

		<p>कार्यालय: प्रधान आयुक्त सीमा शुल्क, मुन्द्रा, सीमा शुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370421 <b>OFFICE OF THE COMMISSIONER OF CUSTOMS, CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421.</b></p>
<b>A</b>	<b>FILE NO.</b> फाइल संख्या	<b>CUS/APR/ASS/200/2026-Gr 4-O/o Pr Commr-Cus-Mundra</b>
<b>B</b>	<b>OIO NO.</b> आदेश संख्या	<b>MCH/ADC/ZDC/ 587/2025-26</b>
<b>C</b>	<b>PASSED BY</b> जारीकर्ता	<b>Dipak Zala Additional Commissioner of Customs Custom House, Mundra</b>
<b>D</b>	<b>DATE OF ORDER</b> आदेश की तारीख	<b>28-01-2026</b>
<b>E</b>	<b>DATE OF ISSUE</b> जारी करने की तिथि	<b>28-01-2026</b>
<b>F</b>	<b>SCN No. &amp; Date</b> कारण बताओ नोटिस क्रमांक	<b>Waived as per request letter of Imparter dated 21.01.2026.</b>
<b>G</b>	<b>NOTICEE/ PARTY/ IMPORTER</b> नोटिसकर्ता/पार्टी/आयातक	<b>M/s. Alfaaz (IEC: BGGPP3729Q) Room No. 17, Ground Floor, Plot No. Jaffar Suleman Building, AU Memon, Mumbai-400003</b>
<b>H</b>	<b>DIN/दस्तावेज पहचान संख्या</b>	<b>20260171MO000000AB5F</b>

1. यह आदेश संबन्धित को निःशुल्क प्रदान किया जाता है।

**This Order - in - Original is granted to the concerned free of charge.**

1. 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 पर अपील कर सकता है-

**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:**

**“सीमाशुल्क आयुक्त) अपील,**

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,  
नवरंगपुरा,अहमदाबाद 380 009”

**“THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA  
HAVING HIS OFFICE AT 4<sup>TH</sup> FLOOR, HUDCO BUILDING, ISHWAR  
BHUVAN ROAD,  
NAVRANGPURA, AHMEDABAD-380 009.”**

2. उक्तअपील यहआदेश भेजने की दिनांक से 60दिन के भीतर दाखिल की जानी चाहिए।

**Appeal shall be filed within sixty days from the date of communication of this order.**

3. 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 ड्यूटी /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, 1982और सीमाशुल्क अधिनियम, 1962के 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.**

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**BRIEF FACTS of THE CASE:**

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As per Investigation Report No. 217/2025-26 dated 13.01.2026, on the basis of intelligence developed, it was found, that the consignment of goods imported by the M/s. Alfaaz (IEC: BGGPP3729Q) having office at Room No. 17, Ground Floor, Plot No. Jaffar Suleman Building, AU Memon, Mumbai-400003 (hereinafter referred as 'Importer' for sake of brevity) and covered under SEZ (Z type) Bill of Entry No. 5382462 dated 29.10.2025 which is declared to contain Bag accessories and fitting under CTH 83089099, Sun glasses under CTH 90041000, Pipe Cutter under CTH 82034010, Ladies Handbag under CTH 42022990, Hair Straightener under CTH 85163200, Mobile Back Cover under CTH 39269099, Power bank U/B (BIS No. R-41207020) under CTH 85044090 ,Packing item empty box under CTH 48191090, appear to be risky for mis-declaration/concealment of goods. Accordingly, the said consignment was put on hold for 100% examination by SIIB, Custom House, Mundra.

**EXAMINATION AND INVESTIGATION:**

2.1 The relevant details as mentioned in the SEZ (Z type) Bill of Entry No. 5382462 dated 29.10.2025 are as follows:

- Name & Address of the Importer: M/s. Alfaaz (IEC: BGGPP3729Q), Room No. 17, Ground Floor, Plot No. Jaffar Suleman Building, AU Memon, Mumbai-400003, Name & Address of the Supplier: M/s Xingshun International Limited, Flat /Rm 1019b, 10/F, Liven House, No.61-63 King Yip Street Kwun Tong, Kowloon, Hong Kong.
- No of Packages declared: 1227 Pkgs.

2.2. Further, summary of the goods/items have been declared by the importer in the Bill of Entry are as under:

**Table-1**

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Item No.	CTH	Description of Item	Unit Price (in USD)	Quantity	UQC	Amount (in USD)
1	83089099	Bag accessories and fitting	0.6	11730	KGS	7038.00
2	90041000	Sun glasses	0.5	4120	DOZ	2060.00
3	82034010	Pipe Cutter	0.1	5000	PCS	500.00
4	42022990	Ladies Handbag	0.5	12000	PCS	6000.00
5	85163200	Hair Straightener	1.2	312	PCS	374.40
6	39269099	Mobile Back Cover	0.24	834	DOZ	200.16
7	85044090	Power bank U/B (BIS No. R-41207020)	1.0	520	PCS	520.00
8	48191090	Packing item empty box	0.3	3020	KGS	906.00

2.3. The officers of the SIIB Section, Customs House, Mundra conducted examination of the said consignment imported vide SEZ (Z type) Bill of Entry No. 5382462 dated 29.10.2025, stuffed in Container No. EMCU8279516/40'on 06.11.2025 in presence of authorized representative of the importer.

2.4 During examination of the goods imported, the total number of Package/bundles has been found as 1238 Packages. Further, the details of the Goods found during examination are as mentioned as below:

**Table-2**

Sr. No.	Description of Item	No. of packages/CTN found on examination	No. of pieces/unit found on examination	Weight of cargo as per CFS weighment slip (in kgs)
1	Bag accessories and fitting	575	11730 KGS	28720
2	Sun glasses	206	4120 DOZ	
3	Pipe Cutter	100	5000 PCS	
4	Ladies Handbag	250	12000 PCS	
5	Hair	06	312 PCS	

	Straightener		
6	Hair heat up roller	20	200 PCS
7	Mobile Back Cover	20	834 DOZ
8	Power bank U/B	13	520 Pcs
9	Packing item empty box	48	3020 KGS
Total		1238	

**2.5.** Accordingly, the goods are found and classified as per below mentioned table:

**Table-3**

Sr. No	CTH as declared in SEZ (Z Type) BE	Description of goods as per Examination	Appropriate CTH as per Examination Report
1	83089099	Bag accessories and fitting	83089099
2	90041000	Sun glasses	90041000
3	82034010	Pipe Cutter	82034010
4	42022990	Ladies Handbag	42022990
5	85163200	Hair Straightener	85163200
6	Not declared	Hair heat up roller	85163200
7	39269099	Mobile Back Cover	39269099
8	85044090	Power bank U/B	85078000
9	48191090	Packing item empty box	48191090

In view of above, it appears that goods mentioned at Sr. No. 01 to 05 and 07 and 09 are found as declared however, goods mentioned at Sr. No. 06 of Table 2 and 3 i.e. Hair heat up roller classifiable under CTH 85163200 are not declared and goods mentioned at Sr. No. 08 are power bank classifiable under CTH 85078000 instead of CTH 85044090 in SEZ (Z type) Bill of Entry No. 5382462 dated 29.10.2025.

**2.6** Further, in terms of Electrical Appliances for Skin or Hair care (Quality Control) Order, 2023 dated 05.03.2024, it is found that the said

order mandates that the goods falling under Electrical Appliances for Skin and Hair care, shall conform to the corresponding Indian Standard and shall bear the Standard Mark IS 302 (Part 2/Sec 23): 2009 under a licence from the Bureau as per Scheme-II of Schedule-II of Bureau of Indian Standards (Conformity Assessment) Regulations, 2018 and in terms of Electronics and Information Technology Goods (Requirement of Compulsory Registration) Order, 2021 dated 18.03.2021, it is found that the said order mandates that the goods mentioned at Sr. No. 30 i.e., Powerbank for use in portable applications, shall conform to the corresponding Indian Standard and shall bear the Standard Mark IS 13252: Part 1:2010 under a licence from the Bureau as per Scheme-II of Schedule-II of Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

2.7. As per the nature and description of the goods mentioned at Sr. No. 05 and 06 of Table 3 appropriately classifiable under ITC (HS) Codes 85163200 appears to be subjected to the provisions made vide the said, "Electrical Appliances for Skin or Hair care (Quality Control) Order, 2023" dated 05.03.2024 and goods mentioned at Sr. No. 8 of Table 3 appropriately classifiable under ITC (HS) Codes 85076000 imported by the said importer appears to be subjected to the provisions made vide the said "Electronics and Information Technology Goods (Requirement of Compulsory Registration) Order, 2021 dated 18.03.2021".

2.8 However, during the examination it is noticed that the said goods mentioned at Sr No. 05 and 06 of Table 3 does not bear the Standard Mark IS 302 (Part 2/Sec 23): 2009 and goods mentioned at Sr. No. 8 of Table 3 does not bear the Standard Mark IS 13252: Part 1:2010 under a licence from the Bureau as per Scheme-II of Schedule-II of Bureau of Indian Standards (Conformity Assessment) Regulations, 2018.

2.9 Furthermore, as per para 2.03 of the Foreign Trade Policy (FTP)-2023, Domestic Laws/ Rules/ Orders/ Regulations/ technical specifications/ environmental/safety and health norms applicable to domestically produced goods shall apply, mutatis mutandis, to imports, unless specifically exempted.

2.10 Furthermore, as per Section 15 (1) of the Bureau of Indian Standards Act, 2016 (BIS, 2016) "No person shall import, distribute, sell,

store or exhibit for sale, any goods or article under sub-section (1) of section 14, except under certification from the Bureau". In the instant case, import of the said goods mentioned at Sr. No.5, 6 and 8 of Table 3 are neither found to be having BIS licence/certification nor marked with ISI and BIS license number.

2.11 Accordingly, import of the subject goods in the instant case appears to be in violation of the provisions of Foreign Trade Policy read with Bureau of Indian Standard Act, 2016. Thus, it appears that the said goods imported without accompanied with BIS licence/certification or marked with ISI and BIS license number, in violation and contrary to condition imposed vide BIS, 2016 read with Quality Control Order Issued by the Government of India, rendering the said goods as 'prohibited' for import into India

**2.12** In the present matter, DTA Bill of Entry has not been filed till date. Here, it is pertinent to mention that as per Rules 48 of SEZ rules, 2006, some of the provisions of Customs Act, 1962 come in picture only after filling of DTA bill of Entry.

***The Rule 47 (4) of the SEZ Rules, 2006 read as under:***

***(4) Valuation and assessment of the goods cleared into Domestic Tariff Area shall be made in accordance with Customs Act and rules made thereunder.***

***The Rule 48(2) of the SEZ rules is reproduced below:***

***"(2) Valuation of the goods and/or services cleared into Domestic Tariff Area shall be determined in accordance with provisions of Customs Act and rules made thereunder as applicable to goods when imported into India"***

**2.13** Here, it is pertinent to mention that the importer has filed a SEZ WH/Z Type Bill of Entry for Home consumption without any mention of re-export, and during self-assessment, they have levied the applicable BCD instead of recognizing the non-applicability of BCD in the case of re-export. Additionally, it should be noted that when goods are imported for re-export purposes, this must be declared in the import Bill of Entry (BOE). Upon examining the submitted documents, it is clear that the invoice and packing list were issued to the buyer/consignee declared as the importer in the Bill of Entry and the Bill of Lading listed the importer as the consignee.



Sr. No.	Description of Item	No. of packages/CTN found on examination	unit	Per Unit Suggestive Average C.I.F. Value in Bulk Quantity (IN USD Approx)	Total Suggestive Average C.I.F. Value in Bulk Quantity (in USD Approx)	Assessable Value (in INR) as per CE valuation)
1	Bag accessories and fitting	11730	Kgs	0.67	7859.1	697102
2	Sun glasses	4120	DOZ	1.35	5562.0	493349
3	Pipe Cutter	5000	PCS	0.135	675.0	59873
4	Ladies Handbag	12000	PCS	0.96	11520.0	1021824
5	Hair Straightener	312	PCS	2.03	633.4	56179
6	Hair heat up roller	200	PCS	0.85	170.0	15079
7	Mobile Back Cover	834	DOZ	0.67	558.8	49564
8	Power bank U/B	520	PCS	2.03	1055.6	93632
9	Packing item empty box	3020	Kgs	0.34	1026.8	91077
	<b>Total</b>				29061	2577679

**2.16** The importer has declared the total assessable value of the consignment as **Rs. 15,60,992.27/-** [17,598.56/- USD] in the SEZ Z Type Bill of Entry No. 5382462 dated 29.10.2025. However, as per the report submitted by the Chartered Engineer the suggestive value of the consignment is **Rs. 25,77,679/-** (29,061/-USD\*88.7) (Exchange Rate). Thus, it appears that the subjected consignment has been undervalued to the extent of **Rs. 10,16,687/-** on account of mis-declaration of the imported goods by the said importer.

**2.17** Thus, by way of mis-declaration of the items in terms of description, as discussed above, short levy of the Customs duty to the tune of **Rs. 3,31,471/- (BCD- 1,34,381/-+ SWS-13,438 +IGST- 1,83,652/-)** (as calculated in Annexure-A attached) has been observed in the present matter.

**2.18** The said importer vide their letter dated 09.01.2026 also submitted that they are agreed with the value ascertained for each of the products as per CE report. The importer has also submitted that they do not want any show cause notice or personal hearing in this matter and they are ready to pay whatever duty, penalty, redemption fine or other charges as imposed by the Competent Authority under the provisions of Customs Law.

### **LEGAL PROVISIONS:**

3.1 As per 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;*

3 . 2 **SECTION 46** of the Act, prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

3.3. Further, **Section 111** of the Act, prescribes the Confiscation of improperly imported goods, etc. as under

The following goods brought from a place outside India shall be liable for confiscation:

*(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 transshipment,*

*with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54.*

**3.4 Further, Section 112** of the Act provides the penal provisions for improper importation of goods, etc. which read as under:

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, harboring, 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:*

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

*(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding the difference between the*

*declared value and the value thereof or five thousand rupees], whichever is the greater;*

*(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;*

*(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.*

**3.5 SECTION 124** prescribes the mandatory issuance of show cause notice before confiscation of goods, which read as under:

*No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person –*

- a. *is given a notice in writing with the prior approval of the officer of Customs not below the rank of an Assistant Commissioner of Customs, informing him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;*
- b. *is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and*

*(c) is given a reasonable opportunity of being heard in the matter:*

**Provided** *that the notice referred to in clause (a) and the representation referred to in clause (b) may, at the request of the person concerned be oral.*

**Provided** *further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.*

**3.6 SECTION 125** provides the Option to pay fine in lieu of confiscation as under:

*(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or*

*exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods or, where such owner is not known, the person from whose possession or custody such goods have been seized, an option to pay in lieu of confiscation such fine as the said officer thinks fit:*

**Provided** that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, 3 [no such fine shall be imposed]:

**Provided** further that, without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.

*(2) Where any fine in lieu of confiscation of goods is imposed under sub-section (1), the owner of such goods or the person referred to in sub-section (1), shall, in addition, be liable to any duty and charges payable in respect of such goods.]*

*(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.*

#### **4. OUTCOME OF THE INVESTIGATION:**

**4.1** From the above discussion, it appears that the importer has filed SEZ Z Type Bill of Entry No. 5382462 dated 29.10.2025 for import of Bag accessories and fitting under CTH 83089099, Sun glasses under CTH 90041000, Pipe Cutter under CTH 82034010, Ladies Handbag under CTH 42022990, Hair Straightener under CTH 85163200, Mobile Back Cover under CTH 39269099, Power bank U/B (BIS No. R-41207020) under CTH 85044090 ,Packing item empty box under CTH 48191090. Upon investigation, it was noticed that the items under import were mis-declared in term of classification as mentioned at Table 04 above. Therefore, value of the consignments declared by the importer under Rule 3 of the Customs

Valuation (Determination of value of imported goods) Rules, 2007 ('CV Rules' for sake of brevity) appears liable to be rejected in terms of Rule 12 of the Rules, *ibid*. Since, the items found during the examination are of unbranded with no specification, the valuation of the same could not be determined in terms of Rule 4 to 8 of the CV Rules, *ibid*. Therefore, valuation of the goods was found to be determined under residual method of valuation provided under Rule 9 of the CV Rules *ibid* and hence, opinion of the empanelled Chartered Engineer was sought for determination of the value of the goods under import.

**4.2** Further, as per the empanelled Chartered Engineer report, the value of the consignment under import is ascertained to Rs. 25,77,679/- (29,061/- USD) against declared value of Rs. **Rs.** 15,60,992/- [17,598.56/- USD]. Thus, it appears that the subjected consignment was undervalued to the tune of Rs. 10,16,687/- on account of mis-declaration of the imported goods in terms of classification. Thus, by way of mis-declaration of the items under import, in terms of classification, as worked out at Para-2.17 short levy of the Customs duty to the tune of Rs. **3,31,471/- (BCD-1,34,381/-+ SWS-13,438 +IGST- 1,83,652/-** as calculated at Annexure A) has been detected in the present case & the same is recoverable from the importer.

**4.3** Accordingly, it is found that the goods imported by the said importer (as mentioned in **Para-2.2, 2.4 & 2.16 above**) having assessable value ascertained to Rs. 25,77,679/- (29,061/- USD) are not correctly included in the SEZ Z Type Bill of Entry No. 5382462 dated 29.10.2025 filed by the said importer as well as do not correspond in respect of value and particulars thereof. Hence, the said goods (as mentioned in **2.2, 2.4 & 2.16 above**) at Sr No. 1 to 4 and 7 and 9 of Table No. 04 having assessable value ascertained to Rs. 24,12,789/- are found liable for confiscation under Section 111 (l) and 111 (m) of the Customs Act, 1962 and the said goods at Sr. No. 5,6 and 8 of Table No. 04 having assessable value ascertained to Rs. 1,64,890/- are found liable for confiscation under Section 111 (d), 111 (l) and 111 (m) of the Customs Act, 1962

**4.4** In view of the above, it is found that the importer has mis declared the items under import vide SEZ Z Type Bill of Entry No. 5382462 dated 29.10.2025 in terms of description and value thereof. Therefore, it appears that the importer has contravened Section 14 and Section 46 of the

Customs Act, 1962 read with Rule 11 of the CVR, 2007 in as much as the failed to declare correct value of the goods in the Customs document filed by them. These acts of omission and commission on the part of importer have made the imported goods (as mentioned in **2.2, 2.4 & 2.16 above**) mentioned at Sr No. 1 to 4 and 7 and 9 of Table No. 04 having assessable value ascertained to Rs. 24,12,789/- liable for confiscation under Section 111 (l) and 111 (m) of the Act, and the goods mentioned at Sr. No. 5,6 and 8 of Table No. 04 having assessable value ascertained to Rs. 1,64,890/- liable for confiscation under Section 111 (d), 111 (l) and 111 (m) of the Act, *ibid* and has thus rendered themselves liable for penal action under Section 112 (a) of the Customs Act, 1962.

**4.5** In the instant case, as mentioned in above paras, the goods imported vide the said Bill of Entry have been found mis-declared by the said importer. Further, Section 114AA of the Customs Act, 1962, prescribed that *“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”*. Accordingly, in the instant case, it also appears that the importer made themselves liable to the penalty leviable under said Section 114AA of the said Act.

**4.6** Furthermore, it appears that by mis-declaring the classification and accordingly, value of the goods under import, the importer has also short levied the duty amounting to Rs **3,31,471/- (BCD- 1,34,381/-+ SWS- 13,438 +IGST- 1,83,652/-** as calculated at Annexure A) which is required to be added into the respective DTA Bill of Entry, likely to be filed by the importer.

## **5. WAIVER OF NOTICE AND PERSONAL HEARING: -**

The said importer vide their letter dated 21.01.2026 also submitted that they do not want any show cause notice or personal hearing in this matter and they are ready to pay whatever duty, penalty, redemption fine or other charges as imposed by the Competent Authority under the provisions of Customs Law.

## **6. DISCUSSION AND FINDINGS:**

I have carefully gone through the records of the case, investigation report dated 15.01.2026, Valuation report by empanelled Chartered Engineer and the applicable provisions of law. The importer, M/s. Alfaaz, vide letter dated 21.01.2026 has requested for waiver of Show Cause Notice and Personal hearing. Thus, the principles of Natural justice as provided in Section 122a of the Customs Act, 1962 have been complied with and I proceed to decide the case on the basis of documentary evidence available on records. The issues to be decided by me are:

- i. whether the goods imported vide SEZ Z Type Bill of Entry No. 5382462 dated 29.10.2025 (as mentioned in above paras) are required to be correctly declared in the said B.E. and the said B.E. needs to be re-assessed accordingly under Section 17(4) of the Customs Act, 1962.
- ii. Whether the declared value, i.e. Rs. 15,60,992/- of the consignment covered under Z Type SEZ Bill of Entry No 5382462 dated 29.10.2025 is liable to be rejected at the time of filing DTA B.E, under Rule 12 of the CVR, 2007 and required to be re-determined at Rs 25,77,679/- as opined by the CE report at the time of filling of DTA Bill of Entry in terms of Rule 9 of the Rules, ibid, read with Rule 47 (4) of the SEZ Rules, 2006;
- iii. Whether the imported goods having re-determined value of Rs. 24,12,789/- are found liable for confiscation under Section 111 (l) and 111 (m) of the Customs Act, 1962 and the goods having re-determined value of Rs. 1,64,890/- are found liable for confiscation under Section 111 (d), 111 (l) and 111 (m) of the Customs Act, 1962.
- iv. Whether the differential duty amounting Rs. **3,31,471/- (BCD-1,34,381/-+ SWS-13,438 +IGST- 1,83,652/**, as calculated at Annexure A) short levied on the imported items by the importer is required to be added (in addition to the total amount of Rs 5,36,439/- declared as duty in the Z Type SEZ Bill of Entry No. 5382462 dated 29.10.2025 into the DTA Bill of Entry, likely to be filed by the importer and to be recovered accordingly.
- v. Whether Penalty under Section 112 (a) of the Customs Act, 1962 is imposable upon the importer, as discussed in Para 4.3 & 4.4 above.
- vi. Whether Penalty under Section 114AA of the Customs Act, 1962 is imposable upon the importer as discussed in Para-4.5 above.

**7.** Regarding the first issue, I find that M/s Alfaaz, Importer has filed the SEZ (Z Type) Bill of Entry No. 5382462 dated 29.10.2025 to import the goods as declared in Table-I above. The total No. of Packages declared was 1227. However, during the examination, goods were found as per Table-2 with total no. of Packages as 1238. Goods mentioned at Sr. No. 01 to 05 and 07 and 09 are found as declared however, goods mentioned at Sr. No. 06 of Table 2 and 3 i.e. Hair heat up roller classifiable under CTH 85163200 are not declared and goods mentioned at Sr. No. 08 are power bank classifiable under CTH 85078000 instead of CTH 85044090 in SEZ (Z type) Bill of Entry No. 5382462 dated 29.10.2025. Therefore, I find that goods imported vide SEZ Z Type Bill of Entry No. 5382462 dated 29.10.2025 (as mentioned in above paras) are required to be correctly declared in the said B.E. and the said B.E. needs to be re-assessed accordingly under Section 17(4) of the Customs Act, 1962.

**8.** Regarding the second issue, I find that M/s Alfaaz attempted to import Bag accessories and fitting under CTH 83089099, Sun glasses under CTH 90041000, Pipe Cutter under CTH 82034010, Ladies Handbag under CTH 42022990, Hair Straightener under CTH 85163200, Mobile Back Cover under CTH 39269099, Power bank U/B (BIS No. R-41207020) under CTH 85044090, Packing item empty box under CTH 48191090. However, I find that during examination of the goods, goods were found mis-declared and mis-classified. Further, I find that inconsistency observed in filing of the Bill of Entry suggests deliberate Undervaluation of the goods. The declared value of the goods is liable to be determined in terms of Rule 12. As the imported goods were found in different variety, description, specification and quality, so, it was not possible to find and compare the same with other goods having identical/similar description, brand, make, model, quantity and Country of Origin. As the import data extracted with respect to contemporaneous imports was general in nature and contemporaneous data for imports of identical/similar goods was not available/found, therefore, the value could not be determined under Rules 4 and 5 of CVR, 2007.

**9.** As per Rule 6 *ibid*, if the value cannot be determined under Rules 3, 4 and 5 same shall be determined under the provisions of Rule 7 or when same cannot be determined under that rule then under Rule 8. The imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are

miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore, determination of transaction value under Rule 7 of CVR, 2007 was not possible. As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available. Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007.

**10.** Hence, valuation of the goods is to be determined under residual method of valuation provided under Rule 9 of the CV Rules *ibid*. Accordingly, the Chartered Engineer was appointed for valuation of the goods. The Chartered Engineer vide his report ref no. Cus/617/2025-26 dated 12.12.2025 has suggested the valuation of the imported goods. The chartered engineer, empanelled by the government, determined the fair value of the goods to be Rs. 25,77,679/- (Rs. Twenty Five Lakh Seventy Seven Thousand Six Hundred Seventy Nine only) in contrast to the declared assessable value as Rs. 15,60,992/-. In view of above, the declared value of the goods, i.e. Rs. 15,60,992/-, is liable to be rejected and the same needs to be re-determined as Rs. 25,77,679/- as mentioned above in Table-IV.

**11.** Regarding the third issue, I find that importer goods at Sr No. 1 to 4 and 7 and 9 of Table No. 05 having assessable value ascertained to Rs. 24,12,789/- are mis-declared in terms of description and value thereof. Therefore, it appears that the importer has contravened Section 14 and Section 46 of the Customs Act, 1962 read with Rule 11 of the CVR, 2007 in as much as the failed to declare correct value of the goods in the Customs document filed by them. This lead to the confiscation of the goods under Section 111(l) and 111(m) of the Customs Act, 1962. In addition to this, in terms of Electrical Appliances for Skin or Hair care (Quality Control) Order, 2023 dated 05.03.2024, it is found that the said order mandates that the goods falling under Electrical Appliances for Skin and Hair care, shall conform to the corresponding Indian Standard and shall bear the Standard Mark IS 302 (Part 2/Sec 23):2009 under a licence from the Bureau as per Scheme-II of Schedule-II of Bureau of Indian Standards (Conformity Assessment) Regulations, 2018. Therefore, goods mentioned at Sr. 5 and 6 of table-5 requires mandatory BIS for the import which was

not submitted by the importer. Further, Item at Sr. no. 8 of the table 5 i.e. power Bank shall conform to the corresponding Indian Standard and shall bear the Standard Mark IS 13252: Part 1:2010 under a licence from the Bureau as per Scheme-II of Schedule-II of Bureau of Indian Standards (Conformity Assessment) Regulations, 2018 in terms of Electronics and Information Technology Goods (Requirement of Compulsory Registration) Order, 2021 dated 18.03.2021. In absence of the mandatory BIS certification goods mentioned at Sr. no. 5, 6 and 8 having re-determined assessable value of Rs. 1,64,890/- are restricted for the import and therefore are liable for confiscation under Section 111(d), 111(l) and 111(m) of the Customs Act, 1962.

**12.** Regarding the fourth issue, the self-assessment done by the importer is liable to be rejected and the SEZ Z type Bill of Entry needs to be re-assessed with differential duty of Rs. 3,31,471/- under Section 17(4) of the Customs Act, 1962. I find that from the above discussion, it is evident that the importer has undervalued/mis-declared the imported goods to evade payment of duties and taxes by and circumvent mandatory requirement of BIS (for item no. 5, 6 and 8 of the table-5). As per valuation done by the Chartered Engineer, empanelled by the Government, the fair value of the goods amounts to be Rs. 25,77,679/- in contrast to the declared assessable value as Rs. 15,60,992/-, resulting in the duty difference of Rs. 3,31,471/-. The duty liability for the imported goods as per re-determined value is ascertained. Therefore, I find that the self assessment done by importer is liable for rejection and re-assessment of the Bill of Entry should be done under Section 17(4) of the Customs Act, 1962.

**13.** Regarding the Fifth and Sixth issue, I find that importer has undervalued/mis-declared the imported goods to evade payment of duties and taxes by and circumvent mandatory requirement of BIS (for item no. 5, 6 and 8 of the table-5). This leads to the confiscation of goods at Sr. 1 to 4 and 7 and 9 of the table 5 under Section 111 (l) and 111(m) of the customs Act, 1962. This act of omission and commission on the part of importer has rendered themselves liable for penal action under Section 112 (a)(ii) of the Customs Act, 1962. Further importer has undervalued/mis-declared the imported goods to evade payment of duties and taxes by and circumvent mandatory requirement of BIS (for item no.

5, 6 and 8 of the table-5), leading to the confiscation of goods at Sr. No. 5,6 and 8 of the Table-5 under Section 111(d), 111(l) and 111(m) of the Customs Act, 1962. This act of omission and commission on the part of importer has rendered themselves liable for penal action under Section 112 (a)(i) of the Customs Act, 1962. As the importer has deliberately undervalued and misdeclared the goods, which rendered him also liable for penalty under Section 114AA of the Customs Act, 1962.

**14.** In view of the facts above, I pass the following order.

### **ORDER**

-  
(i) I order to reject the classification and description of the goods of the SEZ Z type bill of Entry No. 5382462 dated 29.10.2025 and order to re-determine the same as per table -5.

(ii) I order to reject the declared total assessable value of goods as Rs. 15,60,992/-, quantity and classification of the Bill of Entry No. 5382462 Dated 29.10.2025 and order to re-determine the value of the goods as Rs. 25,77,679/-.

(ii) I Order to re-assess the Bill of Entry 5382462 dated 29.10.2025 with differential duty of Rs. 3,31,471/- under section 17(4) of the customs Act, 1962.

(ii) I order to confiscate the imported goods at Sr. no. 1 to 4 and 7 and 9 of the table-5 having re-determined assessable value 24,12,789/- under Section 111(l) and 111(m) of the Customs Act, 1962. However, I give the importer an option under provision of Section 125(1) of the Customs Act, 1962, to redeem the said goods, except item at Sr. No 3 of above table No. VI, on payment of redemption fine of **Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand only)**.

(iii) I order to confiscate the imported goods at Sr. no. 5, 6 and 8 of the table-5 having re-determined assessable value 1,64,890/- under Section 111(d), 111(l) and 111(m) of the Customs Act, 1962. However, I give the importer an option under provision of Section 125(1) of the Customs Act, 1962, for the re-export purpose only, on payment of redemption fine of **Rs. 15,000/- (Rupees Fifteen Thousand only)**.

(iv) I impose a penalty of **Rs. 30,000/- (Rupees Thirty Thousand only)** on M/s. Alfaaz u/s. 112 (a)(ii) of the Customs Act, 1962 for item no. 1 to 4 and 7 and 9.

(v) I impose a penalty of **Rs. 5,000/- (Rupees Five Thousand only)** on M/s. Alfaaz u/s. 112 (a)(i) of the Customs Act, 1962 for item no. 5, 6 and 8.

(vi) I impose a penalty of **Rs. 25,000/- (Rupees Twenty Five Thousand only)** on M/s Alfaaz u/s 114AA of the Customs Act, 1962.

**15.** This Order-in-Original is issued without prejudice to any other action that may be taken against the importer under the Customs Act, 1962 or any other law for the time being in force.

**Additional Commissioner of Customs  
Import Assessment  
Custom House, Mundra**

**To,  
M/s. Alfaaz (IEC: BGGPP3729Q)  
Room No. 17, Ground Floor, Plot No. Jaffar Suleman Building,  
AU Memon, Mumbai-400003**

Copy to:-

1. The Addl. Commissioner (PCA), Custom House, Mundra.
2. The Assistant Commissioner (RRA/TRC/EDI), Custom House, Mundra.
3. Guard File

**Annexure-A**  
**Calculation of Differential Duty**

Sl. No.	Description (as per Examination Report)	No. of pieces/unit found on examination	Unit	Per unit avg suggestive CIF value of goods in bulk quantity in USD	Total Average suggestive CIF value of goods in bulk quantity in USD	Assessable Value (in INR) as per CE valuation	Assesable Value (in INR as per BE)	Duty declared by the importer in SEZ Z type BE No.5382462 dated 29.10.2025			
								BCD	SW S	IGS T	TOTAL
1	Bag accessories and fitting	11730	Kgs	0.67	7859.1	697102	624271	62427	6243	124729	193399
2	Sun glasses	4120	DOS	1.35	5562.0	493349	182722	36544	3654	40126	80325
3	Pipe Cutter	5000	PCS	0.135	675.0	59873	44350	4435	444	8861	13740
4	Ladies Handbag	12000	PCS	0.96	11520.0	1021824	532200	79830	7983	111602	199415
5	Hair Straightener	312	PCS	2.03	633.4	56179	33209	6642	664	2026	9332
6	Hair heat up roller	200	PCS	0.85	170.0	15079		0	0	0	0
7	Mobile Back Cover	834	DOS	0.67	558.8	49564	17754	2663	266	3723	6653

8	Power bank U/B	520	PCS	2.03	1055.6	93632	46124	9225	923	10129	20276
9	Packing item empty box	3020	Kgs	0.34	1026.8	91077	80362	8036	804	4460	13300
<b>Total</b>							<b>1560992</b>	<b>209802</b>	<b>20980</b>	<b>305656</b>	<b>536439</b>

Sr. No.	Description (as per Examination Report)	No. of pieces/unit found on examination	Unit	Duty payable as per assessable value ascertained by CE				Differential Duty recoverable			
				BCD	SWS	IGST	TOTAL	BCD	SWS	IGST	TOTAL
1	Bag accessories and fitting	11730	Kgs	69710	6971	139281	215962				
2	Sun glasses	4120	DOZ	98670	9867	108340	216876				
3	Pipe Cutter	5000	PCS	5987	599	11963	18549				
4	Ladies Handbag	12000	PCS	153274	15327	214276	382877				
5	Hair Straightener	312	PCS	NA							
6	Hair heat up roller	200	PCS	NA							
7	Mobile Back Cover	834	DOZ	7435	743	10394	18572				
8	Power bank U/B	520	PCS	NA							
9	Packing item empty box	3020	Kgs	9108	911	5055	15073				
<b>Total</b>				<b>344183</b>	<b>34418</b>	<b>489308</b>	<b>867909</b>	<b>134381</b>	<b>13438</b>	<b>183652</b>	<b>331471</b>