	सीमा शुल्क के प्रधान आयुक्त का कार्यालय सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS CUSTOMS HOUSE, MUNDRA PORT, KUTCH, GUJARAT-370421. **Email- Group4-mundra@gov.in**	

A	**FILE NO./**फ़ाइल संख्या	CUS/APR/INV/550/2026-Gr-4
B	**OIO NO./**आदेश संख्या	MCH/ADC/ZDC/267/2026-27
C	**PASSED BY/**जारीकर्ता	Dipak Zala, ADDITIONAL COMMISSIONER, Customs House, Mundra.
D	**DATE OF ORDER/**आदेश की तारीख	24.08.2026
E	**DATE OF ISSUE/**जारी करने की तिथि	24.08.2026
F	**SCN No. & Date/**कारण बताओ नोटिस क्रमांक	Importer requested for Waiver of PH & SCN vide letter dated 14.08.2026
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/आयातक	M/s. Random Solutions Private Limited (IEC-0515035505), Shop No.235, Second Floor, M.P. Mall, M.P. Block, Pitampura, Delhi, North West Delhi, Delhi – 110034.

1. यहआदेश संबन्धित को नि:शुल्क प्रदान किया जाता है।
   This Order - in - Original is granted to the concerned free of charge.
2. यदि कोई व्यक्ति इस आदेश से असंतुष्ट है तो वह सीमाशुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमाशुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते परअपील कर सकताहै-
   Any person aggrieved by this Order - in - Original may file an appeal under Section 128A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

"सीमाशुल्कआयुक्त (अपील (मुंद्रा),
चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,
नवरंगपुरा,अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA
HAVING HIS OFFICE AT 4TH FLOOR, HUDCO BUILDING, ISHWAR BHUVAN ROAD, NAVRANGPURA, AHMEDABAD-380 009."

3. उक्तअपील यहआदेश भेजने की दिनांक से 60 दिन 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 Court Fee Act it must be accompanied by –
   (i) उक्त अपील की एक प्रति और A copy of the appeal, and
   (ii) इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची-1 के अनुसार न्यायालय शुल्क अधिनियम-1870 के मद सं°-6 में निर्धारित 5/- रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।
   This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.

5. अपील ज्ञापन के साथ ड्यूटि/ ब्याज/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।
Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.

6. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमाशुल्क अधिनियम, 1962 के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।
While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respects.

7. 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 (A) 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

M/s. Random Solutions Private Limited (IEC-0515035505), having its registered office at Shop No.235, Second Floor, M.P. Mall, M.P. Block, Pitampura, Delhi, North West Delhi, Delhi - 110034 (hereinafter referred to as "the Importer" for sake of brevity) has imported a consignment as tabulated above (hereinafter referred to as "the impugned Goods") at Mundra Port vide Z-Bill of Entry No. 9932626 dated 17.06.2026. The examination of the above said consignment was carried out by the officers of SIIB on 30.06.2026 in the presence of the importer's authorized representative under Panchnama dated 30.06.2026 drawn at the premises of M/s. OWS Warehouse Services LLP, APSEZ, Mundra (Kachchh). The details of the goods as declared in the said Bill of Entry are as follows:

Table-I

<table>
<tr><th rowspan="2">Sr. No.</th><th rowspan="2">BE No. and date</th><th rowspan="2">Container No.</th><th rowspan="2">BL No. and date</th><th colspan="2">Goods declared</th></tr>
<tr><th>HSN</th><th>Items</th></tr>
<tr><td rowspan="6">1</td><td rowspan="6">9932626 dated 17.06.2026</td><td rowspan="6">HPCU4340283</td><td rowspan="6">SZX601620700 dated 25.05.2026</td><td>73199000</td><td>Iron Pin</td></tr>
<tr><td>39264029</td><td>Plastic Food Storage Container (6 Ltr.)</td></tr>
<tr><td>39264029</td><td>Plastic Food Storage Container (10 Ltr.)</td></tr>
<tr><td>39264029</td><td>Plastic Food Storage Container (20 Ltr.)</td></tr>
<tr><td>39264029</td><td>Plastic Food Storage Container (40 Ltr.)</td></tr>
<tr><td>39264029</td><td>Plastic Food Storage Container (66 Ltr.)</td></tr>
</table>

2. **<u>Weighment and Examination of the goods:</u>**

The officer of SIIB section, CH Mundra, conducted the examination of the impugned goods stuffed into the container no. HPCU4340283 covered under the Z-Bill of Entry No. 9932626 dated 17.06.2026 under Panchnama dated 30.06.2026. Before examination the weightment of the cargo was cross checked with weightment slip provided by the SEZ unit. The details of the weightment of the goods are as follows:

<u>Table-II</u>

Sr. N.	Bill of Entry No. and Date	Container No.	B/L weight (Kg)	Cargo Weight as per SEZ Unit weighment slip (Kg)

1	9932626 dated 17.06.2026 (Z type)	HPCU4340283	25310	27410

2.1. The goods were found de-stuffed in warehouse. On enquiring the warehouse representative submit that the seal cutting permission was granted by the Officers of SEZ well before placing the hold and accordingly goods were de-stuffed in the warehouse. During the course of examination of the impugned goods, 3939 Corrugated Boxes were found and same was declared in Bill of Entry. The complete details of the goods found during examination are as below:

<u>Table-III</u>

<table>
<tr><th>S. No.</th><th>Description</th><th>No. of Cartons Found during Examination</th><th>Weight per CTNS</th><th>Total Weight</th></tr>
<tr><td>1</td><td>IRON PIN [N17]</td><td>1000</td><td>5.9</td><td>5900</td></tr>
<tr><td>2</td><td>IRON PIN [N21]</td><td>1000</td><td>5.85</td><td>5850</td></tr>
<tr><td>3</td><td>IRON PIN [1013J]</td><td>1500</td><td>5.89</td><td>8835</td></tr>
<tr><td colspan="2">Total</td><td>3500</td><td></td><td>20585</td></tr>
<tr><td>S. No.</td><td>Description</td><td>No. of Cartons Found during Examination *</td><td>Pieces Found during Examination</td><td>Total Quantity Found during Examination</td></tr>
<tr><td>4</td><td>PLASTIC FOOD STORAGE CONTAINER [6LTRS]</td><td rowspan="4">438</td><td>181</td><td>181</td></tr>
<tr><td>5</td><td>PLASTIC FOOD STORAGE CONTAINER [10 LTRS]</td><td>181</td><td>181</td></tr>
<tr><td>6</td><td>PLASTIC FOOD STORAGE CONTAINER [20 LTRS]</td><td>191</td><td>191</td></tr>
<tr><td>7</td><td>PLASTIC FOOD STORAGE CONTAINER [40</td><td>191</td><td>191</td></tr>
</table>

	LTRS]			
8	PLASTIC FOOD STORAGE CONTAINER [66LTRS]		181	181
9	PLASTIC FOOD STORAGE CONTAINER [32LTRS]		54	54
10	PLASTIC FOOD STORAGE CONTAINER [16LTRS]		193	193
11	PLASTIC FOOD STORAGE CONTAINER [30LTRS]		193	193
12	PLASTIC FOOD STORAGE CONTAINER [60LTRS]		193	193
13	SPARE PART	1	1	1
Total		439	1559	1559

*There are 1558 Pieces of distinct Plastic Food Storage Container storage as detailed above from S. No. 4 to 12 are found in 438 Cartons as detailed below: -

There are 181 CARTONS inside of which Plastic Food Storage Container [6L/10L/20L/40L/66L] are found. Similarly, there are 10 CTNS inside of which Plastic Food Storage Container [20L/40L] are found and inside of 193 CTNS, Plastic Food Storage Container [16L/30L/60L] are found. Also, there are 54 CTNS wherein Plastic Food Storage Container [32L] are found.

Upon detailed examination of the contents, it was noted that the goods inside the boxes appeared to be of the different type and nature as detailed under:

(i) It is observed that the imported goods have been declared in the Bill of Entry as "Iron Pins", with a declared net weight of 18,225 Kgs. Further, the Packing List and Commercial Invoice produced by Sh. Harshit Tiwari also describe the goods as "Iron Pins", packed in 3,500 cartons (CTNs), having a total declared weight of 18,225 Kgs. However, upon detailed physical examination of the consignment, the goods were found to consist of three distinct types of so-called iron nails/staple pins, namely:

- N17 – 5,900 Kgs packed in 1,000 CTNs;
- N21 – 5,850 Kgs packed in 1,000 CTNs; and
- 1013J – 8,835 Kgs packed in 1,500 CTNs.

The examined goods appear to be staple pins intended for use in pneumatic staplers, rather than ordinary iron pins as declared. The total weight of the goods actually found on examination was 20,585 Kgs, as against the declared weight of 18,225 Kgs, resulting in an excess quantity of 2,360 Kgs.

Thus, the examination revealed not only a discrepancy in the description and nature of the imported goods but also an excess quantity of 2,360 Kgs over and above the quantity declared in the import documents, indicating apparent misdeclaration of both the description and quantity of the imported goods.

(ii) It is observed that the imported goods have been declared in the Bill of Entry as "PLASTIC FOOD STORAGE CONTAINER [6L/10L/20L/40L/66L] [CTH 39264029] having 1990 Pieces (PCS). However, upon detailed physical examination of the consignment, the goods were found to consist of 9 distinct types of these containers [6L/10L/20L/40L/66L/32L/16L/30L/60L]. On the boxes of these containers, it is clearly mentioned "INSULATED BUCKET", upon examination it was found that there is stainless steel within the containers, having side locking clamps, removable lid and carrying handles.

It is observed that the importer has declared the goods as "Plastic Container". However, upon physical examination, the goods were found to be made of stainless steel with insulating material, appearing to be insulated containers intended for storage and retention of hot or cold beverages/food. Such misdeclaration has a direct bearing on the classification and assessable value of the goods.

It was observed during the course of examination that the total quantity/number of pieces actually found was 1,558 as against the declared quantity of 1,990. Thus, a shortage of 432 pieces was noticed when compared with the declaration made in the Bill of Entry and the accompanying import documents.

3. <u>Re-determined Description and Classification of the Goods:</u>

The importer has declared 06 items in the said BE. However, during the course of examination, the goods found mis-declared in terms of description and quantity. Some mis-declared goods in terms of capacity were also found. The declared CTH of all the goods needs to be re-determined.

3.1. It is observed that the imported goods have been declared in the Bill of Entry as "Iron Pins", with a declared net weight of 18,225 Kgs. Further, the Packing List and Commercial Invoice produced by Sh. Harshit Tiwari also describe the goods as "Iron Pins", packed in 3,500 cartons (CTNs), having a total declared weight of 18,225 Kgs. However, upon detailed physical examination of the consignment, the goods were found to consist of three distinct types of so-called iron nails/staple pins, namely:

- N17 – 5,900 Kgs packed in 1,000 CTNs;
- N21 – 5,850 Kgs packed in 1,000 CTNs; and
- 1013J – 8,835 Kgs packed in 1,500 CTNs.

The examined goods appear to be staple pins intended for use in pneumatic staplers, rather than ordinary iron pins as declared. The total weight of the goods actually found on examination was 20,585 Kgs, as against the declared weight of 18,225 Kgs, resulting in an excess quantity of 2,360 Kgs. Accordingly, the goods are rightly classifiable under CTH 8305. The extract of CTH 8305 is as below:

8305 FITTINGS FOR LOOSE-LEAF BINDERS OR FILES, LETTER CLIPS, LETTER CORNERS, PAPER CLIPS, INDEXING TAGS AND SIMILAR OFFICE ARTICLES, OF
BASE METAL; STAPLES IN STRIPS (FOR EXAMPLE, FOR OFFICES, UPHOLSTERY, PACKAGING), OF BASE METAL
8305 10 00 - Fittings for loose-leaf binders or files kg. 20% -
8305 20 00 - Staples in strips kg. 20% -
8305 90 - Other, including parts:

3.2. It is observed that the imported goods have been declared in the Bill of Entry as "PLASTIC FOOD STORAGE CONTAINER [6L/10L/20L/40L/66L] [CTH 39264029] having 1990 Pieces (PCS). However, upon detailed physical examination of the consignment, the goods were found to consist of 9 distinct types of these containers [6L/10L/20L/40L/66L/32L/16L /30L/60L]. On the boxes of these containers, it is clearly mentioned "INSULATED BUCKET", upon examination it was found that there is stainless steel within the containers, having side locking clamps, removable lid and carrying handles.

It is observed that the importer has declared the goods as "Plastic Container". However, upon physical examination, the goods were found to be made of stainless steel with insulating material, appearing to be insulated containers intended for storage and retention of hot or cold beverages/food. Accordingly, the goods are rightly classifiable under CTH 7323. The extract of CTH 7323 is as below:

> 7323 TABLE, KITCHEN OR OTHER HOUSEHOLD ARTICLES AND PARTS THEREOF, OF IRON OR STEEL; IRON OR STEEL WOOL; POT SCOURERS AND SCOURING OR POLISHING PADS, GLOVES AND THE LIKE, OF IRON OR STEEL
> 7323 10 00 - Iron or steel wool; pot scourers and scouring or polishing pads, gloves and the like
> - Other:
> 7323 91 -- Of cast iron, not enamelled:
> 7323 91 10 --- Pans u 20% -
> 7323 91 90 --- Other u 20% -
> 7323 92 00 -- Of cast iron, enamelled u 20% -
> 7323 93 -- Of stainless steel:
> 7323 93 10 --- Pressure cookers u 20% -
> 7323 93 90 --- Other u 20% -

The details of all the goods with Re-determined CTH and Description as below:

Table-IV

Sr. No.	Declared Description	Re-determined Description	Declared CTH	Re-determined CTH
1	IRON PIN [N17]	Staple Pin (N17)	73199000	83052000
2	IRON PIN [N21]	Staple Pin (N21)	73199000	83052000
3	IRON PIN [1013J]	Staple Pin (1013J)	73199000	83052000
4	PLASTIC FOOD STORAGE CONTAINER [6LTRS]	Plastic food container insulated with Stainless Steel (6 Ltr)	39264029	73239390
5	PLASTIC FOOD STORAGE CONTAINER [10 LTRS]	Plastic food container insulated with Stainless Steel (10 Ltr)	39264029	73239390
6	PLASTIC FOOD STORAGE CONTAINER [20 LTRS]	Plastic food container insulated with Stainless Steel (20 Ltr)	39264029	73239390
7	PLASTIC FOOD STORAGE CONTAINER [40	Plastic food container insulated with Stainless Steel (40 Ltr)	39264029	73239390

	LTRS]			
8	PLASTIC FOOD STORAGE CONTAINER [66LTRS]	Plastic food container insulated with Stainless Steel (66 Ltr)	39264029	73239390
9	PLASTIC FOOD STORAGE CONTAINER [32LTRS]	Plastic food container insulated with Stainless Steel (32 Ltr)	-	73239390
10	PLASTIC FOOD STORAGE CONTAINER [16LTRS]	Plastic food container insulated with Stainless Steel (16 Ltr)	-	73239390
11	PLASTIC FOOD STORAGE CONTAINER [30LTRS]	Plastic food container insulated with Stainless Steel (30 Ltr)	-	73239390
12	PLASTIC FOOD STORAGE CONTAINER [60LTRS]	Plastic food container insulated with Stainless Steel (60 Ltr)	-	73239390
13	SPARE PART	Spare Part of Food Container	-	73239390

Valuation of the Goods:

4. Further, as goods found during examination in the subject Bill of Entry were mis-declared in terms of Description, quantity and classification. Therefore, value of the goods need to be determined.

4.1. **Rejection of declared value & Redetermination of Assessable Value:** The Rule 3 of the Customs Valuation (Determination of Price of Imported Goods) Rules, 2007 (hereinafter referred to as "*the CVR, 2007*") provides the method of valuation. The Rule 3(1) of the CVR, 2007 provides that "Subject to Rule 12, the value of imported goods shall be the transaction value adjusted in accordance with provisions of Rule 10. The Rule 3(4) ibid states that "if the value cannot be determined under the provisions of sub-rule (1), the value shall be determined by proceeding sequentially through Rule 4 to 9 of CVR, 2007". Whereas, it appears that, transaction value in terms of Rule 3 of the CVR, 2007, is to be accepted only where there are direct evidences with regard to the price actually paid or payable in respect of the imported goods by the importer. There is a reasonable doubt regarding the truth and accuracy of the value declared by the importer, and hence it appears liable to be rejected in terms of Rule 12 of the CVR, 2007.

4.2. Whereas, it appears that, if actual transaction value which means price paid or payable cannot be ascertained on the basis of Rule 3 of the CVR, 2007, the value shall be decided proceeding to subsequent rules. Thus, recourse is to be taken to the Rule 9 of the CVR, 2007 which provides for determination of value where the value of the imported goods cannot be determined under the provisions of the 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.

4.3. Whereas, it appears that, the value of the impugned goods could not be determined under Rule 4 and 5 ibid since the goods have been un-declared/mis-declared by means of description, the value of contemporaneous imports of identical and similar goods of same quality and composition was not found. Proceeding sequentially, it is stipulated under Rule 6 ibid that where the value is not determinable under Rule 3, 4 and 5, the value is to be determined under Rule 7 or when the value cannot be determined under that Rule, under Rule 8. Whereas, Rule 7 provides for 'Deductive Value' i.e. the value is to be determined on the basis of valuation of identical goods or similar imported goods sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, subject to deductions stipulated under the rule. Whereas, for the reasons detailed above, the values also cannot be determined as per the said Rule 7 ibid. Likewise, for application of Rule 8 of the CVR, 2007, the cost of production or processing involved in the imported goods are not available. In the absence of requisite data, the value cannot be determined by taking recourse to these rules either.

4.4. Whereas, it appears that, the provisions of Rule 4 to 8 ibid, are not applicable in the instant case, the value of the impugned goods is required to be determined under the provisions of Rule 9 of the CVR 2007, which reads as under: -

> *"Rule 9: Residual method – (1) Subject to the provisions of Rule 3, where the value of the 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:"*

4.5. Whereas, as per the provisions of Rule 9 ibid, the assessable value of the goods actually found during examination are required to be re-determined under Rule 9 ibid, i.e. as per the residual method. Whereas, the impugned goods were inspected by Shri Er. Ajayrajsinh B. Jhala, Chartered

Engineer & Government approved valuer, who submitted his Valuation report vide reference No. ABJ:INSP:CE:MUN:SIIB:OWS:26-27:06 dated 10.07.2026 wherein, he has reported the value of the cargo as tabulated below:

Table-V

Sr. no.	Item	Unit	Quantity found on examination	Suggestive value per unit in USD	Suggestive Present CIF value in USD	Suggestive Present CIF value in INR (1 USD = 96.6 INR)
1	Staple Pin (N17)	Kgs	5900	0.65	3835	370461
2	Staple Pin (N21)	Kgs	5850	0.65	3802.5	367322
3	Staple Pin (1013J)	Kgs	8835	0.65	5742.75	554750
4	Plastic food container insulated with Stainless Steel (6 Ltr)	Pcs	181	3.5	633.5	61196
5	Plastic food container insulated with Stainless Steel (10 Ltr)	Pcs	181	4.5	814.5	78681
6	Plastic food container insulated with Stainless Steel (20 Ltr)	Pcs	191	6.5	1241.5	119929
7	Plastic food container insulated with Stainless Steel (40 Ltr)	Pcs	191	15.5	2960.5	285984
8	Plastic food container insulated	Pcs	181	18.5	3348.5	323465

	with Stainless Steel (66 Ltr)					
9	Plastic food container insulated with Stainless Steel (32 Ltr)	Pcs	54	11.5	621	59989
10	Plastic food container insulated with Stainless Steel (16 Ltr)	Pcs	193	6.5	1254.5	121185
11	Plastic food container insulated with Stainless Steel (30 Ltr)	Pcs	193	10.5	2026.5	195760
12	Plastic food container insulated with Stainless Steel (60 Ltr)	Pcs	193	17.5	3377.5	326267
13	Spare Part of Food Container	Pcs	1	5	5	483
Total					**29663.25**	**28,65,470/-**

4.6. Whereas, it appears that, the assessable value of Rs. 13,57,906/- declared by the importer in the Z-Bill of Entry No. 9932626 dated 17.06.2026 is liable to be rejected in terms of Rule 12 of the CVR, 2007. Whereas, further it appears that, the assessable value of the cargo covered under said Bill of Entry is required to be taken as Rs. 28,65,470/- on the basis of valuation report submitted by the CE for the purpose of valuation under provisions of Rule 9 of the CVR, 2007 read with note 2 of the interpretative notes for Rule 9 of the CVR, 2007.

5. Importability and Policy Compliance:

5.1. The goods mentioned at Sr. No. 1-3 mentioned in table above are freely importable after paying of applicable Customs Duty. However, for the rest of goods mentioned in table above needs compulsory registration with SIMS. As per Policy Condition 2 & 3 of Chapter 73, the goods imported under all HS codes of Chapter 73 needs compulsory registration of the goods under SIMS (Steel Import Monitoring System). The importer has declared the goods as Plastic Food Container instead of actual goods i.e. Plastic food Container Insulated with Stainless Steel which were rightly classifiable under CTH 73239390 and the importer has not obtained the SIMS for the same. Accordingly, the mis-declared goods become prohibited for import. However, the importer has produced SIMS certificate No. MOSSIMS200726622518 dated 20.07.2026 for the said goods. But the SIMS certificate was produced after inward date which is in non-compliance of the SIMS policy.

From the above para it clearly appears that the mis-declared goods mentioned at Sr. No. 4-13 of Table-IV were prohibited in non-compliance of SIMS. Accordingly, the said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of The Customs Act, 1962 and the importer is also liable for penalty under Section 112(a)(i) and 114AA.

6. Re-determination of Applicable Duty:

On the basis of re-determined value of the goods in above Table-V, duty leviable on goods imported vide BE No. 9932626 dated 17.06.2026 is being re-calculated for the goods which will be released for Home Consumption. The re-calculated leviable duty is as under:-

Table-VI

Sr. No.	Item Description	Unit	Total Qty found during examination	Total Value in USD	Suggestive Present CIF value(as per CE) in Rs.	BCD @ 20%	SWS @ 10%	IGST @ 18 and 5%	Total applicable Duty in Rs.
1	Staple Pin (N17)	Kgs	5900	3835	370461	74092	7409	81353	162855
2	Staple Pin (N21)	Kgs	5850	3802.5	367322	73464	7346	80664	161475
3	Staple Pin (1013J)	Kgs	8835	5742.75	554750	110950	11095	121823	243868
4	Plastic food container	Pcs	181	633.5	61196	12239	1224	3733	17196

	insulated with Stainless Steel (6 Ltr)								
5	Plastic food container insulated with Stainless Steel (10 Ltr)	Pcs	181	814.5	78681	15736	1574	4800	22109
6	Plastic food container insulated with Stainless Steel (20 Ltr)	Pcs	191	1241.5	119929	23986	2399	7316	33700
7	Plastic food container insulated with Stainless Steel (40 Ltr)	Pcs	191	2960.5	285984	57197	5720	17445	80362
8	Plastic food container insulated with Stainless Steel (66 Ltr)	Pcs	181	3348.5	323465	64693	6469	19731	90894
9	Plastic food container insulated with Stainless Steel (32 Ltr)	Pcs	54	621	59989	11998	1200	3659	16857
10	Plastic food container insulated	Pcs	193	1254.5	121185	24237	2424	7392	34053

	with Stainless Steel (16 Ltr)								
11	Plastic food container insulated with Stainless Steel (30 Ltr)	Pcs	193	2026.5	195760	39152	3915	11941	55009
12	Plastic food container insulated with Stainless Steel (60 Ltr)	Pcs	193	3377.5	326267	65253	6525	19902	91681
13	Spare Part of Food Container	Pcs	1	5	483	97	10	29	136
Total				**29663.25**	**2865470**	**573094**	**57309**	**379789**	**10,10,193/-**

The total re-determined value of the goods releasable for Home Consumption comes to Rs. 28,65,470/- and the total re-determined Duty for the said releasable goods comes to Rs. 10,10,193/- instead of the declared duty for the same i.e. Rs. 4,40,252/-. The differential duty of said releasable goods comes to Rs. 5,69,941/-. The duty was calculated for all items as the importer has produced new SIMS certificate for the mis-declared and mis-classified goods.

7. <u>Outcome of the Investigation:</u>

The investigation conducted by the Special Intelligence and Investigation Branch (SIIB), Customs House, Mundra, based on the special intelligence, revealed significant irregularities in the import consignment of M/s. Random Solutions Private Limited, Shop No.235, Second Floor, M.P. Mall, M.P. Block, Pitampura, Delhi, North West Delhi, Delhi-110034 (IEC-0515035505), under Z-Bill of Entry No. 9932626 dated 17.06.2026, covering container HPCU4340283. The examination conducted on 30.06.2026, which uncovered deliberate mis-declaration, undervaluation, and non-compliance with regulatory requirements, indicating an intent to evade Customs duties and violate import regulations. The outcomes of the investigation are as follows:

7.1. Examination of the Goods:

The officer of SIIB section, CH Mundra, conducted the examination of the impugned goods stuffed into the container no. HPCU4340283 covered under the Z-Bill of Entry No. 9932626 dated 17.06.2026 under Panchnama dated 30.06.2026. During the course of examination of the impugned goods, after complete de-stuffing, 3939 Corrugated Boxes. Further, on examination of the goods, the officer prima facie noticed that the goods are mis-declared and mi-classified.

7.2. Re-determined description and Classification of the Goods:

Sr. No.	Declared Description	Re-determined Description	Declared CTH	Re-determined CTH
1	IRON PIN [N17]	Staple Pin (N17)	73199000	83052000
2	IRON PIN [N21]	Staple Pin (N21)	73199000	83052000
3	IRON PIN [1013J]	Staple Pin (1013J)	73199000	83052000
4	PLASTIC FOOD STORAGE CONTAINER [6LTRS]	Plastic food container insulated with Stainless Steel (6 Ltr)	39264029	73239390
5	PLASTIC FOOD STORAGE CONTAINER [10 LTRS]	Plastic food container insulated with Stainless Steel (10 Ltr)	39264029	73239390
6	PLASTIC FOOD STORAGE CONTAINER [20 LTRS]	Plastic food container insulated with Stainless Steel (20 Ltr)	39264029	73239390
7	PLASTIC FOOD STORAGE CONTAINER [40 LTRS]	Plastic food container insulated with Stainless Steel (40 Ltr)	39264029	73239390
8	PLASTIC FOOD STORAGE CONTAINER [66LTRS]	Plastic food container insulated with Stainless Steel (66 Ltr)	39264029	73239390
9	PLASTIC FOOD STORAGE CONTAINER [32LTRS]	Plastic food container insulated with Stainless Steel (32 Ltr)	-	73239390
10	PLASTIC FOOD	Plastic food	-	73239390

	STORAGE CONTAINER [16LTRS]	container insulated with Stainless Steel (16 Ltr)		
11	PLASTIC FOOD STORAGE CONTAINER [30LTRS]	Plastic food container insulated with Stainless Steel (30 Ltr)	-	73239390
12	PLASTIC FOOD STORAGE CONTAINER [60LTRS]	Plastic food container insulated with Stainless Steel (60 Ltr)	-	73239390
13	SPARE PART	Spare Part of Food Container	-	73239390

7.3. <u>Valuation of the Goods:</u>

Whereas, as per the provisions of Rule 9 ibid, the assessable value of the goods actually found during examination are required to be re-determined under Rule 9 ibid, i.e. as per the residual method. Whereas, the impugned goods were inspected by Shri Er. Ajayrajsinh B. Jhala, Chartered Engineer & Government approved valuer, who submitted his Valuation report vide reference No. ABJ:INSP:CE:MUN:SIIB:OWS:26-27:06 dated 10.07.2026. It appears that, the assessable value of Rs. 13,57,906/- declared by the importer in the Z-Bill of Entry No. 9932626 dated 17.06.2026 is liable to be rejected in terms of Rule 12 of the CVR, 2007. Whereas, further it appears that, the assessable value of the cargo covered under said Bill of Entry is required to be taken as Rs. 28,65,470/- on the basis of valuation report submitted by the CE for the purpose of valuation under provisions of Rule 9 of the CVR, 2007 read with note 2 of the interpretative notes for Rule 9 of the CVR, 2007.

7.4. <u>Re-determination of Duty:</u>

The total re-determined value of the goods releasable for Home Consumption comes to Rs. 28,65,470/- and the total re-determined Duty for the said releasable goods comes to Rs. 10,10,193/- instead of the declared duty for the same i.e. Rs. 4,40,252/-. The differential duty of said releasable goods comes to Rs. 5,69,941/-.

7.5. <u>Importability and Policy Compliance:</u>

The goods mentioned at Sr. No. 1-3 mentioned in table above are freely importable after paying of applicable Customs Duty. However, for the rest of goods mentioned in table above needs compulsory registration with SIMS. As per Policy Condition 2 & 3 of Chapter 73, the goods imported under all HS codes of Chapter 73 needs compulsory registration of the goods under SIMS (Steel Import Monitoring System). The importer has declared the goods as

Plastic Food Container instead of actual goods i.e. Plastic food container insulated with Stainless Steel which were rightly classifiable under CTH 73239390 and the importer has not obtained the SIMS for the same. Accordingly, the mis-declared goods become prohibited for import. However, the importer has produced SIMS certificate No. MOSSIMS200726622518 dated 20.07.2026 for the said goods. But the SIMS certificate was produced after inward date which is in non-compliance of the SIMS policy.

From the above para it clearly appears that the mis-declared goods mentioned at Sr. No. 4-13 of Table-V were prohibited in non-compliance of SIMS. Accordingly, the said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of The Customs Act, 1962 and the importer is also liable for penalty under Section 112(a)(i) and 114AA.

7.6. <u>Confiscation of Goods and Penal Action:</u>

In view of the above, it is evident that the importer, M/s. Random Solutions Private Limited, has imported the goods covered under Bill of Entry No. 9932626 dated 17.06.2026 in violation of the SIMS. The importer also mis-declared the goods in term of Description, quantity and classification. Therefore, the goods mentioned at Sr. No. 4-13 of Table-IV are liable for confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962 due to being for non-compliance of SIMS and the rest of the goods of Table-IV are liable for confiscation under Section 111(l) & 111(m) of the Customs Act, 1962 due to not corresponding to the declared value and quantity. The importer’s actions indicate an intent to evade customs duty, violating Section 46(4) of the Customs Act, 1962 (false declaration in Bill of Entry). Consequently, the importer is liable for penalties under Sections 112(a)(i), 112(a)(ii) and 114AA of the Customs Act, 1962, for knowingly submitting false documents and attempting to evade duties.

8. <u>RELEVANT LEGAL PROVISIONS</u>:

(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:-*

(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. *in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty [not exceeding the value of the goods or five thousand rupees, whichever is the greater;*

ii. *in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher:*

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 7. Deductive value.-

(1) Subject to the provisions of rule 3, if the goods being valued or identical or similar imported goods are sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, the value of 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 the following deductions : -

(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;

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

(2) If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, subject otherwise to the provisions of sub-rule (1), be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry of ninety days after such importation.

(3) (a) If neither the imported goods nor identical nor similar imported goods are sold in India in the condition as imported, then, the value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons who are not related to the seller in India.

(b) In such determination, due allowance shall be made for the value added by processing and the deductions provided for in items (i) to (iii) of sub-rule (1).

Rule 8. Computed value.-
Subject to the provisions of rule 3, the value of imported goods shall be based on a computed value, which shall consist of the sum of:-
(a) the cost or value of materials and fabrication or other processing employed in producing the imported goods;
(b) an amount for profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to India;
(c) the cost or value of all other expenses under sub-rule (2) of rule 10.
Rule 9. Residual method:-
(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.
(2) No value shall be determined under the provisions of" this rule on the basis of –
(i) the selling price in India of the goods produced in India;
(ii) a system which provides for the acceptance for customs purposes of the highest of the two alternative values;
(iii) the price of the goods on the domestic market of the country of exportation; (iv) the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of rule 8;
(v) the price of the goods for the export to a country other than India;
(vi) minimum customs values; or
(vii) arbitrary or fictitious values.
***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.

9. **In view of the above facts and discussion, it appears that** –

i. The declared description, quantity, no. of items, weighment and classification of the goods mentioned imported vide Z-Bill of Entry No. 9932626 dated 17.06.2026, filed by the Importer M/s. Random Solutions Private Limited, are liable to be rejected and the same needs to be re-determined as per Tables III and IV.

ii. The total declared assessable value of Rs. 13,57,906/- for the goods under Z-Bill of Entry No. 9932626 dated 17.06.2026 is liable to be rejected and re-determined as Rs. 28,65,470/- under Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

iii. The Bill of Entry no. 9932626 dated 17.06.2026 need to be re-assessed under Section 17(4) of The Customs Act, 1962 with re-determined duty, quantity, No. of Items, classification and description as discussed in above paras.

iv. The goods imported vide Bill of Entry no. 9932626 dated 17.06.2026 mentioned at Sr. No. 1-3 of the Table-IV having re-determined value of Rs. 12,92,532/- are liable for confiscation under Sections 111(l) & 111(m) of the Customs Act, 1962.

v. The goods imported vide Bill of Entry no. 9932626 dated 17.06.2026 mentioned at Sr. No. 4-13 of the Table-IV having re-determined value of Rs. 15,72,938/-, for being prohibited in absence of SIMS are liable for confiscation under Sections 111(d), 111(l), and 111(m) of the Customs Act, 1962.

vi. The importer, M/s. Random Solutions Private Limited (IEC: 0515035505), is liable for penalties under Sections 112(a)(i), 112(a)(ii), and 114AA of the Customs Act, 1962.

10. The importer vide email dated 13.07.2026 has requested for waiver of SCN and PH in the instant case and accepted the CE valuation. The importer has also produced SIMS certificate No. MOSSIMS200726622518 dated

20.07.2026 for the said goods. But the SIMS certificate was produced after inward date which is in non-compliance of the SIMS policy.

DISCUSSION AND FINDINGS

11. I have carefully gone through the records of the case, investigation report dated 03.08.2026 and the applicable provisions of law. The importer i.e. M/s. Random Solutions Private Limited vide letter dated 14.08.2026 requested for waiver of Show Cause Notice and Personal hearing. Now, I proceed to decide the case on the basis of documentary evidence available on records, statutory provisions and judicial precedents. I find that the following issues arise for determination in this adjudication: -

(i) Whether the declared description and no. of items and CTH mentioned in the Bill of Entry No. 9932626 dated 17.06.2026 is liable for rejection or otherwise;

(ii) Whether the declared value of the goods imported under Bill of Entry No. 9932626 dated 17.06.2026, i.e. **Rs. 13,57,906/-** is liable for rejection under Rule 12 of the CVR, 2007 and required to be re-determination as **Rs. 28,65,470/ -** in terms of Rule 9 of CVR, 2007**;**

(iii) Whether the impugned goods are liable for confiscation under Section 111(d), 111 (l) and 111(m) of the Customs Act, 1962 as applicable or otherwise;

(iv) Whether the importer is liable to penalty under Section 112(a)(i), 112 (a)(ii) and 114AA of the Customs Act, 1962.

12. After having identified and framed the main issues to be decided, I now proceed to deal with each of the issues individually for analysis in light of facts, submissions, circumstances of the case, provisions of the Customs Act, 1962 and nuances of various judicial pronouncements.

13. Regarding the first issue of the case, I find that M/s. Random Solutions Private Limited has filed Bill of Entry no. 9932626 dated 17.06.2026 at Mundra Port for clearance of “Iron Pin and Plastic Food Storage Container” as detailed in Table-I above. The goods were examined by the officer of SIIB, Mundra on 30.06.2026 at the premises of M/s. OWS Warehouse Services LLP, APSEZ, Mundra (Kachchh) in the presence of authorised representative of the importer under panchnama dated 30.06.2026.

13.1 I find that during the examination, the cargo was cross checked with weightment slip provided by the SEZ unit, wherein gross weight of the goods was found to be 27,410 Kg whereas it was declared as 25,310 Kg in the Bill of Lading. During the course of examination of the impugned goods, 3939 Corrugated Boxes were found and same was declared in Bill of Entry. The complete details of the goods found during examination are as tabulated in Table-III above.

13.2 I observed that upon examination, the actual weight of the declared goods i.e. Iron Pins was found to be 20,585 Kgs, as against the declared weight of 18,225 Kgs, thereby resulting in an excess quantity of 2,360 Kgs over and above the declared quantity. Upon detailed physical examination of the consignment, the goods appear to be staple pins intended for use in pneumatic staplers, rather than ordinary iron pins as declared. Thus, the examination revealed not only a discrepancy in the description and nature of the imported goods but also an excess quantity of 2,360 Kgs than the quantity declared in the import documents, indicating apparent misdeclaration of both the description and quantity of the imported goods. Accordingly, the goods are rightly classifiable under CTH 8305. The extract of CTH 8305 is as below:

8305: FITTINGS FOR LOOSE-LEAF BINDERS OR FILES, LETTER CLIPS, LETTER CORNERS, PAPER CLIPS, INDEXING TAGS AND SIMILAR OFFICE ARTICLES, OF BASE METAL; STAPLES IN STRIPS (FOR EXAMPLE, FOR OFFICES, UPHOLSTERY, PACKAGING), OF BASE METAL
8305 10 00 - Fittings for loose-leaf binders or files kg. 20%
8305 20 00 - Staples in strips kg. 20%
8305 90 - Other, including parts:

13.3 I observed that the importer has declared the goods as "Plastic Container". However, upon physical examination, the goods were found to be made of stainless steel with insulating material, appearing to be insulated containers intended for storage and retention of hot or cold beverages/food. It was observed during the course of examination that the total quantity/number of pieces actually found was 1,558 as against the declared quantity of 1,990. Thus, a shortage of 432 pieces was noticed when compared with the declaration made in the Bill of Entry. In view of the above, the goods are rightly classifiable under CTH 7323. The extract of CTH 7323 is as below:

7323 TABLE, KITCHEN OR OTHER HOUSEHOLD ARTICLES AND PARTS THEREOF, OF IRON OR STEEL; IRON OR STEEL WOOL; POT SCOURERS AND SCOURING OR POLISHING PADS, GLOVES AND THE LIKE, OF IRON

OR STEEL 7323 10 00 - Iron or steel wool; pot scourers and scouring or polishing pads, gloves and the like
Other:
7323 91 -- Of cast iron, not enamelled:
7323 91 10 --- Pans u 20%
7323 91 90 --- Other u 20%
7323 92 00 -- Of cast iron, enamelled u 20%
7323 93 -- Of stainless steel:
7323 93 10 --- Pressure cookers u 20%
7323 93 90 --- Other u 20%

Therefore, I hold that the quantity, item description and CTH declared by the importer are liable to be rejected, and the same are required to be re-determined as per **Table-III and Table-IV** above.

14. Regarding the second issue of the case, I find that the imported goods were found to be mis-declared in terms of Description, quantity and classification. Therefore, value of the goods needs to be determined. As a result, declared CIF values of goods in the said import cannot be considered as the values that truly or correctly represent the goods actually imported. Therefore, there are enough reasons to believe that the declared values do not represent the actual transaction value and, consequently, liable for rejection in terms of Rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

14.1 I find that the transaction value of the items, sought to be imported under the impugned bill of entry, cannot be determined under the provisions of sub-rule (1) of Rule 3 of the rules ibid and the correct value needs to be ascertained and arrived at by proceeding sequentially in accordance with Rules 4 to 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

14.2 I observed that the value of the impugned goods could not be determined under Rule 4 and 5 ibid since the goods have been mis-declared by means of description, the value of contemporaneous imports of identical and similar goods of same quality and composition was not found. Proceeding sequentially, it is stipulated under Rule 6 ibid that where the value is not determinable under Rule 3, 4 and 5, the value is to be determined under Rule 7 or when the value cannot be determined under that Rule, under Rule 8. Whereas, Rule 7 provides for 'Deductive Value' i.e. the value is to be determined on the basis of valuation of identical goods or similar imported goods sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, subject to deductions stipulated under the rule. Whereas, for the reasons detailed above, the values also cannot be determined as per the said Rule 7 ibid. Likewise, for application of Rule 8 of the CVR, 2007, the cost of production or processing involved in the imported goods are not available. In the absence of requisite data, the value cannot be determined by taking recourse to these rules either.

14.3 I find that in the instant case, value of the impugned goods could not be ascertained under Rule 4 to Rule 8 of CVR, 2007. Hence, valuation of the goods is required to be determined under residual method of valuation provided under Rule 9 of the Customs Valuation Rules ibid.

14.4 I noticed that the impugned goods were inspected by Shri Er. Ajayrajsinh B. Jhala, Chartered Engineer & Government approved valuer who submitted his valuation report vide reference no. ABJ:INSP:CE:MUN:SIIB:OWS:26-27:06 dated 10.07.2026 has suggested the valuation of the imported goods as **Rs. 28,65,470/- (Rupees Twenty-Eight Lakh Sixty-Five Thousand Four Hundred and Seventy only)** whereas importer declared as Rs. 13,57,906/-. By considering the value as determined by Chartered Engineer, the subject goods are required to be re-determined under Section 14 of the Customs Act, 1962 as per Table-V.

14.5 Therefore, I conclude that investigation report has rightly proposed re-determination of assessable value under the provision of rule 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and the differential duty to the tune of **Rs. 5,69,941/- (Rupees Five Lakh Sixty-Nine Thousand Nine Hundred and Forty-one only)** are recoverable from the importer in terms of Section 14 and Section 17(4) of the Customs Act, 1962.

15. Regarding the third issue of the case in respect of confiscation, I find that the Noticee has violated Sub-Section (4) and 4(A) of Section 46 of the Customs Act as they have mis-declared and mis-classified the imported goods. I find that the Noticee was required to comply with Section 46 which mandates that the importer filing the Bill of Entry must make true and correct declarations and ensure the following:

(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.

15.1. I find that the Show Cause Notice propose confiscation of goods under the provisions of Section 111(d), 111(l) and 111 (m) of the Customs Act, 1962. The same is re-produced herein below:

> ***111(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";*
>
> ***111(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";*
>
> ***111 (m):*** *"any goods which do not correspond in respect of value or in any other particular with the entry made under this Act, shall be liable to confiscation."*

15.2 I find that the goods i.e. Iron Pin mentioned at Sr. No. 1-3 in table-IV above are freely importable after paying of applicable Customs Duty. However, for the rest of goods mentioned at Sr. No. 4-13 in table-IV above needs compulsory registration with SIMS. As per Policy Condition 2 & 3 of Chapter 73, the goods imported under all HS codes of Chapter 73 needs compulsory registration of the goods under SIMS (Steel Import Monitoring System). The importer has declared the goods as Plastic Food Container instead of actual goods i.e. Plastic food container insulated with Stainless Steel which were rightly classifiable under CTH 73239390 and the importer has not obtained the SIMS for the same. Accordingly, the mis-declared goods become prohibited for import. However, the importer has produced SIMS certificate No. MOSSIMS200726622518 dated 20.07.2026 for the said goods. But the SIMS certificate was produced after inward date which is in non-compliance of the SIMS policy. From the above para it clearly appears goods mentioned at Sr. No. 1-3 of Table above did not corresponding to the declared quantity and Custom tariff. Therefore, the said goods are liable for confiscation under Section 111(l) and 111(m) of the Customs Act, 1962. Further, the mis-declared goods mentioned at Sr. No. 4-13 of Table above were prohibited in non-compliance of SIMS. Accordingly, the said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of The Customs Act, 1962.

16. Regarding the fourth issue of penalty imposition, I find that the evidence clearly indicates that the mis-declared goods mentioned at Sr. No. 4-13 of Table-above were prohibited for non-compliance of SIMS. Accordingly, the said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of The Customs Act, 1962 Consequently, the proposal for imposition of penalty under Section 112(a)(i) is correct and sustainable in law.

16.1 Further, in respect of the remaining goods, i.e. the Iron Nails, I find that the acts and omissions of the importer rendered the said goods liable to confiscation under Section 111 of the Customs Act, 1962. The importer had mis-declared the quantity and classification (CTH) of the imported goods in the Bill of Entry. Since the importer was responsible for making correct and complete declarations under the self-assessment, the said misdeclaration attracts the provisions of Section 112(a)(ii) of the Customs Act, 1962. Accordingly, I hold that the importer is liable to penalty under Section 112(a)(ii) of the Customs Act, 1962, and the imposition of such penalty is justified and sustainable in law.

16.2 I find that the Investigating Agency proposed imposition of penalty on the Importer u/s. 114AA of the Customs Act, 1962. I find that despite being well aware of the nature of the imported goods, importer, consciously mis-declared the quantity, valuation of the goods which found to be incorrect during the course of investigation. Further, Importer tried to clear the imported goods which were non-compliant with SIMS. These acts of omission and commission on the part of the importer made the provisions of Section 114AA invokable. Therefore, I agree with the proposal of imposition of penalty on the importer u/s. 114AA *ibid.*

17. In view of the above facts of the case and findings on record, I pass the following order: -

ORDER

(i) I order to reject declared description, quantity and CTH of the goods as mentioned in Table-I above; under Bill of Entry No. 9932626 dated 17.06.2026 and order to redetermine the same as per Table-III & IV above;

(ii) I reject the declared assessable value of the goods in Bill of entry no. 9932626 dated 17.06.2026 i.e. **Rs. 13,57,906/-** (Rupees Thirteen Lakh Fifty-Seven Thousand Nine Hundred and Six only) under Rule 12 of CVR, 2007 and order to re-determine the same as **Rs. 28,65,470/-** (Rupees Twenty-Eight Lakh Sixty-Five Thousand Four Hundred and Seventy only) in terms of Rule 9 of the CVR, 2007 read with section 14 of Customs Act, 1962.

(iii) I order to re-assess the Bill of entry no. 9932626 dated 17.06.2026 on the basis of revised valuation, quantity and

CTH (as per Table No. III & IV hereinabove). I order to recover the re-determined duty arrived on re-assessment of bill of entry along with applicable interest.

(iv) I order to confiscate the impugned goods i.e. “Iron Nails” (mentioned at sr. no. 1-3 of Table-III & IV) having re-determined value of **Rs. 12,92,532/- (Rupees Twelve Lakh Ninety-Two Thousand Five Hundred and Thirty-Two only**) under Section 111(l) & 111(m) of the Customs Act 1962; I order to confiscate the impugned goods imported vide Bill of Entry No. 9932626 dated 17.06.2026 (Sr no. 4-13 of table-III & IV) having re-determined value of **Rs. 15,72,938/- (Rupees Fifteen Lakh Seventy-Two Thousand Nine Hundred and Thirty-Eight only)** under Section 111(d), 111(l) and 111(m) of the Customs Act 1962; However, I give an option to the importer to redeem the goods for home consumption on payment of Redemption Fine of **Rs. 2,90,000/- (Rupees Two Lakh Ninety Thousand only)** under the provisions of section 125 of the said Act ibid.

(v) I impose penalty of **Rs 5,000/- (Rupees Five Thousand only)** on the importer i.e. M/s. Random Solutions Private Limited for non-compliance of SIMS, under Section 112 (a)(i) of the Customs Act, 1962.

(vi) I impose penalty of **Rs. 56,000/- (Rupees Fifty-Six Thousand only)** on the importer i.e. M/s. Random Solutions Private Limited under Section 112 (a)(ii) of the Customs Act, 1962.

(vii) I impose penalty of **Rs. 25,000/- (Rupees Twenty-Five Thousand only)** on the importer i.e. M/s. Random Solutions Private Limited under Section 114AA of the Customs Act, 1962.

18. This order is issued without prejudice to any other action which may be contemplated against the importer or any other person under provisions of the Customs Act, 1962 and rules/regulations framed thereunder or any other law for the time being in force in the Republic of India.

Digitally signed by
Dipakbhai Zala
Date: 25-08-2026
11:54:39

Dipak Zala,
Additional Commissioner,
Custom House, Mundra.

By Speed Post/Regd. Post/E-mail/Hand Delivery
CUS/APR/INV/550/2026-Gr-4

To,

M/s. Random Solutions Private Limited,
Shop No.235, Second Floor, M.P. Mall,
M.P. Block, Pitampura, Delhi, North West Delhi,
Delhi – 110034.

Copy to:

1. The DC/AC, RRA/SIIB/TRC/EDI, Mundra Customs.
2. Notice Board/Guard File.