUSTOMS VALUATION DETERMINATION OF VALUE OF IMPORTED GOODS) RULES, 2007 is reproduced below:

“(1) Subject to the provisions of rule 3, where the value of imported goods cannot be determined under the provisions of any of the preceding rules, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules and on the basis of data available in India;

Provided that the value so determined shall not exceed the price at which such or like goods are ordinarily sold or offered for sale for delivery at the time and place of importation in the course of international trade, when the seller or buyer has no interest in the business of other and price is the sole consideration for the sale or offer for sale.”

15.2. Since, in the instant case, many imported items were mis-declared in terms of description, quantity and value and the importer has not disclosed the value of the *impugned goods* in his submissions; therefore, value of the impugned goods as found during examination is re-determined in terms of Rule 9 of the CVR, 2007 by the way of Market Survey. Accordingly, Market Survey in respect of *impugned goods as mentioned* in Table-III above was conducted on 20.08.2025 in the presence of representative of importer and CB. The market survey report is mentioned in Table-VII below.

Table-VII (Market Survey Report)

Sr. No. (i)	Description of goods/ item (ii)	Price in Rs. Quoted by M/s Jai Jinendra Ply & Hardware) (iii)	Price in Rs. (Quoted by M/s Swastik Hardware) (iv)	Price in Rs. (Quoted by M/s Prabhat Plywood) (v)	Average MKT Price of (iii), (iv) & (v)
1	Bathroom Fitting	35/pcs	33/pcs	31/pcs	33

	Shattaf				
2	Bathroom Shower Head	32/pcs	30/pcs	29/pcs	31
3	Tungsten Cutter	1900/kgs	2000/kgs	2100/kgs	2000
4	Sealing Glue	178/kgs	175/kgs	172/kgs	175
Sr. No.	Description of goods/ item	Price in Rs. (Quoted by M/s Chirag Plastic Corporation)	Price in Rs. (Quoted by M/s Pravin Plastic Agency)	Price in Rs. (Quoted by M/s Rushabh Plastic)	Average Price of (iii), (iv) & (v)
5	Table Decorative Artifact	16/Pcs	17.50/Pcs	18/Pcs	18
6	Battery operated smart riding suitcase	20000/Pcs	21000/Pcs	22000/Pcs	21000
7	Pouch Bag	211/Kgs	215/Kgs	217/Kgs	215
8	Plastic Buckle	273/Kgs	275/Kgs	277/Kgs	275
9	Insulated water bottle	100/pcs	110/pcs	100/pcs	104
10	Buckle Parts	237/Kgs	238/Kgs	241/Kgs	239
Sr. No.	Description of goods/ item	Price in Rs. (Quoted by M/s Vruddhi Fashion)	Price in Rs. (Quoted by M/s Khusi NX)	Price in Rs. (Quoted by M/s JP Labels & Tags)	Average Price of (iii), (iv) & (v)
11	Slider Zipper Machine	300000/pcs	320000/pcs	310000/pcs	310000
12	Cup Zipper Machine	275000/Pcs	285000/Pcs	280000/pcs	280000
13	Parts of Zipper Machine Heater	376/pcs	375/pcs	372/pcs	375
14	Metal Hook	277/Kgs	275/Kgs	274/kgs	276
15(a)	Clothing	238/pcs	225/pcs	220/pcs	228

	Shirt				
15(b)	Clothing T-shirt	242/pcs	240/pcs	235/pcs	239
16	Belt Punching Pliers	78/pcs	75/pcs	73/pcs	76
Sr. No.	Description of goods/ item	Price in Rs. (Quoted by M/s Able Mould Works)	Price in Rs. (Quoted by M/s Plastosil Moulds)	Price in Rs. (Quoted by M/s Laxmi Die Work)	Average Price of (iii), (iv) & (v)
17	Mould	170/Kgs	176/Kgs	180/Kgs	176
Sr. No.	Description of goods/ item	Price in Rs. (Quoted by M/s Super Auto Parts)	Price in Rs. (Quoted by M/s Dharmesh Auto)	Price in Rs. (Quoted by M/s New Popular Automobiles)	Average Price of (iii), (iv) & (v)
18	Automobile Parts Metal Connector	238/Kgs	240/Kgs	241/Kgs	240
19	Parts of E-Rickshaw Differential	29500/Pcs	30000/Pcs	30800/Pcs	30100/Pcs
Sr. No.	Description of goods/ item	Price in Rs. (Quoted by M/s Choudhary Enterprises)	Price in Rs. (Quoted by M/s Crystal Wallpaper)	Price in Rs. (Quoted by M/s Chirag Netting Solutions)	Average Price of (iii), (iv) & (v)
20	PVC Folding Doors	2100/pcs	2125/pcs	2130/pcs	2119
21	Folding Door Parts	235/kgs	238/kgs	240/Kgs	238
Sr. No.	Description of goods/ item	Price in Rs. (Quoted by M/s Behome Inc)	Price in Rs. (Quoted by M/s Mansi Appliances)	Price in Rs. (Quoted by M/s Ratnaraj Industries)	Average Price of (iii), (iv) & (v)
22	Insulated Coffee Mug	90/pcs	100/pcs	90/pcs	94
23	Empty Packing Box	162/Kgs	165/Kgs	168/Kgs	165
Sr.	Description	Price in Rs.	Price in Rs.	Price in Rs.	Average

No.	of goods/ item	(Quoted by M/s Tohfa)	(Quoted by M/s Bhavna Imitation Hub Pvt. Ltd)	(Quoted by M/s Sia Jewels Pvt Ltd)	Price of (iii), (iv) & (v)
24	Artificial Jewellery	4800/kgs	4750/kgs	4600/kgs	4717
Sr. No.	Description of goods/ item	Price in Rs. (Quoted by M/s Ennar Impex)	Price in Rs. (Quoted by M/s Khambhala Cosmo LLP)	Price in Rs. (Quoted by M/s Beauty Palace)	Average Price of (iii), (iv) & (v)
25	Artificial Nail	185/kgs	188/kgs	190/kgs	188

15.3. As per said Rules, the value of the goods imported shall be based on the unit price at which the imported goods or identical goods or similar goods are sold in the greatest aggregate quantity to persons who are not related to the seller in India. Following deductions are to be allowed: -

(i) either the commission usually paid or agreed to be paid, or the additions usually made for profits and general expenses in connection with sales in India of imported goods of the same class or kind;

(ii) the usual costs of transport and insurance and associated costs incurred within India;

the customs duties and other taxes payable in India by reason of importation or sale of the goods.

15.4. The price quoted by the shopkeeper vide their estimates were containing the component such as wholesale profit margin (approx. 10%), Importer's profit (approx. 10%), transportation expenses and other miscellaneous expenses (approx. 10%), and Customs duty (BCD@20%, SWS@10%, IGST@18%), (Effective deduction 59.1% in this case) of the average selling price. Based on the above, the Market price of the goods comes out to be Rs. 244.46, where CIF is Rs. 100 after effective deduction @ 59.1%. Thus, the CIF value of goods arrives at approximately 40.9% of the market value detailed below:

	Rate	Amount	Total
CIF		100	100
BCD	20%	20	120
SWS	2%	2	122
IGST	18%	21.96	143.96
Transportation & misc. charges	10%	14.396	158.356
Importers Profit	10%	15.835	174.191

IGST (Considering that earlier IGST amount will be credited)	18%	(31.354-21.96) =9.394	183.58 5
Wholesaler profit	10%	18.358	201.94
IGST (Considering that earlier IGST amount will be credited)	18%	(36.349-31.354) =4.995	206.93 5
Retailers profit	15%	31.04	237.97 5
IGST(Considering that earlier IGST amount will be credited)	18%	(42.835- 36.349) = 6.486	244.46 1
Market Price			244.46 1

15.6. Considering the above, the assessable value of the subject goods has been re-determined as under for the purpose of levy of duty:

Table-VIII

S. No.	Description	UQC	QTY	Average mkt price in Rs (As per Table VII)	Re-determined Unit Price (in Rs)	Re-determined A.V
1	Bathroom Fitting Health Shattaf (100 set/Ctn) Jr	pcs	6000	33	13.5	81000
2	Bathroom fitting shower head 2125 5" (100Pcs/Ctn) JR	pcs	1500	31	12.7	19050
3	Table decorative artifact 80 Pcs/Ctn) KF	pcs	400	18	7.4	2960
4	Tungsten made cutter	kgs	100	2000	818	81800
5	Battery-operated smart riding Suitcase (1 Pcs/Ctn) TDG	nos	10	21000	8589	85890
6	Pouch bag (800 Pcs/Ctn)	Kg	214	215	88	18832
7	Plastic buckle	Kg	71	275	112.5	7988
8	Mould	Kg	990	176	72	71280

	UG/RO					
9	Complete Zipper Machine-sliders assembly machine UG/RO	nos	2	310000	126790	253580
10	Complete Zipper Machine-Cup punching Machine UG/RO	nos	2	280000	114520	229040
11	Parts of zipper machine-Heater UG/RO	nos	55	237	154	8470
12	Metal Hook UG/RO	kgs	485	276	113	54805
13	Automobile Parts- Metal Connector	kgs	2403	240	98	235494
14	Parts of E-Rickshaw - Differential (40 Pcs in 01 Plt)	Pcs	40	30100	12311	492440
15 (a)	Clothing Shirt	pcs	240	228	93	22320
15 (b)	Clothing T-shirt	pcs	1200	239	98	117600
16	PVC Folding Door	pcs	318	2119	867	275706
17	Folding Door Parts	kgs	209	238	97	20273
18	Insulated Steel and plastic made Coffee Mug	pcs	5942	94	38.5	228767
19	Empty Packing Box	kgs	82	165	67.5	5535
20	Belt Punching Pliers (50 Pcs/Ctn)	nos	1000	76	31	31000
21	Insulated Steel Water	pcs	3020	104	42.54	128350

	Bottle of 850 ml capacity (20Pcs/Ctn)					
22	Sealing Glue (1400 Pcs/Ctn)	kgs	5438	175	71.5	388817
23	Artificial Jewellery (Assorted Size and Patterns)	kgs	626	4717	1930	1208180
24	Artificial Nail	kgs	36	188	77	2772
25	Buckle Parts	Kg	46	239	98	4508

Total re-determined value Rs 40,76,457/-

15.7. In view of above, the value has been re-determined as Rs 40,76,457/- as against declared value of Rs. 12,20,527/-.

16. The importer has declared the item at Sr. No. 15 of said Bill of Entry as clothing (assorted) and classified under CTH 62179090. The said CTH covers the goods namely "Other made up clothing accessories. Whereas, in the present case goods are not made ups but readymade garments as Cotton T Shirts/Shirts. Therefore, declared CTH is liable for rejection. Since, by name of description, Cotton T shirts fall under CTH 61091000 and Cotton Shirts falls under CTH 62052090. Therefore, said goods namely Cotton T Shirts are classifiable under CTH 61091000 and Cotton Shirts are classifiable under CTH 62052090 as per Rule 1 of General Rules for Interpretation of Import Tariff which reads as "*The titles of Sections, Chapters and Sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings*". The BCD duty rate under CTH 61091000 is 20% of AV or Rs 45/- per pc whichever is higher. BCD Duty rate under CTH 62052090 is 20% of AV or Rs 85/- per pc whichever is higher.

17. During the course of examination of goods declared as Coffee Mugs were found as 'Insulated Steel and plastic made Coffee Mug and Hot Case were found as 'Insulated Steel Water Bottle of 850 ml capacity'. These are meant for domestic use. The importer had classified coffee mugs/hot case under CTH 39249090 which covers goods namely kitchen wares-as other goods. Since, the goods are in-fact insulated ware, declared classification is liable to rejection. The said item falls under CTH 39233010 by its description, therefore, said item is classifiable under CTH 39233010 as per Rule 1 General Rules for Interpretation of Import Tariff.

18. As per IS 17790:2022 Insulated Steel wares as found in examination requires compliance with BIS (Bureau of Indian Standards) compliance as detailed below:

Table - VI [Goods attracting BIS Certification

Sr. No.	Sr. No. in Table-	Declared description	Correct Description	Bis Certification & Required (IS No.)	Total Qty. Found (in
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	III	& CTH	CTH		pieces)
1.	18	Coffee Mug, CTH-39249090	Insulated Steel and plastic made Coffee Mug, CTH-39233010	17790:2022	5256
2.	21	Hot Case, CTH-39249090	Insulated Steel Water Bottle of 850 ml capacity, CTH-39233010	17790:2022	6250

19. However, the said importer failed to produce BIS certificate. Therefore, said goods appears liable for confiscation under Section 111(d) and (m) of the Customs Act, 1962 on account of not having applicable BIS certification and misclassification in description and value. Further, since importer is not having licence from BIS for importation of said two items, same cannot be cleared for home consumption and falls in the category of "prohibited goods".

20. Legal Provisions relating to the offences committed in the instant case:

20.1.Foreign Trade (Development and Regulation) Act, 1992 and Foreign Trade (Regulation) Rules, 1993:

20.1.1. As per Section 11(1) of the Foreign Trade (Development and Regulation) Act, 1992, no export or import shall be made by any person except in accordance with the provisions of this Act, the rules and orders made thereunder and the export and import policy for the time being in force.

20.1.2. As per Rule 11 of the Foreign Trade (Regulation) Rules, 1993 on importation into, any Customs ports of any goods, whether liable to duty or not, the owner of such goods shall in the Bill of Entry state the value, quality and description of such goods to the best of his knowledge and belief and shall subscribe a declaration of the truth of such statement at the foot of such Bill of Entry.

20.2. Section 2(2) of the Customs Act, 1962: "assessment" means determination of the Dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any under this Act or under the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act) or under any other law for the time being in force, with reference to-

- (a) the tariff classification of such goods as determined in accordance with the provisions of the Customs Tariff Act.
- (b) the value of such goods as determined in accordance with the provisions of this Act and the Customs Tariff Act.
- (c) exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefore under this Act or under the Customs Tariff Act or under any other law for the time being in force.

(d) the quantity, weight, volume, measurement or other specifics where such duty, tax, cess or any other sum is leviable on the basis of the quantity, weight, volume, measurement or other specifics of such goods.

(e) the origin of such goods determined in accordance with the provision of the Customs Tariff Act or the rules made thereunder, if the amount of duty, tax, cess or any other same is affected by the origin of such good.

(f) any other specific factor which affects the duty, tax, cess or any other sum payable on such goods, and includes provisional assessment, self-assessment, assessment and any assessment in which the duty assessed is nil.

20.3. 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) For 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.

20.4. Sub-section 2 of Section 47 of the Customs Act, 1962:

(c) In case of deferred payment under the proviso to sub-section (1), from such due date as may be specified by rules made in this behalf,

And if he fails to pay the duty within the time so specified, he shall pay interest on the duty not paid or short-paid till the date of its payment, at such rate, not less than ten percent, but not exceeding thirty-six percent, per annum, as may be fixed by the Central Government, by notification in the Official Gazette.

20.5. Section 46 of the Customs Act, 1962:

(1) The importer of any goods, other than goods intended for transit or transshipment, shall make an entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed.

(2) Save as otherwise permitted by the proper officer, a bill of entry shall include all the goods mentioned in the bill of lading or other receipt given by the carrier to the consignor.

(3) The importer while presenting a bill of entry shall make and subscribe to declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed;

(4A) 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.

20.6. 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:

- (a) any goods which are 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.
- (b) any dutiable or prohibited goods, which are not included or are in excess of those included in the entry made under this Act.
- (c) 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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of Section 54.

20.7. Section 112(a) of the Customs Acts, 1962: - penalty for any person, 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 Shall be liable-

- (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:

Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined.

20.8. Section 114(AA) of the Customs Act 1962 :- 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 purpose of this Act, shall be liable to a penalty not exceeding five times the value of goods.

20.9. Bureau of Indian Standard Rules, 1987: Any person who contravenes the provisions of the Order shall be punishable under the

provision of sub-section (3) of Section 29 of the BIS Act, 2016 with imprisonment or with fine or with both.

21. Obligation under Self-assessment:

21.1. The importer had subscribed to a declaration as to the truthfulness of the contents of the Bills of Entry in terms of Section 46(4) of the Customs Act, 1962, in all their import declarations. Further, consequent upon the amendment to Section 17 of the Customs Act, 1962 vide Finance Act, 2011, 'Self-Assessment' had been introduced in Customs. Section 17 of the Customs Act, 1962, effective from 08.04.2011, provides for self-assessment of duty on imported goods by the importer himself by filing a Bill of Entry, in electronic form. Section 46 of the Customs Act, 1962 makes it mandatory for the importer to make an entry for the imported goods by presenting a Bill of Entry electronically to the proper officer. As per Regulation 4 of the Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulation, 2018 (issued under Section 157 read with Section 46 of the Customs Act, 1962), the Bill of Entry shall be deemed to have been filed and self-assessment of duty completed when, after entry of the electronic declaration (which was defined as particulars relating to the imported goods that are entered in the Indian Customs Electronic Data Interchange System) in the Indian Customs Electronic Data Interchange System either through ICEGATE or by way of data entry through the service centre, a Bill of Entry number was generated by the Indian Customs Electronic Data Interchange System for the said declaration. Thus, under the scheme of self-assessment, it was the importer who must doubly ensure that he declared the correct classification/CTH of the imported goods, the applicable rate of duty, value, the benefit of exemption notification claimed, if any, in respect of the imported goods while presenting the Bill of Entry. Thus, with the introduction of self-assessment by amendment to Section 17, w.e.f. 08.04.2011, it was the added and enhanced responsibility of the importer to declare the correct description, value, Notification, etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods. Under section 17(4) of the Customs Act, 1962, Proper Officer may re-assess the duty leviable on such goods, where it is found on verification, examination or testing of the goods or otherwise that the self-assessment is not done correctly.

21.2. Thus, under self-assessment, it is the importer who has to ensure that he declares the correct description, classification, transaction value, applicable rate of duty, value, benefit of exemption notifications claimed, if any, in respect of the imported goods while presenting the Bill of Entry.

21.3. Section 17(1) & Section 2(2) of the Customs Act, 1962 read with CBIC Circular No. 17/2011- Customs dated 08.04.2011 cast a heightened responsibility and onus on the importer to determine duty, classification etc, by way of self- assessment. The importer, at the time of self-assessment, is required to ensure that he declares the correct classification, applicable rate of duty, value, benefit of exemption notifications claimed, if any, in respect of the imported goods while presenting the Bill of Entry.

IMPORTER'S SUBMISSION AND PERSONAL HEARING

22. The importer submitted a letter dated 28.10.2025, vide which they stated that they have imported goods from China vide Bill of Lading No. 031F538082 dated 31/05/2025 at Nhava Sheva Port and the same was filed for clearance vide BoE No. 2738955 dated 18/06/2025.

23. The importer further stated that due to the mistake from warehouse of shipper at the time of loading, some discrepancies were found at the time of examination. They added that they have confirmed from shipper regarding the same and he has accepted the mistake from his side and apologized for the same and also assured us that this kind of mistake will not be done in future.

24. As per the established norms and CBIC guidelines, the opportunity for a personal hearing was duly given but explicitly declined by the importer vide their aforementioned letter and also requested for waiver of Show Cause Notice.

25. The importer has further submitted a letter dated 18.11.2025 vide which they have requested for closure of file as per merit basis as they are ready to re-export the disputed goods. Accordingly, they requested for order of re-export of disputed goods and release of rest of the goods after completing due customs procedures.

26. Furthermore, the CB, M/s. Transworld Logistics, have also submitted a letter dated 18.11.2025 vide which they have stated that that due to the mistake from warehouse of shipper at the time of loading, some discrepancies were found at the time of examination. They added that they have confirmed from shipper regarding the same and he has accepted the mistake from his side and apologized for the same and also assured us that this kind of mistake will not be done in future.

27. As per the established norms and CBIC guidelines, the opportunity for a personal hearing was duly given to the CB as well but explicitly declined by the CB vide their letter dated 18.11.2025 and also requested waiver of Show Cause Notice.

DISCUSSIONS & FINDINGS:

28. I find that the goods have been grossly mis-declared with respect to description, quantity, composition and hence value. It is also evident that some items have been imported in violation of BIS Standards. This indicates that declaration made in the said Bill of Entry is not correct. In this regard, Section 46(4) of the Customs Act, 1962, prescribes that *"the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any relating to the imported goods"*. Further, while presenting the bill of Entry, the importer should furnish a declaration disclosing full and accurate details and other information as considered necessary for determination of the value of the imported goods under Rule 11 of the Customs Valuation Rules, 2007. It appears that the said importer has mis-declared the description, quantity, composition of goods as discussed at Table IV. Since, there is gross mis-declaration of goods and declaration made in said Bill of Entry are not correct, therefore, the said importer has also mis-

declared value with an intention to evade payment of appropriate customs duty. By doing so, the said importer appears to have contravened the provisions of the Customs Act, 1962 and Rules made thereunder. As per Section 111(m) of the Customs Act 1962, *"any goods which do not correspond in respect of value or in any other particular with the entry made under this Act are liable for confiscation"*. Therefore, said goods having re-determined value as Rs. 40,76,457/- are liable to confiscation under section 111(m) of the Customs Act, 1962.

29. I find that the goods declared as Coffee Mug, Hot Case were actually found as insulated steel coffee mugs and insulated steel water bottle are covered under the scope of IS 17790:2022 and attracts mandatory certification from BIS which the importer has not submitted. As such, these two items have been imported in violation of provisions of Section 17 of the Bureau of Indian Standard Act, 2016. I further find that as per Section 2(33) of the Customs Act, 1962 "prohibited goods" means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with. The above non-compliance of mandatory requirement of BIS Licence makes the imported goods liable for confiscation under Sections 111(d) of the Customs Act, 1962. Section 111(d) of the Customs Act, 1962 states *"any goods which are imported or attempted to be imported or 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"*. Further, in absence of BIS license, these goods valued at Rs.3,57,117/- cannot be cleared for home consumption. During the proceedings, the importer has requested for re-export of these goods.

30. I find that item 15, 23 and 24 of said Bill of Entry have been found in excess as shown in Table IV. Section 111(l) of the Customs Act, 1962 states *"any dutiable or prohibited goods, which are not included or are in excess of those included in the entry made under this Act"*. Therefore, said goods having re-determined value as Rs. 13,28,552/- are liable to confiscation under Section 111(d) of the Customs Act, 1962.

31. In the self-assessment regime (Sections 17 and 46), the importer was obligated to ensure truthful declaration of description and value. I find that the proprietor of the said importing firm Shri Mandeep Singh and said importing firm have not declared the correct details of the goods as discussed above. This is also evident that said importer was penalized in the past for mis-declaring the goods twice. This shows that Shri Mandeep Singh knowingly mis-declaring goods with intent to evade duty. Contention of the importer that in the present consignment, the supplier has supplied some goods by mistake does not appear correct as in the past too, department had initiated penal proceedings against them. They have in relation to these imported goods, do or omit to do such act or omission and suppressed actual details of the goods and thus have

rendered the said goods liable to confiscation under section 111. Therefore, the importer is liable to penalty under Section 112(a) and/or 114A of the Customs Act, 1962.

32. I find that the importer has not presented invoice showing correct details of the goods imported knowingly and intentionally. As such, they have used false or incorrect material like invoice and submitted false declarations in respect of Bill of Entry. Therefore, he appears liable to penalty under Section 114AA of the Customs Act, 1962.

33. From the facts discussed above, it appears that the said importer has not declared correct description, quantity and composition which have relevance to value. Therefore, declared value in case of said goods appears liable to rejection under rule 12 (2) (iii) (d) & (e) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and self-assessment done by said importer under Section 17(1) of the Customs Act, 1962 is liable to rejection.

34. As discussed above, as no import of identical or similar goods to the goods actually found in examination considering comparable quantity, description, composition and as the factors applicable under Rule 7 of the CVR, 2007 is also not available in this instant case, as the value of the imported products depends on quality, design and material, finishing etc. and as substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods is required to compute the value under Rule 8. Hence, which is not available, therefore, valuation could not be done under Rule 4 to 8 of said Rules. Therefore, value has been re-determined as per market survey report considering elements of Rule 9 of said Rules for the purpose of reassessment under Section 17(4) of the Customs Act, 1962 for the purpose of levy of correct duty.

35. I find that the Customs Broker M/s Transworld Logistics filed the Bill of Entry based on documents provided and after approval of checklist by importer. Statement of CB authorized representative Shri Rajesh Shahi was recorded under section 108 of the Customs Act, 1962. In his statement he submitted that till date total 126 Bill of Entry in respect of M/s. Two Stallions have been cleared by their firm. Despite that CB failed to exercise due diligence and proper verification, thereby violating Regulation 10(d) and 10(n) of the Customs Brokers Licensing Regulations (CBLR), 2018. His action materially contributed to the short-levy of Duty at the time of initial self-assessment. Under Regulation 10(d) of the CBLR, 2018, a Customs Broker is obligated to advise his client to comply with the provisions of the Customs Act and ensure the submission of correct documents. Further, Regulation 10(n) mandates that the Broker must exercise due diligence in the discharge of his duties. The failure to independently verify shipment details and reliance solely on client instructions without exercising reasonable care constitutes a violation of these obligations. For the said act of omission and commission, the Customs Broker M/s Transworld Logistics is also liable for Penalty proceedings under Section 112(a) of the Customs Act, 1962.

ORDER

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

a. I reject the declared value of goods imported vide Bill of Entry No. 2738955 dated 18.06.2025 as Rs **12,20,526.71/- (Twelve Lakh Twenty Thousand Five Hundred and Twenty Seven)** under Rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, and the self-assessment done under Section 17(1) of the Customs Act, 1962.

b. I re-determine the value of the goods imported vide Bill of Entry No. 2738955 dated 18.06.2025 as **Rs. 40,76,457/- (Rs. Forty Lakh Seventy Six Thousand Four Hundred and Fifty Seven only)** under Rule 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

c. I reject the declared CTH 62179090 for item 15 of BE declared as clothing accessories and reclassify it under CTH 6109100 & 62052090 for the goods found as Cotton T Shirts and Cotton Shirts respectively.

d. I reject the declared CTH 39249090 for items declared as coffee mugs and hot cases and reclassify it under CTH 39233010 as the goods were found to be insulated wares.

e. I order to confiscate the goods namely Insulated Steel & Plastic Coffee Mugs and Insulated Steel Water Bottles imported vide Bill of Entry No. 2738955 dated 18.06.2025 having re-determined value as Rs. 3,57,117/- (Rs. Three Lakh Fifty Seven Thousand One Hundred and Seventeen only) under Section 111(d) of the Customs Act, 1962. I, however, give an option to the importer to redeem these goods i.e. Insulated Steel & Plastic Coffee Mugs and Insulated Steel Water Bottles only for the limited purpose of re-export on payment of Redemption Fine of Rupees 30,000 /- (Rs. Thirty Thousand Only) under Section 125 of the Customs Act, 1962. If the redemption fine is not paid within 120 days of the issue of this Order, the option given for redemption shall become void in compliance of Section 125(3) of the Customs Act, 1962, unless an appeal against this order is pending.

f. I order to confiscate the rest goods namely Cotton T Shirts/Shirts, artificial jewellery and artificial nails etc. imported vide Bill of Entry No. 2738955 dated 18.06.2025 having re-determined value as Rs. 37,19,340/- (Rupees Thirty Seven Lakh Nineteen Thousand Three Hundred and Forty only) under Section 111(m) and 111(l) of the Customs Act, 1962. However, I give an option to the importer to redeem the above said goods, only for on payment of redemption fine of Rs. 1,80,000/- (Rupees One Lakh Eighty Thousand only) under section 125 of the Customs Act, 1962.

g. I impose a penalty of Rs. 20,000/- (Rupees Twenty Thousand only) on the importer, M/s. Two Stallions, under Section 112(a) of the Customs Act, 1962.

h. I impose a penalty of Rs. 20,000/- (Rupees Twenty Thousand only) on Shri Mandeep Singh, proprietor of M/s. Two Stallions, under Section 114AA of the Customs Act, 1962.

vi. I impose a penalty of Rs. 10,000/- (Rupees Ten Thousand only) upon CB, M/s. Transworld Logistics, under Section 112(a) of the Customs Act, 1962.

37. 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.

पारुल
21/2/25

(Dr. Parul Singhal/ डॉ. पारुल सिंघल)

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

To,

1. M/s. Two Stallions (IEC- AYEPS0076Q),

Ground Floor No. GF62, Ansal Class,
Rajouri Garden, New Delhi - 110027

2. Shri Mandeep Singh, proprietor of M/s. Two Stallions (IEC- AYEPS0076Q),

Ground Floor No. GF62, Ansal Class,
Rajouri Garden, New Delhi - 110027

3. M/s. Transworld Logistics,

Office No.- 53, Foundation Tower,
Sector - 11, CBD Belapur,
Navi Mumbai, Maharashtra-400614

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, NSPU, R&I, Mumbai Customs Zone - III.
4. The Deputy Commissioner of Customs, EDI, JNCH
5. Office Copy.