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OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS

CUSTOMS HOUSE, MP & SEZ

MUNDRA, KUTCH-GUJARAT -370421

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सत्यमेव जयते

A	**FILE NO.** फ़ाइल संख्या	CUS/APR/5277/2026-Gr 3-O/o Pr Commr-Cus-Mundra
B	**OIO NO.** आदेश संख्या	MCH/ADC/ZDC/459/2026-27
C	**PASSED BY** जारीकर्ता	Dipak Zala, Additional Commissioner of Customs/अपर आयुक्त सीमा शुल्क, Custom House, Mundra/कस्टम हाउस, मुंद्रा।
D	**DATE OF ORDER** आदेश की तारीख	03.11.2026
E	**DATE OF ISSUE** जारी करने की तिथि	04-11-2026
F	**SCN No. & Date** कारण बताओ नोटिस क्रमांक	Waived.
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/आयातक	M/s. Gautam Enterprises (IEC:AUWPM9653R)

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 धारा128 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(,

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,

नवरंगपुरा,अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS),

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, 1982और 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:

On the basis of Specific information received to this office, the goods imported by M/s. Gautam Enterprises, N-10 Ground Floor, Chanakya Place Part 2, Uttam Nagar, New Delhi-110059 (IEC: AIEPA0096L), (herein after referred to as "the importer" for the sake of brevity) under Bill of Entry No. Z-4090047 dated 29.09.2026, filed at APSEZ (INAJM6), identified as high risk for mis-declaration/ mis-classification and/or concealment of prohibited/restricted goods. The goods were destined to M/s. Fast Track CFS Private Limited, SEZ Unit, APSEZ, Mundra (Kutch) Port- INAJM6. The goods were shipped from Ningbo, China and supplied by M/s. Yiwu Hehai Import & Export Co., Hong Kong. The details of the goods declared in the Bill of entry no. Z-4090047 dated 29.09.2026 are detailed below:

Table-I

Sr. No	CTH	Description	Quantity	UQC
1	61119090	BABY PAJAMA	1892	DOZ
2	61119090	BABY WINTER TOP	1398	DOZ

Both items were declared at a unit price of USD 2.50 per Doz. Total number of packages declared: 277; Gross Weight declared: 14,520 Kgs; Total Assessable Value declared: Rs. 7,96,180/- (USD 8,225.00 @ Rs. 96.80/USD); Total Duty paid/declared: Rs. 2,23,727/-.

Examination of the Goods:

2. Whereas, the examination of the goods covered under Bill of Entry No. Z-4090047 dated 29.09.2026 was conducted on 12.10.2026 under Panchnama dated 12.10.2026, drawn at the premises of the SEZ unit, in the presence of two independent panchas, viz. Shri Ramesh Gadhavi and Shri Bhavyaraj Sodha, Shri Gadhavi Vipul Meghraj, Authorized Representative of the importer and Shri Sudhir Patil, Deputy General Manager/Authorized Representative of the SEZ unit M/s. Fast Track CFS Private Limited. Prior intimation of the examination was given to the Development Commissioner, APSEZ, Mundra. The goods, received in container no. TIIU6371826, were examined as per the commercial invoice, packing list and Bill of Lading No. COAU9508996120 dated 06.09.2026 submitted by the authorized representative of the importer. The details of weighment verified from weighment slip is as below:

Sr. No	Container no.	Description	Declared weight in BE	Weighment as per Examination

1	TIIU6371826	Baby garments (2 items as per BE)	14,520 Kgs (Gross weight as per BL/BE)	14610.3 Kgs

2.1 During the inspection, seal affixed on the container No. TIIU6371826 was found intact and as declared in the Bill of Lading, and the container was found in sound condition with no apparent damage. The seal was then cut by labour in the presence of the panchas, the authorized representatives of the importer and the SEZ unit and the Customs Officer, and the container doors were opened. The goods were de-stuffed into the warehouse of the SEZ unit, segregated item-wise, examined and physically counted. On physical count, a total of 277 packages (cartons/bags) were found, which tallied with the 277 packages declared in the Bill of Entry. However, on opening the packages, it was found that they contained four different types of goods as against the two items declared in the Bill of Entry. The goods found during examination are detailed as under:

Table-II

Sr. No	Description of goods found (Marking)	No. of Cartons / Bags	Total Quantity found	Total Weight in Kgs
1	Winter Cord Two-Piece Set (SP-120)	86	10,320 Sets	4,807.4
2	Baby Pyjama (HND-150)	90	13,500 Pcs	4,473.0
3	Leg Warmer (HND-180)	54	9,720 Pcs	2,683.8
4	Baby Winter Top (SP-150)	47	7,050 Pcs	2,646.1
	Total	**277**	**40,590 Pcs/Sets**	**14,610.3 Kgs**

2.2 On comparison of the goods found during examination with the declaration made in the Bill of Entry and the accompanying import documents, the following discrepancies were noticed:

(i) Baby Pajama was declared as 1,892 Doz (22,704 Pcs), whereas only 13,500 Pcs (1,125 Doz) of Baby Pyjama were found, i.e. 767 Doz less than the declared quantity.

(ii) Baby Winter Top was declared as 1,398 Doz (16,776 Pcs), whereas only 7,050 Pcs (587.5 Doz) of Baby Winter Top were found, i.e. 810.5 Doz less than the declared quantity.

(iii) 10,320 Sets of Winter Cord Two-Piece Sets (86 packages, marking SP-120) were found in the container, which were not declared in the Bill of Entry at all.

(iv) 9,720 Pcs (810 Doz) of Leg Warmers for boys (54 packages, marking HND-180) were found in the container, which were not declared in the Bill of Entry at all.

(v) Thus, as against two items declared, four items were found in the 277 packages, of which 140 packages contained undeclared goods. The total weight of the goods as recorded in the Panchnama (based on average weight per package) works out to 14,610.3 Kgs as against the declared gross weight of 14,520 Kgs.

2 . 3 The examination thus revealed significant discrepancies in the description, nature and quantity of the imported goods as compared to the declarations made in the Bill of Entry and the accompanying import documents. The presence of undeclared goods, coupled with the short quantity of the declared goods, prima facie indicates a deliberate attempt by the importer to mis-declare the goods with the intention of evading the applicable Customs duties. After conclusion of the examination, the authorized representatives of the importer and the SEZ unit were directed not to remove, part with or otherwise deal with the consignment without permission of the competent authority and to keep the goods in safe custody for further enquiry/investigation.

3. Re-determined Description and Classification of the Goods:

3.1 The importer has declared 2 items, namely Baby Pajama and Baby Winter Top, under CTH 61119090 in the said BE. However, during the course of examination, the declared goods were found short in quantity and two undeclared items, namely Winter Cord Two-Piece Sets and Leg Warmers, were also found. Accordingly, the description, quantity and classification of the goods found during examination have been re-determined as under:

Table-III

Sr. No.	Declared Description	Re-determined Description	Declared CTH	Re-determined CTH	Re-determined Quantity	Unit
1	Not declared	WINTER CORD TWO-PIECE SET (Ensembles)	-	61042300	10,320	Sets
2	BABY PAJAMA	BABY PYJAMA	61119090	61119090	13,500	Pcs
3	Not declared	LEG WARMER	-	61178090	9,720	Pcs
4	BABY WINTER TOP	BABY WINTER TOP	61119090	61119090	7,050	Pcs

3.2 The classification of goods under the First Schedule to the Customs Tariff Act, 1975 is governed by the General Rules for the Interpretation of the Import Tariff (GRI). As per Rule 1 of the GRI, the titles of Sections, Chapters and sub-Chapters are provided for ease of reference only and, for legal purposes,

classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes. Rule 3(a) of the GRI provides that the heading which provides the most specific description shall be preferred to headings providing a more general description, and Rule 6 provides that classification at sub-heading level shall be determined according to the terms of those sub-headings and any related sub-heading notes. Applying the said Rules, the classification of the goods found during examination is discussed as under:

3.3 Winter Cord Two-Piece Set: 10,320 Sets of winter cord two-piece sets were found during examination, which were not declared in the Bill of Entry. As per Note 3(b) to Chapter 61, the term "ensemble" means a set of garments composed of several pieces made up in identical fabric, put up for retail sale, and comprising one garment designed to cover the upper part of the body and one or two different garments designed to cover the lower part of the body. The two-piece sets found during examination answer to this description and accordingly merit classification under Heading 6104, specifically under CTH 61042300 (women's or girls' ensembles of synthetic fibres, knitted or crocheted).

3.4 Leg Warmer: 9,720 Pcs of leg warmers were found during examination, which were not declared in the Bill of Entry. Heading 6117 covers "other made up clothing accessories, knitted or crocheted; knitted or crocheted parts of garments or of clothing accessories". Leg warmers, being knitted clothing accessories not more specifically covered by any other heading of Chapter 61, merit classification under CTH 61178090.

3.5 Baby Pyjama and Baby Winter Top: The importer declared these goods under CTH 61119090, which covers babies' garments and clothing accessories, knitted or crocheted, of other textile materials. As per Note 6(a) to Chapter 61, the expression "babies' garments and clothing accessories" means articles for young children of a body height not exceeding 86 cm. The goods found during examination are babies' pyjamas and babies' winter tops, and accordingly the declared CTH 61119090 is found to be appropriate. However, the quantity of these goods is re-determined as per the goods actually found during examination, as shown in Table-III above.

4. Valuation of the Goods:

4.1 Further, as goods found during examination in the subject Bill of Entry were mis-declared in terms of Description, quantity and classification, and undeclared goods were also found, the value of the goods needs to be determined. From the above, it appears that the importer had mis-declared the goods in terms of description, quantity,

classification etc. and goods were not found as per the declaration filed in the Bill of Entry No. Z-4090047 dated 29.09.2026 (Z Type). Hence, value declared by the Importer appears to be not true transaction value. Thus, the declared value appeared to be not acceptable as transaction value and merits rejection in terms of Section 14 of Customs Act, 1962 read with Rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. The value appears to be re-determined by sequentially proceeding in terms of Rules 4 to 9 of Customs Valuation Rules 2007.

4.2. <u>Rejection of declared value & Redetermination of Assessable Value</u>:

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. Whereas, it further appears that, 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.

4.3. 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.

4.4. 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.

4.5. 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:"*

4.6. 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 on 22.10.2026 at the premises of M/s. Fast Track CFS Private Limited, SEZ Unit, Mundra, in the presence of SIIB officers, by Shri Ajayrajsinh B. Jhala, Chartered Engineer & Government approved valuer, who submitted his Valuation report vide reference No. ABJ:CE:MUN:SIIB:SAB:RU:26-27:08 dated 27.10.2026, wherein, he has reported the value of the cargo as tabulated below:

Table-IV

Sr. No.	**Description**	**Total Quantity**	**Measure Unit**	***Unit Suggestive Average C.I.F. Value by C.E. (in USD)***	***Total Suggestive Average C.I.F. Value by C.E. (in USD)***	***Total Suggestive Average C.I.F. Value by C.E. (in INR) @ Rs. 96.80/USD***
1	Winter Cord Two-Piece Set	10,320	Set	1.757	18,132.24	17,55,200.83
2	Baby Pyjama	1,125	Doz	2.50	2,812.50	2,72,250.00
3	Leg Warmer	810	Doz	2.70	2,187.00	2,11,701.60
4	Baby Winter Top	587.5	Doz	2.75	1,615.625	1,56,392.50
Total					**24,747.365**	**23,95,544.93**

The chartered engineer, empanelled by the government, determined the fair value of the goods to be **Rs. 23,95,545/- (USD 24,747.365)** in contrast to the declared assessable value of **Rs. 7,96,180/- (USD 8,225.00)**.

5. With the introduction of self-assessment under Section 17(1) of the Customs Act, 1962, the responsibility lies squarely on the importer to accurately self-assess the Bill of Entry and declare the correct amount of leviable duty. By failing to declare dutiable goods correctly in the Bill of Entry, the importer's actions indicate an intent to evade payment of the correct duties on the imported goods. This deliberate omission raises reasonable grounds to believe that the importer wilfully and intentionally concealed dutiable goods, thereby causing a loss to government revenue.

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

6.1. Based on the foregoing paragraphs, it is evident that the importer has undervalued/mis-classified/mis-declared the imported goods to evade payment of duties and taxes. The duty liability for the imported goods as per re-determined value and classification is ascertained as under:

Table-V

Sr No	Description	Total Quantity	Measure Unit	*Total Suggestive Average C.I.F. Value by C.E. (in INR) @ Rs. 96.80/USD*	*BCD (Rate) (in Rs.)*	*SWS @ 10% of BCD (in Rs.)*	*IGST (Rate) (in Rs.)*	*Total Duty (in Rs.)*
1	Winter Cord Two-Piece Set (CTH 61042300)	10,320	Set	17,55,200.83	3,51,040.17 (20%)	35,104.02	1,07,067.25 (5%)	4,93,211.44
2	Baby Pyjama (CTH 61119090)	1,125	Doz	2,72,250.00	54,450.00 (20%)	5,445.00	16,607.25 (5%)	76,502.25
3	Leg Warmer (CTH 61178090)	810	Doz	2,11,701.60	42,340.32 (20%)	4,234.03	12,913.80 (5%)	59,488.15
4	Baby Winter Top (CTH 61119090)	587.5	Doz	1,56,392.50	31,278.50 (20%)	3,127.85	9,539.94 (5%)	43,946.29
Total				23,95,544.93	4,79,108.99	47,910.90	1,46,128.24	**6,73,148.13**

From the Table above, it appears that the total duty liability of the importer is **Rs. 6,73,148/-**.

6.2. The importer in the BE no. Z-4090047 dated 29.09.2026, has declared the value of the goods as Rs. 7,96,180/- and calculated the applicable duties and taxes on the goods declared, based on the declared value and classification in the Bill of Entry as Rs. 2,23,727/-.

6.3. Based on the calculations from Table-V above, the importer is required to pay a differential duty liability of **Rs. 4,49,421/-** (Rs. 6,73,148/- minus Rs. 2,23,727/-) on the mis-declared/undervalued goods after adjustment. This amount represents the additional duty and tax liability that the importer must pay due to the mis-declaration/undervaluation of goods.

7. LEGAL PROVISIONS:

7.1. **Section 2 (14)** of the Customs Act, 1962, *"**dutiable goods**" means any goods which are chargeable to duty and on which duty has not been paid*;

7.2. **SECTION 46**(4) of the Customs Act, 1962, *prescribes that the importer while presenting a bill of entry stall 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.*

7.3. Section 111 of the of the Customs Act, 1962- **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.

…

7.4. **Section 112** of the Customs Act, 1962, 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, 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 section111,

shall be liable, -

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

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

(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.

7.5. ***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.

7.6. **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.*

7.7. **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.

7.8. **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.*

8. **Outcome of Investigation:**

On the basis of specific information for risk of mis-declaration/ mis-classification and/or concealment of prohibited/restricted goods in the import consignment of M/s. Gautam Enterprises (IEC: AIEPA0096L), under Bill of Entry No. Z-4090047 dated 29.09.2026, filed at APSEZ (INAJM6), an investigation was initiated by the Special Intelligence and Investigation Branch (SIIB), Customs House, Mundra. The investigation revealed significant irregularities in the subject import consignment. The examination uncovered deliberate mis-declaration in description, quantity, mis-classification and undervaluation of goods, besides import of undeclared goods, indicating intent to evade Customs duties. The outcomes of the investigation are as follows:

8.1. Examination and Findings:

- The examination of container no. TIIU6371826, conducted on 12.10.2026 under Panchnama in the presence of Authorized representatives of the importer and the SEZ unit, revealed discrepancies in the goods imported by M/s. Gautam Enterprises under Bill of Entry No. Z-4090047 dated 29.09.2026:
- 277 packages were found, as declared; however, the packages contained four different items as against the two items declared in the Bill of Entry.

- **Declared goods: 2 items viz. Baby Pajama (1,892 Doz) and Baby Winter Top (1,398 Doz), both classified under CTH 61119090.**
- **Found goods: Baby Pyjama 13,500 Pcs (1,125 Doz) and Baby Winter Top 7,050 Pcs (587.5 Doz), i.e. short of the declared quantity, along with undeclared Winter Cord Two-Piece Sets (10,320 Sets) and Leg Warmers (9,720 Pcs / 810 Doz), which merit classification under CTH 61042300 and 61178090 respectively, indicating mis-declaration of description, quantity and classification.**
- The goods were found to be undervalued in the declared CIF value.

8.2. Valuation of the Goods:

- **Declared Value: The importer declared an assessable value of INR 7,96,180/-.**
- **Redetermined Value: The Chartered Engineer's report (ref no. ABJ:CE:MUN:SIIB:SAB:RU:26-27:08 dated 27.10.2026) determined the fair CIF value at USD 24,747.365/-, equivalent to INR 23,95,545/- (at INR 96.80/USD).**
- **Valuation Method**: The declared value was rejected under Rule 12 of CVR Rules, 2007, due to undervaluation/mis-declaration and mis-classification. Valuation was determined under Rule 9 of the Customs Valuation Rules (CVR), 2007 (residual method), as values under Rules 4–8 could not be established due to lack of comparable data, non-standard nature of goods, and absence of domestic market sale prices.

8.3. Description and Classification:

Sr. No.	Re-determined Description of Goods	Re-determined CTH of Goods
1	WINTER CORD TWO-PIECE SET (Ensembles)	61042300
2	BABY PYJAMA	61119090
3	LEG WARMER	61178090
4	BABY WINTER TOP	61119090

8.4. Duty Evasion:

- The importer's deliberate mis-declaration and undervaluation resulted in a differential duty liability of INR 4,49,421/- (total duty liability of INR 6,73,148/- as per Table-V minus declared duty of INR 2,23,727/-).

8.5. Conclusion:

The importer has, by their acts of omission and commission, rendered the goods found mis-classified/undervalued/mis-declared in description and quantity, and the undeclared goods, with a re-determined assessable value of

INR 23,95,545/- under Bill of Entry No. Z-4090047 dated 29.09.2026, liable for confiscation under Section 111(m) and/or 111(l) of the Customs Act, 1962, and is therefore also liable for penalty under Section 112(a)(ii) of the Customs Act, 1962. As the importer has mis-declared the description and quantity of the goods and has not declared certain goods in the import documents, the importer is also liable for penalty under Section 114AA of the Customs Act, 1962.

9. The importer M/s. Gautam Enterprises (IEC: AIEPA0096L) vide their email dated 27.10.2026, have accepted the CE Valuation Report and requested for waiver of the Show Cause Notice and personal hearing in the matter.

10. In view of the above, it appears that:

a. The declared description, quantity, weighment and classification of the goods in the Bill of Entry No. Z-4090047 dated 29.09.2026 is liable to be rejected and need to be re-determined as per Table-III, Table-IV and Table-V.
b. The declared total assessable value of the goods, i.e., Rs. 7,96,180/-, is liable to be rejected and the same needs to be re-determined as Rs. 23,95,545/- under Rule 9 of the Customs Valuation Rules, 2007.
c. The self-assessment done by the importer is liable to be rejected and the BE needs to be re-assessed with differential duty of Rs. 4,49,421/- under Section 17(4) of the Customs Act, 1962.
d. The subject goods having re-determined value of Rs. 23,95,545/-, are liable for confiscation under Section 111(m) and/or 111(l) of the Customs Act, 1962.
e. The importer is liable for penalty under Section 112(a)(ii) and 114AA of the Customs Act, 1962.

10.1 Accordingly, an investigation report no. 209/2026-27 dated 28.10.2026 has been issued by SIIB, Mundra Customs.

WRITTEN SUBMISSION AND PERSONAL HEARING

11. The importer, M/s. Gautam Enterprises (IEC: AIEPA0096L), vide their letter dated 31.10.2026, has requested waiver of issuance of Show Cause Notice and grant of Personal Hearing in the matter and has requested to finalize the matter.

DISCUSSION AND FINDINGS

12. I have carefully gone through Investigation Report No. 209/2026-27 dated 28.10.2026 forwarded by SIIB, Custom House, Mundra, the relied upon

documents and all other material available on record. The importer, M/s. Gautam Enterprises, vide their email dated 27.10.2026, accepted the Chartered Engineer's Valuation Report and requested waiver of the Show Cause Notice and Personal Hearing. Vide their letter dated 31.10.2026, they again requested waiver of the Show Cause Notice and Personal Hearing and asked that the matter be finalised. I am satisfied that the principles of natural justice have been duly complied with. The matter is accordingly being disposed of on merits under the first proviso to Section 124 of the Customs Act, 1962.

12.1 On a careful perusal of the brief facts of the case, and in particular para 10 above, I find that the following main issues arise for consideration and determination in this case:

(i) Whether the declared description, quantity and classification of the goods covered under Z-Bill of Entry No. 4090047 dated 29.09.2026 are liable to be rejected and re-determined;

(ii) Whether the declared assessable value of Rs. 7,96,180/- (Rupees Seven Lakh Ninety-Six Thousand One Hundred and Eighty Only) is liable to be rejected under Rule 12 of the CVR, 2007 and re-determined as Rs. 23,95,545/- (Rupees Twenty-Three Lakh Ninety-Five Thousand Five Hundred and Forty-Five Only) under Rule 9 ibid, read with Section 14 of the Customs Act, 1962;

(iii) Whether the Bill of Entry is liable to be re-assessed under Section 17(4) of the Customs Act, 1962 with differential duty of Rs. 4,49,421/-;

(iv) Whether the goods are liable for confiscation under Sections 111(m) and/or 111(l) of the Customs Act, 1962; and

(v) Whether penalty is imposable on the importer under Sections 112(a)(ii) and 114AA of the Customs Act, 1962.

13. FIRST ISSUE — RE-DETERMINATION OF DESCRIPTION, QUANTITY AND CLASSIFICATION:

13.1 I find that M/s. Gautam Enterprises filed Z-Bill of Entry No. 4090047 dated 29.09.2026 at M/s. Fast Track CFS Pvt. Ltd. (SEZ Unit), APSEZ, Mundra. The BE declared two items only, "Baby Pajama" (1,892 Doz) and "Baby Winter Top" (1,398 Doz), both under CTH 61119090 at a unit price of USD 2.50 per Doz. The total assessable value declared was Rs. 7,96,180/-. The goods were shipped in Container No. TIIU6371826 under Bill of Lading No. COAU9508996120 dated 06.09.2026 and were supplied by M/s. Yiwu Hehai Import and Export Co., Limited, Hong Kong. The BE declared 277 packages with a gross weight of 14,520 kgs. As per the packing list, these comprised 144 cartons of Baby Pajama and 133 cartons of Baby Winter Top.

Sr. No.	Description of goods found	No. of Cartons	Quantity found	Declared in BE
1	Winter Cord Two-Piece Set	86	10,320 Sets	Not declared
2	Baby Pyjama	90	13,500 Pcs (1,125 Doz)	1,892 Doz
3	Leg Warmer	54	9,720 Pcs (810 Doz)	Not declared
4	Baby Winter Top	47	7,050 Pcs (587.5 Doz)	1,398 Doz
	Total	**277**		

13.2 I find that the goods were examined under Panchnama dated 12.10.2026. A total of 277 cartons were found, tallying with the declared number of packages. However, on opening the cartons, four different items were found instead of the two declared, as under:

13.3 I find that, although the total number of cartons tallied, 140 of the 277 cartons (86 + 54) contained goods that were not declared in the Bill of Entry at all. At the same time, the two declared items were found short: Baby Pyjama by 767 Doz and Baby Winter Top by 810.5 Doz. The declared quantities of the two declared items were thus overstated, which kept the carton count the same, while two other items were brought in without any declaration.

13.4 Classification: I find that the classification of the goods found during examination is as under:

- **Baby Pyjama and Baby Winter Top:** These are babies' garments, knitted, falling under Heading 6111. As per Note 6(a) to Chapter 61, "babies' garments and clothing accessories" means articles for young children of a body height not exceeding 86 cm. The declared CTH 61119090 is accepted for these goods; only their quantity is required to be re-determined.
- **Winter Cord Two-Piece Set:** Each set consists of a garment for the upper part of the body and a garment for the lower part, made up of identical fabric and put up together. As per Note 3(b) to Chapter 61, such a set is an "ensemble". The goods are therefore classifiable under Heading 6104, specifically under CTH 61042300.
- **Leg Warmer:** These are knitted clothing accessories not more specifically covered by any other heading of Chapter 61. They are classifiable under Heading 6117, specifically under CTH 61178090.

The above classification is in terms of Rules 1 and 6 of the General Rules for the

Interpretation of the First Schedule to the Customs Tariff Act, 1975. The importer has not disputed it.

13.5 I note that the rate of duty applicable to all four items (BCD 20%, SWS 10% of BCD and IGST 5%) is the same as that applied by the importer to the declared items. The short levy in the present case therefore arises from the non-declaration of goods and the mis-declaration of quantity and value, and not from the classification.

13.6 In view of paras 13.2 to 13.5 above, I reject the declared description, quantity and classification. I hold that the goods are correctly described, quantified and classified as under:

Sr. No.	Description	CTH	Quantity
1	Winter Cord Two-Piece Set (Ensembles)	61042300	10,320 Sets
2	Baby Pyjama	61119090	13,500 Pcs (1,125 Doz)
3	Leg Warmer	61178090	9,720 Pcs (810 Doz)
4	Baby Winter Top	61119090	7,050 Pcs (587.5 Doz)

The goods are freely importable on payment of applicable Customs duty, and no prohibition or restriction applies to their import under the Foreign Trade Policy.

14. SECOND ISSUE — REJECTION OF DECLARED VALUE AND RE-DETERMINATION OF ASSESSABLE VALUE:

14.1 I find that the declared assessable value of Rs. 7,96,180/- (USD 8,225) relates only to the two declared items, at the declared quantities of 1,892 Doz and 1,398 Doz. The goods actually imported are four different items, two of which were not declared at all, and the declared items were found short in quantity. The declared value therefore does not represent the price actually paid or payable for the goods actually imported, and it cannot be accepted as the transaction value under Rule 3(1) of the CVR, 2007. In view of the mis-declaration and non-declaration of goods, there is reasonable doubt about the truth and accuracy of the declared value. The importer has produced no evidence in support of the declared value and has instead accepted the CE's valuation. I accordingly reject the declared value under Rule 12 of the CVR, 2007.

14.2 I find that the goods are a mixed lot of garments of different kinds, some of which were not declared. Contemporaneous import data for identical or similar goods of the same description and quality was not available, so the value could not be determined under Rules 4 and 5 of the CVR, 2007. There was also no data on resale prices in India or on cost of production, so the value could not be determined under Rules 7 and 8 ibid. The value is therefore required to be determined under Rule 9 (Residual Method) of the CVR, 2007, using reasonable means consistent with the principles and general provisions of

the Rules.

14.3 I find that Er. Ajayrajsinh B. Jhala, Customs empanelled Chartered Engineer, inspected the goods on 22.10.2026 and 26.10.2026. Vide Valuation Report No. ABJ:CE:MUN:SIIB:SAB:RU:26-27:08 dated 27.10.2026, he determined the CIF value of the goods as under:

Sr. No.	Description	Quantity	Unit	Unit CIF (USD)	Total CIF (USD)	Total CIF (Rs.) @ Rs. 96.80/USD
1	Winter Cord Two-Piece Set	10,320	Set	1.757	18,132.24	17,55,200.83
2	Baby Pyjama	1,125	Doz	2.50	2,812.50	2,72,250.00
3	Leg Warmer	810	Doz	2.70	2,187.00	2,11,701.60
4	Baby Winter Top	587.5	Doz	2.75	1,615.63	1,56,392.50
	Total				**24,747.37**	**23,95,544.93**

14.4 I find that the importer has accepted the CE's valuation without any objection vide email dated 27.10.2026. I accordingly reject the declared assessable value of Rs. 7,96,180/- under Rule 12 of the CVR, 2007. I re-determine the assessable value at Rs. 23,95,545/- under Rule 9 of the CVR, 2007 read with Section 14 of the Customs Act, 1962.

15. THIRD ISSUE — RE-DETERMINATION OF DUTY AND RE-ASSESSMENT:

15.1 I find that on the basis of the re-determined description, classification, quantity and assessable value, the Customs duty leviable works out as under:

Sr. No.	Description	CTH	Assessable Value (Rs.)	BCD @20% (Rs.)	SWS @10% of BCD (Rs.)	IGST @5% (Rs.)	Total Duty (Rs.)
1	Winter Cord Two-Piece Set	61042300	17,55,200.83	3,51,040.17	35,104.02	1,07,067.25	4,93,211.44
2	Baby Pyjama	61119090	2,72,250.00	54,450.00	5,445.00	16,607.25	76,502.25
3	Leg Warmer	61178090	2,11,701.60	42,340.32	4,234.03	12,913.80	59,488.15
4	Baby Winter Top	61119090	1,56,392.50	31,278.50	3,127.85	9,539.94	43,946.29
	Total		**23,95,544.93**	**4,79,108.99**	**47,910.90**	**1,46,128.24**	**6,73,148.13**

15.2 I find that the importer had self-assessed duty of Rs. 2,23,727/- in the Bill of Entry. The differential duty accordingly works out to **Rs. 4,49,421/-** (Rupees Four Lakh Forty-Nine Thousand Four Hundred and Twenty-One Only), i.e. Rs. 6,73,148/- minus Rs. 2,23,727/-.

15.3 I accordingly order re-assessment of Z-Bill of Entry No. 4090047 dated 29.09.2026 under Section 17(4) of the Customs Act, 1962, with the correct description, classification, quantity, assessable value and duty as discussed above.

16. FOURTH ISSUE — CONFISCATION OF GOODS:

16.1 I find that the imported goods are liable for confiscation on the following grounds:

(a) **Section 111(l):** The Winter Cord Two-Piece Sets (10,320 Sets, 86 cartons) and the Leg Warmers (9,720 Pcs, 54 cartons) were not declared in the Bill of Entry at all. These goods, having a re-determined value of Rs. 19,66,902/-, are dutiable goods not included in the entry made under the Customs Act, 1962. They are therefore liable for confiscation under Section 111(l) of the Customs Act, 1962.

(b) **Section 111(m):** The goods do not correspond with the entry made under the Act in respect of description, quantity and value:

- two items were declared, whereas four items were found;
- Baby Pyjama was declared as 1,892 Doz against 1,125 Doz found, and Baby Winter Top as 1,398 Doz against 587.5 Doz found;
- the declared value of Rs. 7,96,180/- is against a re-determined value of Rs. 23,95,545/-.

The goods are accordingly liable for confiscation under Section 111(m) of the Customs Act, 1962.

16.2 Accordingly, I find that the entire consignment of 277 cartons (10,320 Sets of Winter Cord Two-Piece Sets, 13,500 Pcs of Baby Pyjama, 9,720 Pcs of Leg Warmers and 7,050 Pcs of Baby Winter Tops) covered under Z-Bill of Entry No. 4090047 dated 29.09.2026, in Container No. TIIU6371826, lying at M/s. Fast Track CFS Pvt. Ltd. (SEZ Unit), APSEZ, Mundra, having a re-determined assessable value of Rs. 23,95,545/-, is liable for confiscation under Sections 111(m) and/or 111(l) of the Customs Act, 1962.

16.3 As the impugned goods are found liable for confiscation, I find it necessary to consider whether a redemption fine under Section 125 of the Customs Act, 1962 is to be imposed in lieu of confiscation. Section 125 reads as under:

> *"Section 125. Option to pay fine in lieu of confiscation.— (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."*

16.4 I find that the imported goods are freely importable and are not

prohibited goods. In the case of non-prohibited goods, Section 125(1) mandates that the adjudicating authority shall give the owner an option to pay a fine in lieu of confiscation. I accordingly give M/s. Gautam Enterprises an option to redeem the said goods on payment of redemption fine under Section 125(1) of the Customs Act, 1962. In terms of Section 125(2) ibid, this is in addition to the applicable Customs duty and charges, including the differential duty, if any.

17. FIFTH ISSUE — PENALTIES:

17.1 Penalty under Section 112(a)(ii) of the Customs Act, 1962:

I find that M/s. Gautam Enterprises:

- did not declare two items (Winter Cord Two-Piece Sets and Leg Warmers) in the Bill of Entry;
- overstated the quantity of the two declared items (Baby Pajama 1,892 Doz declared against 1,125 Doz found, and Baby Winter Top 1,398 Doz declared against 587.5 Doz found); and
- undervalued the consignment (Rs. 7,96,180/- declared against Rs. 23,95,545/- re-determined).

These acts and omissions contravene Sections 46(4) and 46(4A) of the Customs Act, 1962. By them, the importer rendered the goods liable for confiscation under Sections 111(m) and/or 111(l) ibid, resulting in a short levy of duty of Rs. 4,49,421/-. The goods are dutiable goods and not prohibited goods. I accordingly find that M/s. Gautam Enterprises has rendered itself liable for penalty under Section 112(a)(ii) of the Customs Act, 1962.

17.2 Penalty under Section 114AA of the Customs Act, 1962:

I find that M/s. Gautam Enterprises filed the Z-Bill of Entry No. 4090047 dated 29.09.2026 and made, signed and used the subject BE together with the supporting invoice and packing list. These documents were false and incorrect in the following material particulars:

(i) only two items were declared, whereas four items were actually imported;

(ii) 140 out of 277 cartons, containing 10,320 Sets of Winter Cord Two-Piece Sets and 9,720 Pcs of Leg Warmers, were not declared at all;

(iii) the quantity of Baby Pajama and Baby Winter Top was overstated, so that the total number of cartons would still tally with the declaration; and

(iv) the declared assessable value of Rs. 7,96,180/- was about one-third of the re-determined value of Rs. 23,95,545/-.

The importer is the buyer who placed the order and paid for the goods, and cannot be unaware of what was contracted for and shipped. Packing undeclared goods into nearly half the cartons, while adjusting the declared quantities so that the total carton count still matched, cannot be attributed to an inadvertent or clerical error. The importer has also accepted the findings without contest. I therefore find that the false declarations were made knowingly in the transaction of business for the purposes of the Customs Act, 1962. M/s. Gautam Enterprises has accordingly rendered itself liable for penalty under Section 114AA of the Customs Act, 1962.

18. In view of the aforesaid discussions and findings, I pass the following order:

ORDER

(i) I reject the declared description, classification and quantity of the goods covered under Z-Bill of Entry No. 4090047 dated 29.09.2026. I order that the goods be re-described, re-classified and re-quantified as 10,320 Sets of Winter Cord Two-Piece Sets (CTH 61042300), 13,500 Pcs of Baby Pyjama (CTH 61119090), 9,720 Pcs of Leg Warmers (CTH 61178090) and 7,050 Pcs of Baby Winter Tops (CTH 61119090).

(ii) I reject the declared assessable value of Rs. 7,96,180/- (Rupees Seven Lakh Ninety-Six Thousand One Hundred and Eighty Only) under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. I re-determine the assessable value at **Rs. 23,95,545/-** (Rupees Twenty-Three Lakh Ninety-Five Thousand Five Hundred and Forty-Five Only) under Rule 9 of the CVR, 2007 read with Section 14 of the Customs Act, 1962.

(iii) I order re-assessment of Z-Bill of Entry No. 4090047 dated 29.09.2026 under Section 17(4) of the Customs Act, 1962, as discussed above, with total duty of Rs. 6,73,148/- (Rupees Six Lakh Seventy-Three Thousand One Hundred and Forty-Eight Only), resulting in differential duty of **Rs. 4,49,421/-** (Rupees Four Lakh Forty-Nine Thousand Four Hundred and Twenty-One Only).

(iv) I order confiscation of the imported goods, i.e. 277 cartons of garments having a re-determined value of Rs. 23,95,545/-, under Sections 111(m) and/or 111(l) of the Customs Act, 1962. However, I give M/s. Gautam Enterprises an option to redeem the said goods on payment of a Redemption Fine of **Rs. 2,40,000/- (Rupees Two Lakh Forty Thousand Only)** under Section 125(1) of the Customs Act, 1962.

(v) I impose a penalty of **Rs. 44,000/- (Rupees Forty-Four Thousand Only)** on M/s. Gautam Enterprises (IEC: AIEPA0096L) under Section 112(a)(ii) of the Customs Act, 1962.

(vi) I impose a penalty of **Rs. 25,000/- (Rupees Twenty-Five Thousand Only)** on M/s. Gautam Enterprises (IEC: AIEPA0096L) under Section 114AA of the Customs Act, 1962.

19. This Order-in-Original is issued without prejudice to any other action that may be taken against M/s. Gautam Enterprises or any other person under the provisions of the Customs Act, 1962, or any rules, regulations or notifications made thereunder, or under any other law for the time being in force.

Digitally signed by Dipakbhai Zala
Date: 04-11-2026 16:52:50

(DIPAK ZALA)
Additional Commissioner of Customs,
Mundra Customs

To,
M/s. Gautam Enterprises (IEC: AIEPA0096L)
N-10, Ground Floor, Chanakya Place Part-2,
Uttam Nagar, New Delhi – 110059

Copy to:

1. The Additional Commissioner (SIIB), Custom House, Mundra
2. The Dy./Asstt. Commissioner (RRA/TRC), Custom House, Mundra
3. The Dy./Asstt. Commissioner (EDI), Custom House, Mundra