प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
CUSTOM HOUSE, MUNDRA, KUTCH
MUNDRA PORT & SPL ECONOMIC ZONE, MUNDRA-370421
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A	फा .सं /.FILE NO.	CUS/APR/INV/606/2026-Gr 5-6
B	मूल आदेश सं. ORDER-IN-ORIGINAL NO.	MCH/ADC/ZDC/355/2026-27
C	द्वारा पारित किया गया PASSED BY	Dipak Zala Additional Commissioner of Customs, Custom House, Mundra
D	आदेश की तिथि DATE OF ORDER	29-09-2026
E	जारी करने की तिथि DATE OF ISSUE	29-09-2026
F	कारण बताओ नोटिस सं. एवं तिथि SCN NUMBER & DATE	SCN and PH waiver vide email dated 18.09.2026
G	नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER	M/s. Mesua Industries LLP, Shop No. 234, Rahim Baug, Amabawadi, S.V. Road, Opp. MBC School, Mumbai – 400068 (IEC: ACDFM3227E).

1. यह आदेश संबंधित को निःशुल्क प्रदान किया जाता है।
   This Order in Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 128 के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-
   Any person aggrieved by this Order - in - Original may file an appeal under Section 128 of the Customs Act, 1962, read with Rule 3 of the Customs (Appeals) Rules, 1982, in quadruplicate in Form C. A. -1 to:

   "सीमा शुल्क आयुक्त) अपील(, चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड, नवरंगपुरा, अहमदाबाद 380009"

   "The Commissioner of Customs (Appeals), Mundra, 4TH Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009."

3. उक्त अपील यह आदेश जारी होने की तिथि से के भीतर दाखिल की जानी चाहिए।
   Appeal shall be filed within sixty days from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5 -/रुपए का टिकट लगा होना चाहिए और

इसके साथ निम्नलिखित अवश्य संलग्न किया जाए -
Appeal should be accompanied by a fee of Rs. 5/- under the Court Fees Act; it must be accompanied by –

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रूपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं°-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प वहन करना चाहिए।
The appeal should bear a Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paisa only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.

6. अपील ज्ञापन के साथ ड्यूटी/दण्ड/जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिए। Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.
7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के सभी मामलों में पालन किया जाना चाहिए।
While submitting the appeal, the Customs (Appeals) Rules, 1982 and the Customs Act, 1962 must be followed in all respects.

8. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (Appeals) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।
An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

BRIEF FACTS OF THE CASE

1. Based on the specific intelligence, the import consignment covered under Bill of Entry No. 2681817 dated 23.07.2026 (Z-Type), filed by M/s. Mesua Industries LLP (IEC No. ACDFM3227E) and contained in Container No. FFAU7491341, was placed on hold for detailed examination at the premises of M/s. Holistic Global Corporation (SEZ Warehouse Unit), East of Steinweg, Plot No. 3, Block D, Mundra. The examination was conducted on 03.08.2026 in the presence of Shri Masoom Kasera, Warehouse Manager/Authorised Representative of M/s. Holistic Global Corporation, and the importer's authorised representative, M/S. Mesua Industries LLP.

1.1 The table below summarises the weighment details in respect of BE No. 2681817 dated 23.07.2026 (Z-Type), measuring each package weight at the time of examination:

Table-A

Sr. No.	Container No.	Gross Weight declared in BE/BL (Kgs)	Gross Weight as per average weighment (Kgs)	Difference (Kgs)
1	FFAU7491341	22,700	22,448.12	251.88

1.2 The importer/authorised representative produced the relevant import documents, including Bill of Entry No. 2681817 dated 23.07.2026. The goods declared in the Bill of Entry comprised Plastic Bottle, Timing Chain, Sanitary Water Pipes, Angle Valve, Ball Valve, Shower Heads, Hand Saw, Spout for Kitchen, Health Faucet, Thread Seal Tape and Hex Nipple, falling under different Customs Tariff Headings (CTHs). The declared quantity of the aforesaid goods was 1,49,490 pieces packed in 1,239 cartons.

2. ACTION TAKEN – EXAMINATION FINDINGS

2.1 The container bearing No. FFAU7491341 was identified and presented for examination. The container was secured with Seal No. CR0617492, which was verified and found intact and corresponding with the details declared in the Bill of Entry. On external examination, the container was found to be in sound condition, with no external damage observed.

2.2 Thereafter, the seal was cut open in the presence of the Panchas, the authorised representative of the importer and the Customs Officer. On opening the container, it was found fully stuffed with corrugated cartons wrapped in green PP woven sacks. The goods were de-stuffed from the container with the assistance of labourers and stacked in the warehouse. Thereafter, the Customs Officer opened and examined the packages one by one and randomly verified the weight of different types of packages. The Customs Officer and the SEZ Unit representative also carried out a physical count of the goods.

2.3 The goods declared in the Z-Type Bill of Entry No. 2681817 dated 23.07.2026 covered under Container No. FFAU7491341 were as under:

Table-B

S.No.	CTH	Description	Quantity	UOM	Cartons
1	39249090	Plastic Bottle	4,000	PCS	70
2	87089900	Timing Chain	3,420	PCS	114
3	84818090	Sanitary Water Pipes	12,000	PCS	120
4	84818090	Angle Valve	26,252	PCS	203
5	84818090	Ball Valve	1,450	PCS	34
6	84818090	Shower Heads	3,514	PCS	302
7	82019000	Hand Saw	42,152	PCS	242
8	84819090	Spout for Kitchen	4,152	PCS	74
9	39229000	Health Faucet	4,550	PCS	23

10	39191000	Thread Seal Tape	25,000	PCS	25
11	84818090	Hex Nipple	23,000	PCS	32
	TOTAL		1,49,490		1,239

2.4 During detailed examination by the SIIB officer, the goods were segregated item-wise, and a physical inventory was prepared. The examination inventory recorded 1,080 cartons containing 2,75,165 pieces, having an aggregate weight of approximately 22,448.12 Kgs. The detailed physical examination revealed discrepancies in respect of description and quantity of certain goods vis-à-vis the declaration made in the Bill of Entry.

Table-C

Sr. No.	**Description**	**Marking/variant**	**Cartons**	**Total PCS**	**Total Weight (Kgs)**
1	Plastic Bottle	SC/MS-99 (various packings)	70	7,287	1,242.33
2	Chain	RCM High Quality	114	2,850	2,929.80
3	Pop-up Coupling for Wash Basin	3-inch / 5-inch Pop-up Waste	120	12,000	2,898.75
4	Angle Valve	VK	50	50,000	1,280.00
5	Ball Valve	PNM	34	17,000	455.26
6	Shower Heads	Maze/Elegant/Slim	244	7,908	5,570.67
7	Showers Head	BT Edge (Hex Nipple)	32	6,400	747.52
8	Hand Saw	Wood/Iron/PVC variants	151	15,060	3,439.40
9	Masonry Trowel	8/9/10 inch Mahaveer	95	6,660	2,028.53
10	Thread Seal Tape	Two sizes	150	1,50,000	1,855.86
	TOTAL		1080	2,75,165	22,448.12

2.5 The above quantities were worked out from the item-wise examination inventory recorded in the Panchnama. For Plastic Bottles, different markings/packing quantities were found, aggregating to 7,287 pieces. Similarly, the examination inventory recorded 2,850 pieces of Rolling Chain, 12,000 pieces of

Pop-up Coupling for Wash Basin, 50,000 pieces of Angle Valve, 17,000 pieces of Ball Valve, 14,308 pieces of Shower Heads (including 6,400 pieces described as BT Edge/Hex Nipple), 15,060 pieces of Hand Saw, 6,660 pieces of Masonry Trowel and 1,50,000 pieces of Thread Seal Tape.

3. RE-DETERMINED DESCRIPTION AND CLASSIFICATION OF THE GOODS

3.1 The importer had declared 11 items in the said Bill of Entry. However, during examination, some goods were found mis-declared in terms of description and quantity, and some declared goods were not found; instead, certain other goods were found that had not been declared. The declared CTH of the goods therefore required re-determination. The details are as under:

Table-D

Sr. No.	Declared Description	Re-determined Description	Declared CTH	Re-determined CTH	Qty Kgs	Qty Pcs
1	Plastic Bottle	Plastic Bottle	39249090	39233090	1242.33	7287
2	Timing Chain	Rolling Chain	87089900	73151100	2929.80	2850
3	Sanitary Water Pipes	Not found during examination	84818090	-	0	0
4	Angle Valve	Angle Valve	84818090	84818090	1280	50000
5	Ball Valve	Ball Valve	84818090	84818090	455.26	17000
6	Shower Heads	Shower Heads	84818090	84818090	6318.19	14308
7	Hand Saw	Hand Saw	82019000	82021020	3439.40	15060
8	Spout for Kitchen	Not found during examination	84819090	-	0	0
9	Health Faucet	Not found during examination	39229000	-	0	0
10	Thread Seal Tape	Thread Seal Tape	39191000	39191000	1855.86	150000
11	Hex Nipple	Not found during examination	84818090	-	0	0
12	Not declared in Bill of Entry	Pop-up Coupling for Wash Basin	-	73249000	2898.75	12000
13	Not declared in Bill of Entry	Masonry Trowel	-	82055990	2028.53	6660

	TOTAL				22448.12	275165

4. INVESTIGATIONS CONDUCTED

4.1 Based on the findings of the physical examination, the imported goods were found to have discrepancies in respect of description, particulars and, in certain cases, quantity vis-à-vis the declarations made in the Bill of Entry. The declared gross weight of 22,700 Kgs was compared with the aggregate weight of approximately 22,448.12 Kgs recorded in the detailed examination inventory. Further, the physical examination revealed significant variations in the quantities of certain declared goods, including Plastic Bottles, Angle Valves, Ball Valves, Shower Heads, Hand Saws and Thread Seal Tapes. In addition, physical examination found Pop-up Couplings for Wash Basins and Masonry Trowels, which were not reflected in the list of goods declared in the Bill of Entry. Further, a misdeclaration in respect of Timing Chain/Rolling Chain was also noticed, wherein Timing Chain was declared in the Bill of Entry, whereas Rolling Chain was found during physical examination.

4.2 Based on the aforesaid prima facie findings, the imported goods appeared to have been mis-declared in respect of description and quantity, with certain goods found in excess of the declared quantities and certain additional goods found which were not reflected in the declared list. In view of the discrepancies noticed during examination, and in order to ascertain the correct assessable value of the imported goods and ensure proper valuation in accordance with Section 14 of the Customs Act, 1962 read with the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, it was considered necessary to obtain an independent valuation from an empanelled Chartered Engineer for determining the actual nature, specifications, condition and fair value of the goods and for safeguarding Government revenue.

5. REJECTION OF DECLARED VALUE & RE-DETERMINATION OF ASSESSABLE VALUE

5.1 Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 provides the method of valuation. Subject to Rule 12, the value of imported goods shall be the transaction value adjusted in accordance with Rule 10. Where reasonable doubt exists regarding the truth or accuracy of the declared value, the transaction value may be rejected under Rule 12 and the value thereafter determined sequentially under Rules 4 to 9.

5.2 In the instant case, the value could not be determined under Rules 4 and 5 since the goods had been un-declared/mis-declared by description and reliable contemporaneous imports of identical or similar goods of the same quality and composition were not found. Likewise, the requisite data for Rules 7 and 8 were not available. Accordingly, the goods had to be valued under Rule 9, i.e., the residual method.

5.3 Shri Anwar Y. Kukad, Chartered Engineer & Government Approved Valuer, inspected the impugned goods and submitted Valuation Report No. AYK: VAL:

03020:2026 dated 21.08.2026. The Chartered Engineer assessed the total CIF value at USD 34,541.95, equivalent to Rs. 33,57,477.54 at the Customs conversion rate of Rs. 97.20 per USD.

Table E: Summary of CE valuation

Description	Quantity (Pcs)	CE CIF Value (Rs.)
Plastic Bottle	7,287	1,06,244.46
Rolling Chain	2,850	6,55,429.32
Pop-up Coupling for Wash Basin	12,000	2,91,600.00
Angle Valve	50,000	4,37,400.00
Ball Valve	17,000	8,26,200.00
Shower Heads	7,908	4,61,194.56
BT Edge (Hex Nipple)/Shower Head	6,400	18,662.40
Hand Saw	15,060	2,17,358.64
Masonry Trowel	6,660	51,788.16
Thread Seal Tape	1,50,000	2,91,600.00
TOTAL	2,75,165	33,57,477.54

5.4 The assessable value of Rs. 11,61,132/- declared by the importer in Z-Bill of Entry No. 2681817 dated 23.07.2026 therefore appeared liable to rejection in terms of Rule 12 of the CVR, 2007 and the assessable value of the cargo was required to be taken as Rs. 33,57,477.54 on the basis of the CE valuation under Rule 9 of the CVR, 2007. The CE report was shared with the importer and was accepted by them vide email dated 22.08.2026. The importer also requested settlement of the matter without issuance of Show Cause Notice and without personal hearing.

6. IMPORTABILITY AND POLICY COMPLIANCE

6.1 The goods re-determined as Rolling Chain under CTH 73151100 were subject to mandatory BIS compliance under the Precision Roller and Bush Chains, Attachments and Associated Chains Sprockets (Quality Control) Order, 2024. Further, Roller Chains were restricted under the DGFT Import Policy pursuant to DGFT Notification No. 13/2025-26, subject to Minimum Import Price (MIP) of Rs. 235/- per Kg, and also attracted Anti-Dumping Duty under Notification No. 06/2025-Customs (ADD) dated 24.03.2025. The Investigation Report records that the importer failed to produce the requisite BIS certificate and SIMS registration for the said Rolling Chain. The Investigation Report also records non-production of requisite SIMS registration in respect of Pop-up Coupling for Wash Basin. Accordingly, the goods treated in the Investigation Report as non-

compliant/restricted, having aggregate re-determined value of Rs. 9,47,029/-, appeared liable to confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962.

6.2 Subsequently, vide email dated 18.09.2026, the importer informed that the overseas supplier was ready to take back the aforesaid restricted/non-compliant goods and requested permission to re-export the same. The said request must therefore be considered while adjudicating the goods, which cannot be permitted for Home Consumption for want of the prescribed regulatory compliance.

7. RE-DETERMINATION OF APPLICABLE DUTY

Table-F

Sr. No.	Description	CTH	Re-determined Value (Rs.)	Duty (Rs.)
1	Plastic Bottle	39233090	1,06,244	39,810
2	Rolling Chain	73151100	6,55,429	Not calculated – restricted/non-compliant
3	Angle Valve	84818090	4,37,400	1,21,313
4	Ball Valve	84818090	8,26,200	2,29,147
5	Shower Heads	84818090	4,79,857	1,33,088
6	Hand Saw	82021020	2,17,359	67,338
7	Thread Seal Tape	39191000	2,91,600	4,86,504
8	Pop-up Coupling for Wash Basin	73249000	2,91,600	Not calculated – non-compliant
9	Masonry Trowel	82055990	51,788	16,044
	TOTAL		33,57,477	10,93,243

7.1 The total re-determined value of the goods releasable for Home Consumption comes to Rs. 24,10,448/- and the total re-determined duty for the said releasable goods comes to Rs. 10,93,243/- instead of the declared duty of Rs. 2,28,763/-. Accordingly, the differential duty on the goods releasable for Home Consumption comes to Rs. 8,64,480/-. The Investigation Report did not calculate duty on the restricted/non-compliant goods, with an aggregate value of Rs. 9,47,029/-, due to non-compliance with BIS/SIMS requirements.

8. OUTCOME OF THE INVESTIGATION

8.1 The investigation conducted by SIIB, Customs House, Mundra revealed

discrepancies in description, quantity and classification of the imported goods, presence of undeclared goods, undervaluation and non-compliance with regulatory requirements. The declared assessable value of Rs. 11,61,132/- appeared liable to rejection and re-determination at Rs. 33,57,477.54. The goods treated in the Investigation Report as restricted/non-compliant, having re-determined value of Rs. 9,47,029/-, appeared liable to confiscation under Sections 111(d), 111(l) and 111(m), while the remaining goods having re-determined value of Rs. 24,10,448/- appeared liable to confiscation under Sections 111(l) and 111(m). The importer appeared liable to penalty under Sections 112(a)(i), 112(a)(ii) and 114AA of the Customs Act, 1962.

9. RELEVANT LEGAL PROVISIONS

(A)RELEVANT PROVISIONS OF SEZ ACT, 2005:

2. Definitions. — In this Act, unless the context otherwise requires, —

……..

(o) "**import"** means—

(i) bringing goods or receiving services, in a Special Economic Zone, by a Unit or Developer from a place outside India by land, sea or air or by any other mode, whether physical or otherwise; or

(ii) receiving goods, or services by a Unit or Developer from another Unit or Developer of the same Special Economic Zone or a different Special Economic Zone;

Section 21: Single enforcement officer or agency for notified offences. —

(1)The Central Government may, by notification, specify any act or omission made punishable under any Central Act, as notified offence for the purposes of this Act.

(2)The Central Government may, by general or special order, authorise any officer or agency to be the enforcement officer or agency in respect of any notified offence or offences committed in a Special Economic Zone.

(3)Every officer or agency authorised under sub-section (2) shall have all the corresponding powers of investigation, inspection, search or seizure as is provided under the relevant Central Act in respect of the notified offences.

Section 22: Investigation, inspection, search or seizure. —

The agency or officer, specified under section 20 or section 21, may, with prior intimation to the Development Commissioner concerned, carry out the investigation, inspection, search or seizure in the Special Economic Zone or in a Unit if such agency or officer has reasons to believe (reasons to be recorded in writing) that a notified offence has been committed or is likely to be committed in the Special Economic Zone:

Provided that no investigation, inspection, search or seizure shall be carried out in a Special Economic Zone by any agency or officer other than those referred to in sub- section (2) or sub-section (3) of section 21 without prior approval of the Development Commissioner concerned:

Provided further that any officer or agency, if so authorised by the Central Government, may carry out the investigation, inspection, search or seizure in the Special Economic Zone or Unit without prior intimation or approval of the Development Commissioner

Notification Nos. 2665(E) and 2667(E) dated 05.08.2016:

(1)In exercise of the powers conferred by section 22 of the Special Economic Zones Act, 2005 (28 of 2005), the Central Government by Notification No. 2667(E) dated 05.08.2016 issued by the Ministry of Commerce & Industry, has authorized the jurisdictional Customs Commissioner, in respect of offences under the Customs Act, 1962 (52 of 1962) to be the enforcement officer(s) in respect of any notified offence or offences committed or likely to be committed in a Special Economic Zone. The enforcement officer(s), for the reasons to be recorded in writing, may carry out the investigation, inspection, search or seizure in a Special Economic Zone or Unit with prior intimation to the Development Commissioner, concerned. Under Section 21(1) of the SEZ Act, 2005, the Central Government may, by notification, specify any act or omission made punishable under any Central Act, as notified offence for the purposes of this Act.

(2)The Central Government, by the Notification 2665(E) dated 05.08.2016 has notified offences contained in Sections 28, 28AA, 28AAA, 74, 75, 111, 113, 115, 124, 135 and 104 of the Customs Act, 1962 (52 of 1962) as offences under the SEZ Act, 2005.

47 (5)*Refund, Demand, Adjudication, Review and Appeal with regard to matters relating to authorise operations under Special Economic Zones Act, 2005, transactions, and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the Customs Act, 1962, Central Excise Act, 1944, and the Finance Act, 1994 and the rules made thereunder or the notifications issued thereunder.*

(B)RELEVANT PROVISIONS OF CUSTOMS ACT, 1962:

Section 2(22)*: "goods" includes (a) vessels, aircrafts and vehicles; (b) stores; (c) baggage; (d) currency and negotiable instruments; and (e) any other kind of movable property;*

Section 2(23): *"import", with its grammatical variations and cognate expressions, means bringing into India from a place outside India;*

Section 2(25): ***"imported goods", means any goods brought into India from a place outside India but does not include goods which have been cleared for home consumption;***

Section 2(26): "*importer*", *in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes [any owner, beneficial owner] or any person holding himself out to be the importer;*

Section 2(39): *"smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113.*

Section 11A: *"illegal import" means the import of any goods in contravention of the provisions of this Act or any other law for the time being in force.*

Section 17. Assessment of duty. *–*

(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.

..

(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.

Section 46. Entry of goods on importation:

(4) *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.*

(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.

Section 111. Confiscation of improperly imported goods, etc. – *The following goods brought from a place outside India shall be liable to confiscation: -*

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(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;

(l) ***any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the***

declaration made under section 77;

(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 transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54;*

Section 112. 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)……..

(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:

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.

(C)Relevant Provisions of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

"Rule 4. Transaction value of identical goods. - *(1) (a) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of identical goods sold for export to India and imported at or about the same time as the goods being valued;*

……..

(3) In applying this rule, if more than one transaction value of identical goods is found, the lowest such value shall be used to determine the value of imported goods.

"Rule 5. Transaction value of similar goods. - *(1) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of similar goods sold for export to India and imported at or about the same time as the goods being valued:*

Provided that … ……

(2) The provisions of clauses (b) and (c) of sub-rule (1), sub-rule (2) and sub-rule (3), of rule 4 shall, mutatis mutandis, also apply in respect of similar goods.

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.***

10. WAIVER OF NOTICE AND PERSONAL HEARING

10.1 The importer, vide email dated 24.08.2026, accepted the findings of examination and the valuation suggested by Chartered Engineer Certificate No. AYK: VAL: 03020:2026 dated 21.08.2026 and requested waiver of Personal Hearing and Show Cause Notice. Further, vide email dated 18.09.2026, the importer requested re-export of the restricted/non-compliant goods on the ground that the overseas supplier had agreed to take them back.

11. In view of the above facts, it appeared that –

(i) The declared particulars, description and quantity of the imported goods in Bill of Entry No. 2681817 (Z-Type) dated 23.07.2026, filed by M/s. Mesua Industries LLP (IEC No. ACDFM3227E), are liable to be rejected to the extent of discrepancies noticed during examination, including the presence of undeclared goods, which were not declared in the said Bill of Entry;

(ii) The assessable value of the mis-declared imported goods is liable to be re-determined instead of as declared in the Bills of Entry under Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962. The details are as under: -

BE No. & Date	Declared Value	Re-determined Value
2681817 (Z-Type) dated 23.07.2026	Rs. 11,61,132/-	Rs. 33,57,477/-

(iii) The said Bill of Entry No. 2681817 (Z-Type) dated 23.07.2026 is liable to be re- assessed accordingly under Section 17(4) of the Customs Act, 1962;

(iv) The goods imported vide Bill of Entry no. 2681817 dated 23.07.2026 mentioned at Sr. No. 2 & 8 of the Table-D having re-determined value of Rs.9,47,029 /-, for being prohibited in the absence of BIS certificate and import below MIP, are liable for confiscation under Sections 111(d), 111(l), and 111(m) of

the Customs Act, 1962.

(v)The goods imported vide Bill of Entry no. 2681817 dated 23.07.2026 mentioned in the Table-D except mentioned at Sr. No. 2 & 8 having re-determined value of Rs 24,10,448/- are liable for confiscation under Sections 111(l) & 111(m) of the Customs Act, 1962.;

(vi)The importer, M/s. Mesua Industries LLP, appears liable for penalty under Section 112(a)(i) and 112(a) (ii) of the Customs Act, 1962;

(vii)The importer, M/s. Mesua Industries LLP, appears liable for penalty under Section 114AA of the Customs Act, 1962.

DISCUSSION AND FINDINGS

12. I have carefully gone through the records of the case, Investigation Report No. 154/2026-27, the Chartered Engineer's Report No. AYK: VAL: 03020:2026 dated 21.08.2026, and the importer's communications. I note that the importer has accepted the examination findings and the CE valuation and has waived issuance of a Show Cause Notice and personal hearing. I further note the importer's email dated 18.09.2026 requesting re-export of the restricted/non-compliant goods as the overseas supplier has agreed to take them back. I therefore proceed to decide the matter on the basis of the records available.

12.1 The issues for determination are: (i) correctness of the description, classification and quantities declared; (ii) rejection and re-determination of the assessable value; (iii) re-assessment and differential duty on goods permissible for Home Consumption; (iv) confiscability of the restricted/non-compliant goods and the importer's request for their re-export; (v) confiscability of the remaining mis-declared goods; and (vi) penal liability of the importer.

12.2 The physical examination established substantial discrepancies. Against 1,239 cartons and 1,49,490 pieces declared, the examination inventory recorded 1,080 cartons containing 2,75,165 pieces. Sanitary Water Pipes, Spout for Kitchen, Health Faucet, and Hex Nipple, as declared, were not found, whereas Pop-up Couplings for Wash Basin and Masonry Trowels, not declared in the Bill of Entry, were found. Timing Chain declared under CTH 87089900 was found to be Rolling Chain and re-classified under CTH 73151100. I therefore hold that the description, classification, and quantities must be amended in accordance with Table-D.

13.1 The material discrepancies in description, quantity and classification provided reasonable grounds to doubt the truth and accuracy of the declared value. In the absence of reliable data for determination under Rules 4 to 8, the residual method under Rule 9 was appropriately resorted to. The independent Chartered Engineer assessed the CIF value of the goods actually found at Rs. 33,57,477.54, and the importer accepted the said valuation. I therefore reject the declared assessable value of Rs. 11,61,132/- under Rule 12 and re-determine the assessable value at Rs. 33,57,477.54 under Rule 9 read with Section 14 of the Customs Act, 1962.

14.1 Since the self-assessment was based upon declarations which did not correspond with the goods actually found, the Bill of Entry is liable to re-

assessment under Section 17(4). In respect of goods permissible for Home Consumption having re-determined value of Rs. 24,10,448/-, the re-determined duty is Rs. 10,93,243/- against declared duty of Rs. 2,28,763/-, resulting in differential duty of Rs. 8,64,480/-.

15.1 I find that the Rolling Chain was imported without the mandatory BIS/SIMS compliance recorded in the Investigation Report and was also subject to the restricted import policy/MIP condition referred to therein. The Investigation Report further records non-production of requisite SIMS registration for Pop-up Coupling for Wash Basin. The restricted/non-compliant goods were therefore not eligible for clearance for Home Consumption under the conditions under which they were imported and are liable to confiscation under Section 111(d), apart from Sections 111(l) and 111(m), for the discrepancies established on examination.

15.2 The importer has, vide email dated 18.09.2026, requested re-export of these goods stating that the overseas supplier is ready to take them back. Re-export would ensure that goods which do not satisfy the prescribed import conditions are not allowed into the domestic market. I therefore consider it appropriate to permit redemption of the restricted/non-compliant goods, with an aggregate re-determined value of Rs. 9,47,029/-, solely for re-export, subject to payment of the redemption fine and compliance with the prescribed re-export formalities under Customs supervision. No option for clearance of these goods for Home Consumption is granted.

16.1 The remaining goods did not correspond with the entry in respect of description, quantity, classification and value, and undeclared goods were also found. Accordingly, the goods permissible for Home Consumption, with a re-determined value of Rs. 24,10,448/-, are liable to confiscation under Sections 111(l) and 111(m). However, since these goods are otherwise permissible for import, redemption for Home Consumption under Section 125 is warranted on payment of applicable duty, differential duty, and redemption fine.

17.1 The acts and omissions of the importer rendered the goods liable to confiscation. In respect of the prohibited/restricted goods, the importer is liable to penalty under Section 112(a)(i), while in respect of the other dutiable goods the importer is liable under Section 112(a)(ii), subject to the statutory limits applicable to the respective clauses. Further, the materially incorrect declaration made and used for Customs purposes attracts Section 114AA. The importer's acceptance of the examination findings/valuation, waiver of notice/hearing and request to re-export the restricted goods are factors that may be considered while determining the quantum of fine and penalties.

ORDER

(i) I order amendment/re-determination of the description, classification and quantity of the goods covered under Bill of Entry No. 2681817 dated 23.07.2026 in accordance with Table-D above;

(ii) I reject the declared assessable value of Rs. 11,61,132/- under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and re-determine the assessable value at Rs. 33,57,477.54 (Rupees Thirty Three Lakh

Fifty Seven Thousand Four Hundred Seventy Seven and Paise Fifty Four only) under Rule 9 of the said Rules read with Section 14 of the Customs Act, 1962;

(iii) I reject the self-assessment and order re-assessment of Bill of Entry No. 2681817 dated 23.07.2026 under Section 17(4) of the Customs Act, 1962. In respect of the goods permissible for Home Consumption having re-determined value of Rs. 24,10,448/-, I determine total duty at Rs. 10,93,243/- against declared duty of Rs. 2,28,763/- and confirm differential duty of Rs. 8,64,480/-;

(iv) I order confiscation of the restricted/non-compliant goods, namely the Rolling Chain & Pop-up Couplings for Wash Basin having aggregate re-determined value of Rs. 9,47,029/-, under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962. However, in view of the importer's request dated 18.09.2026 and the supplier's willingness to take back the goods, I allow the importer an option under Section 125 of the Customs Act, 1962 to redeem the said goods on payment of redemption fine of Rs.90,000/- (Rupees Ninety Thousand only), strictly for the purpose of re-export;

(v) I order confiscation of the remaining goods having re-determined value of Rs. 24,10,448/- under Sections 111(l) and 111(m) of the Customs Act, 1962. I, however, give an option to redeem the said goods for Home Consumption under Section 125 on payment of redemption fine of Rs.2,40,000/- (Rupees Two Lakh Forty Thousand only), in addition to applicable duty and differential duty;

(vi) I impose a penalty of Rs. 50,000/- (Rupees Fifty Thousand only) on M/s. Mesua Industries LLP under Section 112(a)(i) of the Customs Act, 1962 in respect of the restricted/prohibited goods;

(vii) I impose a penalty of Rs.85,000 /- (Rupees Eighty Five Thousand only) on M/s. Mesua Industries LLP under Section 112(a)(ii) of the Customs Act, 1962 in respect of the other dutiable goods;

(viii) I impose a penalty of Rs. 10,000/- (Rupees Ten Thousand only) on M/s. Mesua Industries LLP under Section 114AA of the Customs Act, 1962.

19. This order is issued without prejudice to any other action that may be taken against the importer or any other person under the Customs Act, 1962 or any other law for the time being in force.

Digitally signed by
Dipakbhai Zala
Date: 29-09-2026
12:09:20

(Dipak Zala)
Additional Commissioner of Customs
Custom House, Mundra

To,
M/s. MESUA INDUSTRIES LLP
Shop No. 234, Rahim Baug, Amabawadi,
S.V. Road, Opp. MBC School, Mumbai – 400068

Copy to:
1. The Deputy/Assistant Commissioner, SIIB, Customs House, Mundra

2. The Deputy Commissioner, Review, Customs House, Mundra
3. The Deputy Commissioner, TRC, Customs House, Mundra
4. The Deputy Commissioner, EDI, Customs House, Mundra
5. The Deputy Commissioner, APSEZ, Mundra
6. Guard File