

		<b>प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा</b> <b>OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS,</b> <b>CUSTOM HOUSE: MUNDRA, KUTCH</b> <b>MUNDRA PORT &amp; SPL ECONOMIC ZONE, MUNDRA-370421</b> <b>ई-मेल/ E-Mail: group5-mundra@gov.in</b>
A	फा./.सं. FILE NO.	CUS/APR/INV/722/2025-Gr 5-6-O/o Pr Commr-Cus-Mundra
B	मूल आदेश सं. ORDER-IN- ORIGINAL NO.	MCH/ADC/ZDC/383/2025-26
C	द्वारा पारित किया गया PASSED BY	<b>Dipak Zala,</b> Additional Commissioner of Customs, Custom House, Mundra
D	आदेश की तिथि DATE OF ORDER	19-11-2025
E	जारी करने की तिथि DATE OF ISSUE	19-11-2025
F	कारण बताओ नोटिस संएवं तिथि . SCN NO. & DATE	Importer requested for SCH & PH Waiver
G	नोटिसीपार्टी / आयातक/ NOTICEE/PARTY/ IMPORTER	M/s. Vidhi Enterprise (IEC No. ADBPR2816D) 2nd Floor, Office No. B/26, New Green Apartment, Behind Ashirvad Hospital, Turel Pakhadi Road, Malad West, Mumbai - 400 064
H	डिन DIN	20251171MO00008184E5

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

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

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 129A(1) के अंतर्गत प्रपत्र सीए3-में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-

Any person aggrieved by this Order - in - Original may file an appeal under Section 128 A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

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

“The Commissioner of Customs (Appeals), Mundra, 4<sup>TH</sup> Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009.”

3. उक्त अपील यह आदेश भेजने की दिनांक से तीन माह के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within three months 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 accompanied by -

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रूपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प वहन करना चाहिए।

The appeal should bear Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paisa only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.

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

7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के सभी मामलों में पालन किया जाना चाहिए।

While submitting the appeal, the Customs (Appeals) Rules, 1982 and the Customs Act, 1962 should be adhered to in all respects.

8. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (Appeals) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

### BRIEF FACTS OF THE CASE

M/s. Vidhi Enterprise (IEC: ADBPR2816D) (hereinafter referred to as 'the importer' for the sake of brevity) having address at 2<sup>nd</sup> Floor, Office No. B/26, New Green Apartment, Behind Ashirvad Hospital, Turel Pakhadi Road, Malad West, Mumbai, had filed Bill of Entry (for SEZ Import Z-Type) No. 3145224 dtd. 09.07.2025 for import of the following declared goods, through Container No. TCNU5938006:

Table-A

Sr.No.	CTH	Description	Quantity	Unit	Unit Price declared in BE	Total Amount (USD)
1	39269099	Empty Packing Pouch	31	KGS	0.59	18.29
2	39269099	Plastic Card	120	KGS	0.59	70.80
3	67021090	Artificial Flowers	594	KGS	0.58	344.52
4	83089099	Key Chain	48	KGS	0.60	28.80
5	96099090	Stationary Sets	180	KGS	0.75	135
6	94042990	Cushion Cover	2185	KGS	1	2185
7	95069990	Ankle Protection	1000	PRS	0.025	25
8	82130000	Small Scissors	1000	PCS	0.010	10
9	96151900	Hair Band/Hair Ornaments	598	KGS	0.59	352.82
10	83089099	Iron String (Purse Accessories)	2220	KGS	0.58	1287.60
11	39269099	Plastic Raw Material (Garment Accessories)	310	KGS	0.59	182.90
12	83089099	Metal Raw Materials(Garment Accessories)	548	KGS	0.65	356.20
		Cup Chain (Garment)				

13	83089099	Accessories)	84	KGS	0.60	50.40
14	70181020	Glass Beads Fitted with Metal Claw	56	KGS	0.75	42
15	70181020	Assorted Glass Beads	2196	KGS	0.78	1712.88
16	39264029	Assorted Plastic Beads	754	KGS	0.75	565.50
17	84609010	Small Beads polishing Machine	2	PCS	15	30
18	84821011	Bearing Parts of Elevator-Liner Motion	4800	KGS	0.59	2832
19	82023900	Iron Saw Blade	2748	KGS	0.70	1923.60
20	84133030	Submersible Water Pump & Accessories	280	PCS	2.50	700
21	84133030	Water Pump & Accessories	240	PCS	0.75	180
22	85124000	Wiper Blade	3200	PCS	0.15	480
23	87149910	Bicycle Chain	5800	KGS	0.80	4640
<b>TOTAL</b>						<b>18153.31</b>

2. On the basis of NCTC Alert received for the subject consignment, container no. TCNU5938006 was put on hold by SIIB, Custom House, Mundra for 100% examination. Subject consignment was examined by SIIB, Custom House, Mundra at M/s. Rudraksh Terminal LLP (A Unit in Adani Port SEZ, Mundra) under Panchnama dated 22.07.2025 in the presence of Panchas and Shri Rajneesh Manoj Dwivedi, Operation Manager in M/s Rudraksh Terminal LLP. Shri Rajneesh provided copy of BE, Bill of Lading, Commercial Invoice, Packing List, Weighment Slip and other relevant documents for subject SEZ Bill of Entry No. 3145224dtd. 09.07.2025. As per weighment slip Net Weight found as 32010 Kgs. Further, on being asked Shri Rajneesh Manoj Dwivedi, Operation Manager stated that said Net Weight included the weight of the container further container tare weight mentioned on the container was 3840 kgs. Therefore, as per Weighment slip net weight of the cargo found as 28170 kgs (i.e. 32010-3840). GW as per BE was 27950 Kgs.

2.1. Further, the goods were re-examined vide Panchnama dated 17.10.2025 by SIIB, Custom House, Mundra at M/s. Rudraksh Terminal LLP (A Unit in Adani Port SEZ, Mundra) under Panchnama dated 22.07.2025 in the presence of Panchas and Shri Rajneesh Manoj Dwivedi, Operation Manager in M/s Rudraksh Terminal LLP. Thereafter, the goods were examined systematically by the Custom Officer. The goods which were declared in Kgs were weighed on the weighing scale provided by Shri Rajneesh Manoj Dwivedi, Operation Manager and the goods which were declared in Pcs were destuffed on the floor and counted.

3. During examination goods found as below:

**Table-B**

S.No.	Description	Quantity as BE	UQC	Carton/Bags	Total Weight approx. /Pieces
1	Empty Packing Pouch	31	KGS	1	33 kgs
2	Plastic Card	120	KGS	3	126 kgs
3	Artificial Flowers	594	KGS	90	800 Kgs

4	Key Chain	48	KGS	4	56 Kgs
5	Stationary Sets	180	KGS	6	192 kgs/1584 Pcs
6	Cushion Cover	2185	KGS	23	2415
7	Ankle Protection	1000	PRS	4	1000 pairs
8	Small Scissors	1000	PCS	1	1000 pcs
9	Hair Band/Hair Ornaments	598	KGS	48	694
10	Iron String (Purse Accessories)	2220	KGS	65	2350
11	Plastic Raw Material (Garment Accessories)	310	KGS	9	328
12	Metal Raw Materials(Garment Accessories)	548	KGS	10	268
13	Cup Chain (Garment Accessories)	84	KGS	3	90
14	Glass Beads Fitted with Metal Claw	56	KGS	2	60
15	Assorted Glass Beads	2196	KGS	110	2750
16	Assorted Plastic Beads	754	KGS	26	806
17	Small Beads polishing Machine	2	PCS	2	2 pcs
18	Bearing Parts of Elevator-Liner Motion	4800	KGS	3 Pellets	5280
19	Iron Saw Blade	2748	KGS	146	3040
20	Submersible Water Pump & Accessories	280	PCS	70	280 Pcs
21	Water Pump & Accessories	240	PCS	40	240 Pcs
22	Wiper Blade	3200	PCS	64	3200 Pcs
23	Bicycle Chain	5800	KGS	4 Pellets	6430

In view of above, goods at S.No.1 to 6, 9 to 16, 18 to 19 and 23 were found misdeclared in terms of quantity and weight.

**4. Rejection of transaction value of the imported goods and determination of the value of the import goods**

**4.1.** Since during examination, items have been found misdeclared in terms of

quantity and weight, as detailed in Table-B above, there appears to be reason to doubt the truth or accuracy of the value declared in relation to the impugned imported goods. Therefore, the declared assessable value of the goods cannot be considered as transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the provisions of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 (CVR, 2007) and thus, the same is liable to be rejected in terms of Rule 12 of CVR, 2007.

**4.2.** As per Rule 3(4) of CVR, 2007, 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. The subject consignment is of China origin and comprises mixed items having different physical characteristics, quality, reputation, make, mark and functions/purposes. Transaction value of exact identical/similar goods of China origin having same physical characteristics, quality, reputation, make, mark and functions/purposes could not be found on NIDB data or other platforms. Hence, the value of the impugned goods could not be determined under Rule 4 to 8 of CVR, 2007 and appears to be determinable under Rule 9 (Residual method) of CVR, 2007.

**"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<sup>1</sup> 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."*

**4.3.** Therefore, opinion of the Empanelled Chartered Engineer was sought for valuation purpose. Er. Ajayrajsinh B. Jhala, Empanelled Chartered Engineer vide his CE Opinion Certificate Ref:- ABJ:INSP:CE:SIIB:RUD:25-26:01 dated 13.10.2025 has provided the valuation of the goods which is as under:

**Valuation Table**

**(Table-C)**

Sr. No.	Description of Goods - As per declared BE	Quantity - As per BE	Units per BE	Description of Goods - Actual Goods found after examination	Actual Quantity found during	Unit- As found after examination	Per Unit Declared C.I.F. Value - Assessed Bill of Entry	Total Declared C.I.F. Value - of Bill of Entry	Per Unit Average Suggestive C.I.F. Value in Bulk Lot	Suggestive Total C.I.F. Average Value in Bulk Lot Quantity
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					examination		Entry USD	Value in USD	Quantity by C.E. in USD (Approx.)	by C.E. in USD (Approx.)
1	Empty Packing Pouch	31	KGS	Empty Packing Pouch	33	KGS	0.59	18.29	0.7	23.1
2	Plastic Card	120	KGS	Plastic Card	126	KGS	0.59	70.80	0.7	88.2
3	Artificial Flowers	594	KGS	Artificial Flowers	800	KGS	0.58	344.52	1.16	928
4	Key Chain	48	KGS	Key Chain	56	KGS	0.60	28.80	1.16	64.96
5	Stationary Sets	180	KGS	Stationary Sets	192	KGS	0.75	135	1.5	288
6	Cushion Cover	2185	KGS	Cushion Cover	2415	KGS	1	2185	2	4830
7	Ankle Protection	1000	PRS	Ankle Protection	1000	PRS	0.025	25	0.06	60
8	Small Scissors	1000	PCS	Small Scissors	1000	PCS	0.010	10	0.05	50
9	Hair Band/Hair Ornaments	598	KGS	Hair Band/Hair Ornaments	694	KGS	0.59	352.82	1	694
10	Iron String (Purse Accessories)	2220	KGS	Iron String (Purse Accessories)	2350	KGS	0.58	1287.60	0.7	1645
11	Plastic Raw Material (Garment Accessories)	310	KGS	Plastic Raw Material (Garment Accessories)	328	KGS	0.59	182.90	0.9	295.2
12	Metal Raw Materials(Garment Accessories)	548	KGS	Metal Raw Materials(Garment Accessories)	268	KGS	0.65	356.20	1.18	316.24
13	Cup Chain (Garment Accessories)	84	KGS	Cup Chain (Garment Accessories)	90	KGS	0.60	50.40	1.15	103.5
14	Glass Beads Fitted with Metal Claw	56	KGS	Glass Beads Fitted with Metal Claw	60	KGS	0.75	42	1.5	90
15	Assorted Glass Beads	2196	KGS	Assorted Glass Beads	2750	KGS	0.78	1712.88	0.85	2337.5
16	Assorted Plastic Beads	754	KGS	Assorted Plastic Beads	806	KGS	0.75	565.50	0.82	660.92
17	Small Beads polishing Machine	2	PCS	Small Beads polishing Machine	2	PCS	15	30	50	100

18	Bearing Parts of Elevator-Liner Motion	4800	KGS	Bearing Parts of Elevator-Liner Motion	5280	KGS	0.59	2832	0.9	4752
19	Iron Saw Blade	2748	KGS	Iron Saw Blade	3040	KGS	0.70	1923.60	1.3	3952
20	Submersible Water Pump & Accessories	280	PCS	Submersible Water Pump & Accessories	280	PCS	2.50	700	30	8400
21	Water Pump & Accessories	240	PCS	Water Pump & Accessories	240	PCS	0.75	180	4	960
22	Wiper Blade	3200	PCS	Wiper Blade	3200	PCS	0.15	480	0.18	576
23	Bicycle Chain	5800	KGS	Bicycle Chain	6430	KGS	0.80	4640	1	6430
<b>TOTAL AVERAGE (APPROX.) :</b>								<b>18153.31 USD</b>		<b>37644.62 USD</b>

**4.4.** As per the CE Opinion Certificate dated 13.10.2025, overall suggestive CIF Value for the consignment have been found to be 37644.62 USD instead of declared/assessed CIF Value of 18153.31 USD.

**5.** The above said CE Opinion report was sent to the importer who vide their e-mail dated 13.10.2025 has submitted that:

- He agrees with the findings of the CE Opinion report dated 13.10.2025;
- The importer had placed the order for respective quantities of the goods as mentioned in the commercial invoice and bill of entry was filed on the basis of the import documents provided by the supplier;
- That the quantity mismatch is on minor side and due to the mistake on part of supplier at the time of stuffing the container.
- That as the cargo is live, the same may be cleared at the earliest;
- They agreed with mis-declaration in quantity and that they are ready to pay the differential duty along with applicable interest, fine and penalty duty arise due to the mismatch of quantity of the goods.

#### **6. Duty Calculation:**

**6.1.** In view of the foregoing paras, duty in respect of the said consignment is worked out as under mentioning mis-declaration noticed in terms of description/classification/ quantity/valuation mentioned against the respective items:

**Table-D**

Sr. No	Description of Goods found during examination	CTH	Actual Quantity found during examination	Unit- A is found after examination	Suggestive Unit C.I.F. Average Value in Bulk Lot Quantity in USD (Approx.)	Suggestive Total C.I.F. Average Value in Bulk Lot Quantity in USD ( Approx.)	Suggestive CIF Value by CE (in Rs.)	BCD (in Rs.)	SWS (in Rs.)	IGST (in Rs.)	Total (in Rs.)	Remarks	
1	Empty Packing Pouch	39269	099	33	KGS	0.7	23.1	1991	299	30	418	746	Unit Price Change + Excess Qty

2	Plastic Card	39269 099	126	KGS	0.7	88.2	7603	1140	114	1594	2849	Unit Price Change + Excess Qty
3	Artificial Flo wers	67021 090	800	KGS	1.16	928	79994	15999	1600	17567	35165	Unit Price Change + Excess Qty
4	Key Chain	83089 099	56	KGS	1.16	64.96	5600	560	56	1119	1735	Unit Price Change + Excess Qty
5	Stationary S ets	96099 090	192	KGS	1.5	288	24826	2483	248	3307	6038	Unit Price Change + Excess Qty
6	Cushion Co ver	94042 990	2415	KGS	2	4830	416346	83269 0	89931	173200		Unit Price Change + Excess Qty
7	Ankle Prote ction	95069 990	1000	PRS	0.06	60	5172	1034	103	1136	2274	Unit Price Change
8	Small Scisso rs	82130 000	1000	PCS	0.05	50	4310	431	43	861	1335	Unit Price Change
9	Hair Band/ Hair Ornam ents	96151 900	694	KGS	1	694	59823	11965	1196	8758	21919	Unit Price Change + Excess Qty
10	Iron String (P urse Acces sories)	83089 099	2350	KGS	0.7	1645	141799	14180	1418	28331	43929	Unit Price Change + Excess Qty
11	Plastic Raw Material (Ga rment Acces sories)	39269 099	328	KGS	0.9	295.2	25446	3817	382	5336	9535	Unit Price Change + Excess Qty
12	Metal Raw Materials(G arment Acce ssories)	83089 099	268	KGS	1.18	316.24	27260	2726	273	5447	8445	Unit Price Change + Less Qty
13	Cup Chain (G arment Ac cessories)	83089 099	90	KGS	1.15	103.5	8922	892	89	1783	2764	Unit Price Change + Excess Qty
14	Glass Beads Fitted with Metal Claw	70181 020	60	KGS	1.5	90	7758	1552	155	473	2180	Unit Price Change + Excess Qty
15	Assorted Gl ass Beads	70181 020	2750	KGS	0.85	2337.5	201493	40299	4030	12291	56619	Unit Price Change + Excess Qty
16	Assorted Pla stic Beads	39264 029	806	KGS	0.82	660.92	56971	8546	855	7965	17365	Unit Price Change + Excess Qty
17	Small Beads polishing M achine	84609 010	2	PCS	50	100	8620	647	65	1680	2391	Unit Price Change
18	Bearing Par ts of Elevator -Liner Motio n	84821 011	5280	KGS	0.9	4752	409622	30722	3072	79815	113609	Unit Price Change + Excess Qty
	Iron Saw Bl	82023 900	3040		1.3	3952		34066				Unit Price Change + Excess Qty

19	ade			KGS			340662	3407	68064	105537	
20	Submersible Water Pump & Accessories	84133 030	280	PCS	30	8400	54306				Unit Price Change
21	Water Pump & Accessories	84133 030	240	PCS	4	960	724080	5431	21946 9	279205	
22	Wiper Blade	85124 000	3200	PCS	0.18	576	6206	82752	621	25082	31909
23	Bicycle Chain	87149 910	6430	KGS	1	6430	49651	7448	745	10412	18604
						37644.62	554266	11085 3	1108 5	81145	203083
										114043 6	

**6.2.** The declared/assessed value for the subject consignment is Rs. 1564815/- and duty thereupon is Rs. 540964/-. However, in view of the CE Opinion Certificate dated 13.10.2025, the re-determined assessable value for the subject consignment comes to Rs. 32,44,966/- on which applicable duty comes to Rs. 11,40,436/- resulting in differential duty of Rs. 5,99,472/-.

**7 .** In view of the foregoing paras, *prima facie*, it appears that certain goods as mentioned in Table-D above, have been mis-declared by the importer in terms of quantity/valuation. Therefore, it appears that the importer has contravened the provisions of Section 17 and Section 46 of the Customs Act, 1962 in as much as they have failed to make correct and true declaration/information in the subject Bill of Entry. These acts of omission and commission on the part of importer has made the impugned goods having re-determined assessable value of Rs. 32,44,966/- liable for confiscation under Section 111(m) and Section 111 (l) of the Act and hence, rendered the importer liable for penal action under Section 112(a)(ii) of the Act. It further appears that the importer has furnished false and incorrect documents before the Customs Department for import of the subject consignment by misdeclaring the goods in terms of quantity and valuation to evade higher duty rate. This act of omission and commission on part of the importer has rendered them liable for penal action under Section 114AA of the Customs Act, 1962.

## 8. RELEVANT LEGAL PROVISIONS:

### (A) RELEVANT PROVISIONS OF THE SEZ ACT, 2005 AND RULES MADE THEREUNDER:

#### SEZ ACT, 2005

**Section 2. Definitions.** – *In this Act, unless the context otherwise requires, –*

.....

**(o) “import” means –**

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

mode, whether physical or otherwise; or

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

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

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

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

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

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

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

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

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

**SEZ RULES, 2006**

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

**NOTIFICATION NO. 2665(E) AND 2667(E) DATED 05.08.2016**

**S.O. 2665(E).—** In exercise of the powers conferred by sub-section (1) of section 21 of the Special Economic Zones Act, 2005 (28 of 2005) (hereinafter referred as the Act), the Central Government hereby, notifies the offences contained in the under-mentioned sections of the Customs Act, 1962 (52 of 1962), the Central Excise Act, 1944 (1 of 1944) and the Finance Act, 1994 (32 of 1994) as offences under the Act:-

<b><i>The Customs Act, 1962</i></b>	
1.	Section 28, 28AA and 28AAA

2.	Section 74 and 75
3	Section 111
4.	Section 113
5.	Section 115
6.	Section 124
7.	Section 135
8.	Section 104

.....

.....

**S.O. 2667(E).** – *In exercise of the powers conferred by section 22 of the Special Economic Zones Act, 2005 (28 of 2005) (hereinafter referred as the Act), the Central Government authorises the jurisdictional Customs Commissioner, in respect of offences under the Customs Act, 1962 (52 of 1962) and Commissioner of Central Excise in respect of offences under the Central Excise Act, 1944 (1 of 1944) and the Finance Act, 1994 (32 of 1994) and notified under the Act, for the reasons to be recorded in writing, to carry out the investigation, inspection, search or seizure in a Special Economic Zone or Unit with prior intimation to the Development Commissioner, concerned.*

**(B) RELEVANT PROVISIONS OF THE CUSTOMS ACT, 1962:**

**Section 2. Definitions-**

*In this Act, unless the context otherwise requires,*

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

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

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

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

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

**Section 11A. Definitions-**

*In this Act, unless the context otherwise requires,*

**(a)** "illegal import" means the import of any goods in contravention of the provisions of this Act or any other law for the time being in force.

**Section 17. Assessment of duty. –**

**(1)** An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section

85, self-assess the duty, if any, leviable on such goods.

....

**(4)** Where it is found on verification, examination or testing of the goods or otherwise that the self-assessment is not done correctly, the proper officer may, without prejudice to any other action which may be taken under this Act, re-assess the duty leviable on such goods.

**Section 46. Entry of goods on importation. -**

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

....

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

**(4A)** The importer who presents a bill of entry shall ensure the following, namely:

- (a) the accuracy and completeness of the information given therein;
- (b) the authenticity and validity of any document supporting it; and
- (c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.

**Section 111. Confiscation of improperly imported goods, etc. -** The following goods brought from a place outside India shall be liable to 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 transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54;

**Section 112. Penalty for improper importation of goods, etc. -**

Any person,-

**(a)** who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or

**(b)** who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to

*confiscation under section 111,  
shall be liable,-*

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

***Section 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.*

**9. Summary of Investigation Conducted:**

**9.1.** The importer M/s. Vidhi Enterprise (IEC: ADBPR2816D) had filed Bill of Entry (for SEZ Import Z-Type) No 3145224dtd. 09.07.2025 for import of various items as detailed in Table-A above. On the basis of the findings of Panchnama dated 22.07.2025 and re-examination vide Panchnama dated 17.10.2025 and CE Opinion Certificate dated 13.10.2025, it was observed that certain impugned goods have been found to be misdeclared in terms of quantity/valuation as detailed in Table-D above. Thus, by the act of omission and commission at the level of importer, it appears that the importer has contravened the provisions of Section 17 and Section 46 of the Customs Act, 1962, in as much as they have failed to make correct and true declaration/information to the Customs Officer in the form of Bill of Entry.

**9.2.** Hence, the impugned goods having re-determined assessable value of Rs. 32,44,966/- are liable for confiscation under Section 111(l) and 111(m) of the Act rendering the importer liable for penal action under Section 112(a)(ii) of the Act and Section 114AA of the Customs Act, 1962.

**10.** The importer M/s. Vidhi Enterprise through their authorized representative vide his email dated 13.10.2025 has submitted that they don't want any Show Cause Notice and Personal Hearing against the subject shipment.

**PERSONAL HEARING AND SUBMISSIONS**

**11.** The importer M/s. Vidhi Enterprise vide email dated 13.11.2025 has submitted the following:

*"We Importer VIDHI ENTERPRISES hereby request your good office to release the goods which been hold by SIIB For the Purpose of examination the Examination report and CA Report presented to us is been accepted.*

*Further, as it's a live shipment we are facing significant charges and heavy losses from the customers so hereby we request your office to release the goods at the earliest*

*Also, we would like to say that we don't want any SCN and PH against the shipment.*

*Kindly do the needful and oblige."*

## DISCUSSION AND FINDINGS

**12.** I have carefully gone through the records of the case and Investigation Report dated 04.11.2025. The importer vide letter dated 13.11.2025 has requested for waiver of Show Cause Notice and personal hearing in the matter. Thus, I find that the principles of natural justice as provided under 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 record. The main issues to be decided are:

- (i)** Whether the declared assessable value of **Rs. 15,64,815/-** for the goods under SEZ Z-Type Bill of Entry No. 3145224 dated 09.07.2025 is liable to be rejected under Rule 12 of CVR, 2007 and re-determined as **Rs. 32,44,966/-** as per the Chartered Engineer's valuation report in terms of Rule 9 of CVR, 2007;
- (ii)** Whether the quantity and unit price of certain impugned goods covered under Bill of Entry (for SEZ Import Z-Type) No. 3145224 dated 09.07.2025 needs to be amended as per **Table-D**, supra;
- (iii)** Whether the Bill of Entry No. 3145224 dated 09.07.2025 requires re-assessment under Section 17(4) of the Customs Act, 1962 to levy the re-determined duty;
- (iv)** Whether the goods are liable for confiscation under Section 111(l) and Section 111(m) of the Customs Act, 1962;
- (v)** Whether penalties under Section 112(a)(ii) and Section 114AA of the Customs Act, 1962 are imposable on the importer M/s. Vidhi Enterprise.

**13.1** Regarding the first issue, I find that the importer has imported goods declared under Bill of Entry (for SEZ Import Z-Type) No. 3145224 dated 09.07.2025 with declared assessable value of **Rs. 15,64,815/-**. On physical examination conducted under Panchnama dated 22.07.2025 and re-examination vide Panchnama dated 17.10.2025, it was found that the goods at Serial No. 1 to 6, 9 to 16, 18, 19 and 23 were found mis-declared in terms of quantity and weight as detailed in **Table-B**, supra. The actual quantities and weights of goods were significantly different from the declared quantities. I find that since the goods found on examination differ significantly from the declared goods in terms of quantity and weight, there appeared reason to doubt the truth or accuracy of the value declared. The value declared by the importer does not appear to be the true transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the provisions of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 (CVR, 2007).

**13.2** I find that as per Rule 12 of CVR, 2007, when the proper officer has reason to doubt the truth or accuracy of the value declared in relation to any imported goods, and after receiving further information or in the absence of a response, 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. In the present case, the significant discrepancies in quantity and weight found during examination give sufficient reason to doubt the declared value.

**13.3** I find that as per Rule 3(4) of CVR, 2007, if the value cannot be determined under the provisions of sub-rule (1), the value shall be determined by proceeding sequentially through Rules 4 to 9. The subject consignment is of China origin and comprises mixed items having different physical characteristics, quality, reputation, make, mark and functions/purposes. Transaction value of exact identical/similar goods of China origin

having same physical characteristics, quality, reputation, make, mark and functions/purposes could not be found on NIDB data or other platforms. Hence, the value of the impugned goods could not be determined under Rules 4 to 8 of CVR, 2007.

**13.4** I find that accordingly, the value is to be determined under Rule 9 (Residual method) of CVR, 2007. The empanelled Chartered Engineer Er. Ajayrajsinh B. Jhala was engaged for valuation purposes and vide CE Opinion Certificate Ref: ABJ:INSP:CE:SIIB:RUD:25-26:01 dated 13.10.2025, has provided the valuation of the goods. The Chartered Engineer has determined that the suggestive CIF value of the goods is USD 37,644.62 (**Rs. 32,44,966/-**). The importer vide their email dated 13.10.2025 has accepted the Chartered Engineer's valuation report.

**13.5** I find that the declared assessable value was **Rs. 15,64,815/-**, whereas the re-determined assessable value as per the Chartered Engineer's report is **Rs. 32,44,966/-**, showing an undervaluation of **Rs. 16,80,151/-**. This significant undervaluation, coupled with mis-declaration of quantity and weight, clearly establishes that the declared value is not acceptable.

**13.6** In view of the above, I hold that the declared assessable value of **Rs. 15,64,815/-** is liable to be rejected under Rule 12 of CVR, 2007 and the value is re-determined at **Rs. 32,44,966/-** in terms of Rule 9 of CVR, 2007 based on the Chartered Engineer's valuation report dated 13.10.2025.

**14.1** Regarding the second issue, I find that the importer has imported goods covered under Bill of Entry No. 3145224 dated 09.07.2025 with declared CIF value of **Rs. 15,64,815/-**. The consignment was declared to contain 23 different items as mentioned in **Table-A**, supra. On physical examination conducted under Panchnama dated 22.07.2025 and re-examination vide Panchnama dated 17.10.2025 at M/s. Rudraksh Terminal LLP (A Unit in Adani Port SEZ, Mundra) in the presence of independent Panchas and Shri Rajneesh Manoj Dwivedi, Operation Manager, it was found that the goods at Serial No. 1 to 6, 9 to 16, 18, 19 and 23 were found mis-declared in terms of quantity and weight as detailed in **Table-B**, supra. The actual quantities and weights of goods were significantly different from the declared quantities.

**14.2** In view of the above findings and since the value has been re-determined at **Rs. 32,44,966/-** as discussed in first issue, I hold that the quantity and unit price of the impugned goods covered under Bill of Entry No. 3145224 dated 09.07.2025 need to be amended as per **Table-D**, supra.

**15.1** Regarding the third issue, I find that Section 17(4) of the Customs Act, 1962 provides that "*where it is found on verification, examination or testing of the goods or otherwise that the self-assessment is not done correctly, the proper officer may, without prejudice to any other action which may be taken under this Act, re-assess the duty leviable on such goods.*" In the present case, I find that the self-assessment is incorrect and incomplete as it is based on wrong quantity, incorrect weight, and undervalued goods. The declared value has been rejected and re-determined as **Rs. 32,44,966/-** as discussed above. The duty liability needs to be re-calculated based on the re-determined assessable value.

**15.2** I find that as per the re-determined assessable value of **Rs. 32,44,966/-**, the duty liability is as follows:

Sr. No.	Item Description	Declared Assessable Value (In Rs.)	Total Re-determined Assessable Value (In Rs.)	Declared Duty (In Rs.)	Total Re-determined Duty (In Rs.)	Differential Duty (In Rs.)
1	Various Goods (as mentioned in Table-D,	15,64,815/-	32,44,966/-	5,40,964/-	11,40,436/-	5,99,472/-

supra)

**15.3** Therefore, I hold that Bill of Entry No. 3145224 dated 09.07.2025 is liable to be re-assessed under Section 17(4) of the Customs Act, 1962 and the total re-determined duty liability is Rs. 11,40,436/- as against the declared duty of Rs. 5,40,964/-, resulting in differential duty of **Rs. 5,99,472/-** (Rupees Five Lakh Ninety Nine Thousand Four Hundred Seventy Two Only).

**16.1** Regarding the fourth issue, I find that Section 111(l) of the Customs Act, 1962 provides for confiscation of "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."

**16.2** I find that in the present case, the importer declared specific quantities and weights of various goods in Bill of Entry No. 3145224 dated 09.07.2025 as detailed in **Table-A**, supra. However, on physical examination, it was found that the actual quantities and weights of goods at Serial No. 1 to 6, 9 to 16, 18, 19 and 23 were found to be in excess of the declared quantities/weights. This clearly establishes that there were excess goods which were not included in the entry made under the Act.

**16.3** I find that Section 111(m) of the Customs Act, 1962 provides for confiscation of "*any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under Section 77 in respect thereof, or in the case of goods under transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54.*"

**16.4** I find that in the present case, the goods do not correspond with the entry made in the Bill of Entry in multiple respects i.e. quantity, weight and value. I find that the importer has violated Section 46(4) of the Customs Act, 1962 by not making a true declaration as to the contents of the Bill of Entry. Further, the importer has violated Section 46(4A) of the Customs Act, 1962 by not ensuring the accuracy and completeness of the information given in the Bill of Entry. The significant discrepancies in quantity, weight, and value clearly establish that the declaration made was false and incorrect.

**16.5** I find that the importer's acts of omission and commission have rendered the goods liable to confiscation. The excess quantity/weight, mis-declaration of quantity in 20 items, and significant undervaluation collectively establish that the goods do not correspond with the entry made under the Act. Therefore, I hold that the goods imported vide Bill of Entry No. 3145224 dated 09.07.2025 having re-determined assessable value of **Rs. 32,44,966/-** are liable for confiscation under Section 111(l) and Section 111(m) of the Customs Act, 1962.

**16.6** Further, I note that as per Section 125(1) of the Customs Act, 1962, in case of confiscation of goods other than prohibited goods, an option to pay fine in lieu of confiscation shall be given to the owner. In the present case, since the imported goods are not prohibited goods, I find it appropriate to give the importer an option to redeem the confiscated goods on payment of appropriate redemption fine under Section 125 of the Customs Act, 1962.

**17.1** Regarding the fifth issue, I find that Section 112(a)(ii) of the Customs Act, 1962 provides for penalty in the case of dutiable goods, other than prohibited goods, on any person who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111. In the present case, I find that the importer has imported mis-declared and undervalued goods with differential duty liability of **Rs. 5,99,472/-**. The importer's acts of declaring wrong

quantity, declaring incorrect weight in 20 out of 23 items, and significant undervaluation have rendered the goods liable to confiscation under **Section 111(l)** and **Section 111(m)** of the Customs Act, 1962. These acts of omission and commission attract penalty under **Section 112(a)(ii)** of the Customs Act, 1962.

**17.2** I find that Section 114AA provides for a penalty for the use of false and incorrect material. In the present case, the importer knowingly suppressed material facts regarding the actual particulars of the goods, including misdeclaring the quantity in 20 out of 23 items and significantly undervaluing the goods. The importer filed a Bill of Entry declaring specific quantities and weights, but actual examination revealed substantially different quantities and weights, thereby concealing information about excess goods. The importer made and subscribed to a declaration as to the truth of the contents of the Bill of Entry as per Section 46(4), but this declaration was false and incorrect in material particulars. As per Section 46(4A), it is the importer's statutory responsibility to ensure the accuracy of the information. The importer cannot merely rely on the supplier's documents without verification and then claim innocence. The importer is presumed to have knowledge of the goods being imported in their name. I find that this suppression of material facts regarding the quantity and weight of goods, and significant undervaluation of **Rs. 16,80,151/-**, constitutes the use of false and incorrect material particulars in documents filed for Customs purposes, thereby attracting a penalty under **Section 114AA** of the Customs Act, 1962.

**17.3** Therefore, I find that penalties under **Sections 112(a)(ii)** and **114AA** of the Customs Act, 1962 are imposable upon the importer M/s. Vidhi Enterprise.

### ORDER

**18.** In view of the foregoing discussion and findings, I pass the following order:

**(i)** I order to reject the declared assessable value of **Rs. 15,64,815/-** in respect of goods covered under SEZ Z-Type Bill of Entry No. 3145224 dated 09.07.2025 under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and order re-determination of assessable value at **Rs. 32,44,966/-** (Rupees Thirty Two Lakh Forty Four Thousand Nine Hundred Sixty Six Only) in terms of Rule 9 of CVR, 2007;

**(ii)** I order to amend the quantity and unit price of the impugned goods covered under Bill of Entry No. 3145224 dated 09.07.2025 as per **Table-D**, supra;

**(iii)** I reject the self-assessment of Bill of Entry No. 3145224 dated 09.07.2025 and order to re-assess the same under Section 17(4) of the Customs Act, 1962. The total re-determined duty liability is **Rs. 11,40,436/-**. The differential duty on the imported goods comes out to **Rs. 5,99,472/-** (Rupees Five Lakh Ninety Nine Thousand Four Hundred Seventy Two Only);

**(iv)** I order to confiscate the imported goods covered under Bill of Entry No. 3145224 dated 09.07.2025 having re-determined assessable value of **Rs. 32,44,966/-** (Rupees Thirty Two Lakh Forty Four Thousand Nine Hundred Sixty Six Only), under **Sections 111(l)** and **111(m)** of the Customs Act, 1962. However, I give option to the importer to redeem the said goods for home consumption under Section 125 of Customs Act, 1962 on payment of Redemption Fine of **Rs. 3,20,000/-** (Rupees Three Lakh Twenty Thousand Only);

**(v)** I impose penalty of **Rs. 55,000/-** (Rupees Fifty Five Thousand Only) on the importer M/s. Vidhi Enterprise under **Section 112(a)(ii)** of Customs Act, 1962;

**(vi)** I impose penalty of **Rs. 50,000/-** (Rupees Fifty Thousand Only) on the importer M/s. Vidhi Enterprise under **Section 114AA** of Customs Act, 1962.

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

**(Dipak Zala)**  
Additional Commissioner (Import)  
Custom House, Mundra

**To,**

M/s. Vidhi Enterprise (IEC No. ADBPR2816D)  
2nd Floor, Office No. B/26, New Green Apartment,  
Behind Ashirvad Hospital, Turel Pakhadi Road,  
Malad West, Mumbai – 400 064

**Copy to:**

1. The Deputy Commissioner, SIIB, Customs House, Mundra
2. The Deputy Commissioner, Review, Customs House, Mundra
3. The Deputy Commissioner, TRC, Custom House, Mundra
4. The Deputy Commissioner, EDI, Customs House, Mundra
5. The Deputy Commissioner, APSEZ, Mundra
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