



A	FILE NO. फाइल संख्या	CUS/APR/INV/862/2025-Gr-O/o Pr Commr-Cus-Mundra
B	OIO NO. आदेश संख्या	MCH/ADC/ZDC/466/2025-26
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	29.12.2025
E	DATE OF ISSUE जारी करने की तिथि	29.12.2025
F	SCN No. & Date कारण बताओ नोटिस क्रमांक	Waived.
G	NOTICEE/ PARTY/ IMPORTER नोटिसकर्ता/पार्टी/आयातक	M/s. ZHAROKHA HAUSYS INDIA PRIVATE LIMITED (IEC: AABCZ1024B)
H	DIN/ दस्तावेज पहचान संख्या	20251271MO0000999DD4

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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,
नवरांगपुरा, अहमदाबाद-380 009

THE COMMISSIONER OF CUSTOMS (APPEALS),
4th Floor, HUDCO Building, Ishwar Bhuvan Road,
Navrangpura, Ahmedabad-380 009

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/- रुपये 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 ऊटी/ 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. Zharokha Hausys India Private Limited (IEC: AABCZ1024B) (hereinafter referred to as 'the importer' for the sake of brevity) having address at 400-A, 4th Floor, Yusuf Sarai Commercial Complex, 12 Ajit Singh House, New Delhi - 110016, had filed Bill of Entry No. 5601505 dtd 10.11.2025, for import of the following declared goods weighing 7120 Kgs, (G.Wt.) 230 CTN, through Container No. WHSU6485137:

Table-A

Exchange Rate: 1 USD = 89.5 INR

Item Sr. No. in the BE	CTH	Description of Goods	Unit Price (in USD)	Quantity (UQC/PCS)	Amount (in USD)	Assessable Value (inRs.)
1	94059900	SIGNBOARD	23.400	1	23.40	2118
2	67021090	ARTIFICIAL PLANTS	13.730	20	274.60	24853
3	69149090	ARTIFICIAL		33		

		SHOWPIECE	4.427		146.10	13223
4	94032090	BED	233.71	1	233.71	21152
5	94032090	CABINET	66.77	7	467.39	42302
6	94032090	CHAIR	16.326	34	555.10	50240
7	94051900	CHANDELIER(W/O BULB W/O DRIVER)	37.98	6	227.88	20625
8	83089099	PATCH FITTINGS	0.716	762	546.30	49444
9	39269099	MIRROR BACKGROUND	29.21	1	29.21	2644
10	94032090	OFFICE DESK	7.30	16	116.80	10571
11	94032090	OUTDOOR FURNITURE	70.100	4	280.40	25378
12	57050090	RUG(29.36 SQUARE METER)	12.98	9	116.82	10573
13	94039900	SIDE BOARD	29.21	1	29.21	2644
14	94032090	SOFA	38.95	9	350.55	31727
15	94032090	TABLE	23.106	33	762.50	69011
Total				4160	3,76,505	

2. Whereas, on the basis of NCTC Alert received for the subject consignment, container no. WHSU6485137 was put on hold by SIIB, Custom House, Mundra for 100% examination. Subject consignment was examined by SIIB, Custom House, Mundra at M/s Ashutosh CFS Pvt Ltd, CFS, Mundra under Panchnama dated 18.11.2025 in the presence of Shri Bhatt Jayendu Nitinbhai, Manager in M/s Ashutosh CFS Pvt Ltd and another Shri Pramod Kumar Behera, Authorised Representative of the Importer. Shri Bhatt Jayendu Nitinbhai, Manager in M/s Ashutosh CFS Pvt Ltd has provided BE, Bill of Lading, Commercial Invoice List, Packing List, Weighment Slip and other relevant documents for Bill of Entry No. 5601505 dtd 10.11.2025.

2.1. Whereas, container no. and seal no. were verified and thereafter, seal cutting was allowed and goods were 100% destuffed from the containers. After destuffing of goods in the CFS, the brown colour corrugated boxes were opened on random selection basis and goods were examined. **During Examinations goods were found as detailed below:-**

Table-B (Goods declared in BE)

Sr. No.	Description of Goods	QUANTITY found during examination	UQC
1	SIGNBOARD	1	PCS
2	ARTIFICIAL PLANTS	20	PCS
3	ARTIFICIAL SHOWPIECE	33	PCS
4	BED	1	PCS
5	CABINET	7	PCS
6	CHAIR	30	PCS
7	CHANDELIER(W/O BULB W/O DRIVER)	4	PCS
8	PATCH FITTINGS	417	PCS
9	MIRROR BACKGROUND	1	PCS
10	OFFICE DESK with extension board for charging	16	PCS
11	OUTDOOR FURNITURE	4	PCS
12	RUG(29.36 SQUARE METER)	9	PCS
13	SIDE BOARD	1	PCS
14	SOFA	9	PCS
15	TABLE	33	PCS

2.2. Further, on the basis of examination, description and physical appearance of the goods, it was observed that following items found during the examination which have not been declared in the BE are listed below with correct CTH:

Table-C (goods not declared in BE)

Sr. No.	Description of Goods	CTH	QUANTITY	UQC	Remarks
1	Massage Chair	90191090	4	PCS	Not declared in BE
2	Submersible Motor with pipe fittings	85011011	2	PCS	Not declared in BE
3	Mute Door Damper	83024110	120	PCS	Not declared in BE
4	Runner + Accessories	83024110	225	PCS	Not declared in BE
5	CHANDELIER Ceiling Lamp	94051900	2	SET	Not declared in BE

3 . 1 . Relevant entries of the correct CTHs ascertained on the basis of description & physical appearance of the goods found during examination and their intended use, are as under:

3.1.1. For item Massage Chair, relevant entries of the CTH: 9019 are reproduced as below:

9019

MECHANO-

THERAPY APPARATUS; PSYCHOLOGICAL APTITUDE-TESTING APPARATUS; OZONE THERAPY, OXYGEN THERAPY, AEROSOL THERAPY, ARTIFICIAL RESPIRATION OR OTHER THERAPEUTIC RESPIRATION APPARATUS	APPLIANCES; MASSAGE
901910	-
Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus :	
90191010	---
Mechano-therapy appliances	
90191020	--- Massage
apparatus	
90191090	--- Other

CTH: 901910 covers Mechano-therapy appliances; massage apparatus; psychological aptitude-testing apparatus. Massage Chair is rightly classified under Massage apparatus - Others under CTH 90191090.

3.1.2. For items Submersible Motor with pipe fittings, relevant entries of the CTH: 8501 are reproduced as below:

8501	ELECTRIC
MOTORS AND GENERATORS (EXCLUDING GENERATING SETS)	
	--- DC motor :
8501 10 11	----
Micro motor	

CTH: 8501 covers Electric Motors And Generators (Excluding Generating Sets). Submersible Motor with pipe fittings are rightly classified under Kitchenware - Others under CTH 85011011.

3.1.3. For items Mute Door Dampe, relevant entries of the CTH: 8302 are reproduced as below:

8302	BASE METAL
MOUNTINGS, FITTINGS AND SIMILAR	
ARTICLES SUITABLE FOR FURNITURE,	
DOORS, STAIRCASES, WINDOWS, BLINDS,	
COACHWORK, SADDLERY, TRUNKS, CHESTS,	
CASKETS OR THE LIKE; BASE METAL HAT-	
RACKS, HAT-PEGS, BRACKETS AND SIMILAR	
FIXTURES; CASTORS WITH MOUNTINGS OF	
BASE METAL; AUTOMATIC DOOR CLOSERS	
OF BASE METAL	

- Other mountings, fittings and similar articles:

830241	-- Suitable
for buildings:	
8302 41 10	--- Fittings
for doors and windows	

CTH: 83024110 covers Fittings for doors and windows. Mute Door Damper are rightly classified under Kitchenware – Insulated Ware - Others under CTH 83024110.

3.1.4. For items Runner + Accessories, relevant entries of the CTH: 8302 are reproduced as below:

8302 BASE METAL MOUNTINGS, FITTINGS AND SIMILAR ARTICLES SUITABLE FOR FURNITURE, DOORS, STAIRCASES, WINDOWS, BLINDS, COACHWORK, SADDLERY, TRUNKS, CHESTS, CASKETS OR THE LIKE; BASE METAL HAT-RACKS, HAT-PEGS, BRACKETS AND SIMILAR FIXTURES; CASTORS WITH MOUNTINGS OF BASE METAL; AUTOMATIC DOOR CLOSERS OF BASE METAL

- Other mountings, fittings and similar articles:

830241 -- Suitable
for buildings:
8302 41 10 --- Fittings
for doors and windows

CTH: 83024110 covers Fittings for doors and windows. Runner + Accessories are rightly classified under Kitchenware – Insulated Ware - Others under CTH 83024110.

3.1.5. For items CHANDELIER Ceiling Lamp, relevant entries of the CTH: 9405 are reproduced as below:

9405 LUMINAIRES
AND LIGHTING FITTINGS INCLUDING
SEARCHLIGHTS AND SPOTLIGHTS AND
PARTS THEREOF, NOT ELSEWHERE
SPECIFIED OR INCLUDED; ILLUMINATED
SIGNS, ILLUMINATED NAME-PLATES AND
THE LIKE, HAVING A PERMANENTLY FIXED
LIGHT SOURCE, AND PARTS THEREOF NOT
ELSEWHERE SPECIFIED OR INCLUDED

Chandeliers and other electric ceiling or wall lighting fittings, excluding those of a kind used for lighting public open spaces or thoroughfares:

9405 11 00 -- Designed for
use solely with light-emitting diode (LED) light
sources

9405 19 00 --- Other

CTH: 94051100 covers Designed for use solely with light-emitting diode (LED) light sources. CHANDELIER Ceiling Lamp are rightly classified under Designed for use solely with light-emitting diode (LED) light sources - Others

under CTH 94051900.

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

4.1. Since during examination, items has been found undeclared and certain items, as detailed in **Table-B and C above**, have been found to be mis-declared in terms of description/classification/quantity, 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. Since the value of goods declared by importer in the subject Bill of Entry did 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 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 comprises unbranded items of China origin and in absence of credible data of import of similar/identical goods due to upper quality of goods and other constraints, the value of these goods cannot be determined under Rule 4 to 8 of CVR, 2007. Hence, the value is to be determined under Rule 9 (Residual method) of CVR, 2007 which is reproduced as under:

“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."

4.3. Therefore, opinion of the Empanelled Chartered Engineer Varun Chandok, was sought for valuation purpose. The Chartered Engineer vide CE Opinion Certificate Ref:- VC/Mundra/ZHIPL/@TKS653554*/5601505/XII/15/2025-26 dated 15.12.2025 has provided the valuation of the declared goods as detailed below:

Table-D
(Valuation Table by CE)

(1 USD = 89.5 INR)

S N O .	DISCRIP TIO N N OF GOODS	QTY as p er invoic e (PC/SE T/No.)	Unit Price in U SD	Declared Invoice V alue USD (CF)	QTY. as per examinatio n (PC/SET/ No.)	Cus tom Con v. E x. R ate	TOTAL VALUE - ASSESSED BY C E IN INR (APPR OX.)	
							Unit Pric e	Amount
1	SIGNBOARD	1	23.4 00	23.40	1	35		35
2	ARTIFICIAL P LANTS	20	13.7 30	274.60	20	18		360
3	ARTIFICIAL S HOWPIECE	33	4.42 7	146.10	33	10		330
4	BED	1	233. 71	233.71	1	300		300
5	CABINET	7	66.7 7	467.39	7	80		560
6	CHAIR	34	16.3 26	555.10	30	30		900
7	CHANDELIE R(W/O BULB W/O DRIVER)	6	37.9 8	227.88	4	100		400
8	PATCH FITTI NGS	762	0.71 6	546.30	417	1.25		521.25
9	MIRROR BAC KGROUND	1	29.2 1	29.21	1	50		50

1	OFFICE DES K	16	7.30	116.80	16	35	560
1	OUTDOOR F URNITURE	4	70.1 00	280.40	4	100	400
1	RUG(29.36 S 2 QUARE MET ER)	9	12.9 8	116.82	9	25	225
1	SIDE BOARD 3	1	29.2 1	29.21	1	40	40
1	SOFA 4	9	38.9 5	350.55	9	90	810
1	TABLE 5	33	23.1 06	762.50	33	40	1320
1	MASSAGE C 6 HAIR			0	2	800	1600
1				0	2	250	500
1	SUBMERSIB 7 LE MOTOR W ITH PIPE FIT TINGS			0	2	40	80
1	MUTE DOOR 8 DAMPE			0	120	2	240
1	RUNNER+AC 9 CESSORIES			0	225	9	2025
2	CHANDELIE 0 R CEILING L AMP			0	2	25	50
TOTAL				4159.92	939		11306.25

4.4. The above said CE Opinion Certificate was shared with the importer and the same has been accepted by them vide their email dated 17.12.2025 and they have further submitted that they don't want any Show Cause Notice and Personal Hearing in the matter.

4.5. As per the above said CE Opinion Certificate, Total Suggestive CF value of the imported goods is 11306.25 USD (Rs. 10,11,909/-) instead of declared CF value of 4159.92 USD (Rs. 3,72,313/-). Hence, there is difference of Rs. 6,39,596/- between the re-determined CF value and the declared CF value.

5. Duty Calculation:

5.1. Further, in view of above said CE Opinion Certificate, total duty payable in respect of goods covered under the subject Bill of Entry 5601505 dtd. 10.11.2025 comes to Rs. 4,35,615/-as calculated below:

Table-E

Item Sr . No. in the BE	CT H	Description of Goods	Assessable Value as per CE Report (in Rs.) in CF	CIF value (including Insurance)	B C D (i n Rs)	S W S (i n Rs)	A I D (i n Rs)	I G T (i n Rs)	Total Duty (in Rs.)
1	94 05 99 00	SIGNBOARD	3132.5	3168	63 4	1 5 0 8	71 3 0 3	150 5	
2	67 02 10 90	ARTIFICIAL PLANTS	32220	32582	65 16	32 58	76 024	173 99	
3	69 14 90 90	ARTIFICIAL SHO WPIECE	29535	29867	29 87	29 87	64 051	124 25	
4	94 03 20 90	BED	26850	27152	54 30	1 0	1 561 809	128 97	
5	94 03 20 90	CABINET	50120	50684	10 13 7	2 11 340 044	2 511 340 44	240 75	
6	94 03 20 90	CHAIR	80550	81456	16 29 1	4 018 732 038	4 018 732 892	386 92	
7	94 05 19 00	CHANDELIER(W /O BULB W/O D RIVER)	35800	36203	72 41	1 8 181 046	1 8 181 046	171 96	
8	83 08 90 99	PATCH FITTINGS	46651.88	47177	47 18	47 18	10 19 00	196 26	
9	39 26 90 99	MIRROR BACKG ROUND	4475	4525	67 9	45 3	10 018	215 0	
10	94 03 20 90	OFFICE DESK	50120	50684	10 13 7	2 11 340 44	2 511 340 44	240 75	
11	94 03 20 90	OUTDOOR FURN ITURE	35800	36203	72 41	1 8 181 046	1 8 181 046	171 96	

12	57 05 00 90	RUG(29.36 SQU ARE METER)	20137.5	20364	40 73 36 0	20 36 024 24	13	743 3
13	94 03 99 00	SIDE BOARD	3580	3620	72 4	1 8 81 1	5	172 0
14	94 03 20 90	SOFA	72495	73311	14 66 2	3 6 16 649 0	5	348 23
15	94 03 20 90	TABLE	118140	119469	23 89 4	5 9 26 7 88 3	1	567 48
16	90 19 10 90	MASSAGE CHAI R	187950	190064	14 25 5	19 00 6	11 16 6	444 28
17	85 01 10 11	SUBMERSIBLE MOTOR WITH PI PE FITTINGS	7160	7241	10 86 4	72 0 029	16	343 9
18	83 02 41 10	MUTE DOOR DA MPE	21480	21722	32 58 72	21 72 0	48 87	103 18
19	83 02 41 10	RUNNER+ACCES SORIES	181237.5	183276	27 49 1	18 32 8	41 23 0	870 56
20	94 05 19 00	CHANDELIER C EILING LAMP	4475	4525	90 5	45 3	10 0	241 7
TOTAL				1023293				435 615

In view of the above, it is found that the Total Suggestive assessable value of the imported goods is Rs. 10,23,293/- instead of declared assessable value of 3,76,506/- at the exchange rate of 1 USD=89.5 INR. Hence, there is difference of Rs. 6,46,787/- between the re-determined assessable value and the declared assessable value.

5.2 In view of the foregoing paras and investigation conducted in the matter, it is noticed that the impugned goods have been mis-declared by the importer in terms of quantity, description, classification and 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. 10,23,293/- liable for confiscation under Section 111 (l) and 111 (m) of the Customs Act, 1962 and hence, rendered the importer liable for penal action under Section 112(a)(ii) of the said Act. Furthermore, it appears that by mis-declaring the value of the subject goods under import, the importer has also short declared the duty amounting to Rs. 2,70,323/-.

6 Further, in terms of Section 46(4) of the Customs Act, 1962, the importer is required to make a declaration as to the truth of the contents of the Bill of Entry submitted for assessment of Customs duty. In the present case, it appears that the importer has tried to clear the goods by way of mis-declaration and undervaluation in order to avoid duty on higher assessable value. Hence, it appears that the importer had knowingly involved themselves in the suppression of the material facts and also indulged in mis-statement of facts. These acts of omission and commission on part of the importer have rendered them liable for penalty under Section 114AA of the Customs Act, 1962.

7. RELEVANT LEGAL PROVISIONS:

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:-

....

(1) 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.

8. Summary of Investigation Conducted:

8.1. The importer M/s. ZHAROKHA HAUSYS INDIA PRIVATE LIMITED (IEC: AABCZ1024B) had filed Bill of Entry No. 5601505 dtd. 10.11.2025 at Mundra Port for import of goods declared as Mix items as listed in the Bill of Entry having declared assessable value of Rs. 3,76,506/- and declared duty of Rs. 1,65,292/-. The goods were examined by the officers of SIIB and found that the some items were found mis-declared in terms of quantity/ declaration and some items were also found which were not declared in the Bill of Entry by the importer. Further, the assessable value of the subject consignment has been re-determined as Rs. 10,23,293/- on the basis of CE Opinion Certificate dated 15.12.2025 in view of Rule 9 of the CVR, 2007, on which applicable duty comes to Rs. 4,35,615/- as detailed in Table-E above resulting in differential duty of Rs. 2,70,323/-.

8.2. The importer has thus contravened Section 17 and Section 46 of the Customs Act, 1962 and the CVR, 2007 in as much as they failed to make correct declarations in the subject Bill of Entry filed by them and correctly assess their duty liability. It further appears that the importer has tried to clear the goods by way of mis-declaration/ undervaluation in order to avoid duty on higher assessable value. Hence, it appears that the importer had knowingly involved themselves in the suppression of the material facts and also indulged in mis-statement of facts. These acts of omission and commission on the part of importer has made the subject goods having re-determined assessable value of Rs. 10,23,293/- liable for confiscation under Section 111(l) and 111 (m) of the Custom Act, 1962 and rendered the importer liable for penal action under Section 112(a)(ii) and 114 AA of the said Act.

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

- i. The declared assessable value of the goods in Bill of Entry No. 5601505 dtd. 10.11.2025 i.e. Rs. 3,76,506/-is liable to be rejected under Rule 12 of the CVR, 2007 and the same is required to be re-determined as Rs. 10,23,293/-as opined in the CE Opinion Certificate dated 15.12.2025 in view of Rule 9 of the CVR, 2007;
- ii. The above said Bill of Entry is liable to be re-assessed accordingly under Section 17(4) of the Customs Act, 1962;
- iii. The impugned goods imported by way of undervaluation and having re-determined assessable value of Rs. 10,23,293/-, are in contravention of Section 46 of the Customs Act, 1962 and therefore, liable for confiscation under Section 111 (l) and 111(m) of the Customs Act, 1962;
- iv. The importer M/s. ZHAROKHA HAUSYS INDIA PRIVATE LIMITED (IEC: AABCZ1024B) is liable for penalty under Section 112(a)(ii) and 114 AA of the Customs Act, 1962.

WAIVER OF NOTICE AND PERSONAL HEARING: -

10. The importer vide their email dated 17.12.2025 has accepted the CE Report. Further, they submitted that they don't want any Show Cause Notice and Personal Hearing in the matter and agreed to pay the differential duty along with applicable penalty.

DISCUSSION AND FINDINGS:

11. I have carefully gone through the facts of the case, Investigation Report

and noticees submissions. I observed that the Importer during the investigation already waived the right of Show Cause Notice and personal hearing. I find that the condition of Principles of Natural Justice under Section 122A of the Customs Act, 1962 has been complied. Considering this scenario, I find it appropriate to proceed with the adjudication proceedings in terms of merit of the case.

12. I find that M/s. Zharokha Hausys India Private Limited (IEC: AABCZ1024B) had filed Bill of Entry No. 5601505 dtd 10.11.2025, for import of the miscellaneous goods through Container No. WHSU6485137. The details of the goods as declared in Table-I above.

12.1 I find that on the basis of NCTC Alert received for the subject consignment, container no. WHSU6485137 was put on hold by SIIB, Custom House, Mundra for 100% examination. Subject consignment was examined by SIIB, Custom House, Mundra at M/s Ashutosh CFS Pvt Ltd, CFS, Mundra under Panchnama dated 18.11.2025 in the presence of Shri Bhatt Jayendu Nitinbhai, Manager in M/s Ashutosh CFS Pvt Ltd and another Shri Pramod Kumar Behera, Authorised Representative of the Importer. Shri Bhatt Jayendu Nitinbhai, Manager in M/s Ashutosh CFS Pvt Ltd has provided BE, Bill of Lading, Commercial Invoice List, Packing List, Weighment Slip and other relevant documents for Bill of Entry No. 5601505 dtd 10.11.2025.

12.2. I find that container no. and seal no. were verified and thereafter, seal cutting was allowed and goods were 100% destuffed from the containers. After destuffing of goods in the CFS, the brown colour corrugated boxes were opened on random selection basis and goods were examined. During Examinations goods were found as detailed in Table-B & Table- C Above.

12.3. I find that goods found during examination, as mentioned in Table-C' above, were not declared in the subject Bill of entry.

13 I find that since during examination, items has been found undeclared and certain items, as detailed in Table-B and C above, have been found to be misdeclared in terms of description/classification/quantity, 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. Since the value of goods declared by importer in the subject Bill of Entry did 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 CVR, 2007 and thus, the same is liable to be rejected in terms of Rule 12 of CVR, 2007.

13.1. 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 comprises unbranded items of China origin and in absence of credible data of import of similar/identical goods due to upper quality of goods and other constraints, the value of these goods cannot be determined under Rule 4 to 8 of CVR, 2007. Hence, the value is to be determined under Rule 9 (Residual method) of CVR, 2007.

13.2. I find that opinion of the Empanelled Chartered Engineer Varun Chandok, was sought for valuation purpose. The Chartered Engineer vide CE Opinion Certificate Ref:- VC/Mundra/ZHIPL/@TKS653554*/5601505/XII/15/2025-26 dated 15.12.2025 has provided the valuation of the declared goods as detailed in Table-D above.

13.3 I find that as per the above said CE Opinion Certificate, Total Suggestive CF value of the imported goods is 11306.25 USD (Rs. 10,11,909/-) instead of declared CF value of 4159.92 USD (Rs. 3,72,313/-). Hence, there is difference of Rs. 6,39,596/- between the re-determined CF value and the declared CF value.

13.4. I find that the above said CE Opinion Certificate was shared with the importer and the same has been accepted by them vide their email dated 17.12.2025 and they have further submitted that they don't want any Show Cause Notice and Personal Hearing in the matter.

14. Further, I find that in view of above said CE Opinion Certificate, total duty payable in respect of goods covered under the subject Bill of Entry 5601505 dtd. 10.11.2025 comes to Rs. 4,35,615/- as calculated in Table-E above, details are as under:-

Item Sr. No. in the BE	CTH	Description of Goods	Assessable Value as per CE Report (in Rs.) in CF	CIF value (including Insurance)	BCD (in Rs.)	SWS (in Rs.)	AIDC	IGST (in Rs.)	Total Duty (in Rs.)
1	94059900	SIGNBOARD	3132.5	3168	634	0	158	713	1505

2	67021090	ARTIFICIAL PLANTS	32220	32582	6516	3258	0	7624	17399
3	69149090	ARTIFICIAL SHOWPIECE	29535	29867	2987	2987	0	6451	12425
4	94032090	BED	26850	27152	5430	0	1358	6109	12897
5	94032090	CABINET	50120	50684	10137	0	2534	11404	24075
6	94032090	CHAIR	80550	81456	16291	0	4073	18328	38692
7	94051900	CHANDELIER(W/O BULB W/O DRIVER)	35800	36203	7241	0	1810	8146	17196
8	83089099	PATCH FITTINGS	46651.88	47177	4718	4718	0	10190	19626
9	39269099	MIRROR BACKGROUND	4475	4525	679	453	0	1018	2150
10	94032090	OFFICE DESK	50120	50684	10137	0	2534	11404	24075
11	94032090	OUTDOOR FURNITURE	35800	36203	7241	0	1810	8146	17196
12	57050090	RUG(29.36 SQUARE METER)	20137.5	20364	4073	2036	0	1324	7433
13	94039900	SIDE BOARD	3580	3620	724	0	181	815	1720
14	94032090	SOFA	72495	73311	14662	0	3666	16495	34823
15	94032090	TABLE	118140	119469	23894	0	5973	26881	56748
16	90191090	MASSAGE CHAIR	187950	190064	14255	19006	0	11166	44428
17	85011011	SUBMERSIBLE MOTOR WITH PIPE FITTINGS	7160	7241	1086	724	0	1629	3439
18	83024110	MUTE DOOR DAMPE	21480	21722	3258	2172	0	4887	10318
19	83024110	RUNNER+ACCESSORIES	181237.5	183276	27491	18328	0	41237	87056
20	94051900	CHANDELIER CEILING LAMP	4475	4525	905	453	0	1059	2417
TOTAL				1023293					435615

In view of the above, I find that the total re-determined assessable value of the imported goods is Rs. 10,23,293/- instead of declared assessable value of 3,76,506/- at the exchange rate of 1 USD=89.5 INR. Hence, there is difference of Rs. 6,46,787/- between the re-determined assessable value and the declared assessable value.

14.1 I find that based on the above calculations, the importer is required to pay/levy a differential liability of **Rs. 2,70,323/-** [Rs. 4,35,615 (re-determined total duty) – Rs. 1,65,292/- (declared total duty)]

15. CONFISCATION OF THE GOODS UNDER SECTION 111(l) and 111(m) OF THE CUSTOMS ACT, 1962

15.1 It is alleged that the goods are liable for confiscation under Section 111(l) and 111(m) of the Customs Act, 1962. In this regard, I find that as far as confiscation of goods are concerned, Section 111 of the Customs Act, 1962, defines the Confiscation of improperly imported goods. The relevant legal provisions of Section 111 of the Customs Act, 1962 are reproduced below:

“...

(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 transshipment referred to in the proviso to sub-section (1) of section 54;”

15.2 I find that goods imported in the present shipment have been found mis-declared in respect of quantity and valuation. Upon examination, it has been found that the declared quantities did not match the actual contents, and the declared value did not represent the true transaction value, hence, doubt was raised upon the declared value. The value suggested during the investigation has been accepted by the importer. Thus, it is evident that value and quantity have not been correctly declared in the import documents. Thus, there is no doubt that the goods are liable for confiscation under the provisions of Section 111(l) and 111(m) of the Customs Act, 1962.

15.3 As the impugned goods are found to be liable for confiscation under Section 111(l) and 111(m) of the Customs Act, 1962, I find it necessary to consider as to whether redemption fine under Section 125 of Customs Act, 1962, is liable to be imposed in lieu of confiscation in respect of the impugned goods. The Section 125 ibid reads as under:-

“Section 125. Option to pay fine in lieu of confiscation.— 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."

15.3.1 A plain reading of the above provision shows that imposition of redemption fine is an option in lieu of confiscation. It provides for an opportunity to owner of confiscated goods for release of confiscated goods by paying redemption fine where there is no restriction on policy provision for domestic clearance. Accordingly, I observed that as the goods are not restricted/prohibited for import, hence, an option to the Importer may be given for clearance of the goods for home consumption on payment of redemption fine.

16. From the above, it is evident that the importer M/s. Zharokha Hausys India Pvt. Ltd., has done mis-declaration and undervaluation of the declared goods and therefore, the goods found during examination are liable for confiscation under Sections 111(l) & 111(m) of the Customs Act, 1962. Thus, by these acts, the Importer has rendered the subject goods liable for confiscation and also rendered themselves liable for penalty under Section 112(a)(ii) of the Customs Act, 1962.

16.1 As regards the penalty on the Importer under Section 114AA of the Customs Act, 1962 is concerned, Section 114AA mandates penal action for intentional usage of false and incorrect material against the offender. From the investigation and other material particulars, it is observed that the Importer has dealt with incorrect documents while filing bill of entry for the said shipment. The Importer had knowingly and intentionally made/signed/used and/or caused to be made/signed/used the import documents and other related documents which were false or incorrect in material particular such as description, value etc., with mala-fide intention, and therefore, the Importer is liable to penalty under Section 114AA of the Customs Act, 1962.

17. With respect to the applicability of duty mentioned above, I confirm the same and hold that the same should be levied at the time of re-assessment.

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

ORDER

i. I order to reject the declared quantity of the goods mentioned in the Bill of Entry No. 5601505 dated 10.11.2025 and order to re-determine the same as detailed under Table-B & C above.

ii. I order to reject the declared assessable value of Rs. 3,76,506/- and order to re-determine the same as Rs. 10,23,293/- (Rupees Ten Lakhs Twenty Tree Thousand Two Hundred and Ninety-Three only) under Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.

iii. I order to re-assess the Bill of Entry No. 5601505 dated 10.11.2025 accordingly under Section 17(4) of the Customs Act, 1962.

iv. I order for confiscation of the goods having assessable value of Rs. 10,23,293/- under Sections 111(l) and 111(m) of the Customs Act, 1962. However, I give an option to the Importer to redeem the same on payment of redemption fine of **Rs. 1,00,000/- (Rupees One Lakh only)** under Section 125(1) of the Customs Act, 1962.

v. I impose a penalty of **Rs. 25,000/- (Rupees Twenty Five Thousand only)** upon the Importer under Section 112(a)(ii) of the Customs Act, 1962.

vi. I impose a penalty of **Rs. 10,000/- (Rupees Ten Thousand only)** upon the Importer under Section 114AA of the Customs Act, 1962.

19. This Order is issued without prejudice to any other action that may be taken against the claimant under the provisions of the Customs Act, 1962 or rules made thereunder or under any other law for the time being in force.

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

F.No. CUS/APR/INV/862/2025-O/o Pr Commr-Cus-Mundra

To,

M/s. Zharokha Hausys India Pvt. Ltd (IEC: AABCZ1024B),
400-A, 4th Floor, Yusuf Sarai Commercial Complex,
12 Ajit Singh House, New Delhi - 110016.

Copy to:

- (i) The Additional Commissioner of Customs, (SIIB), Customs House, Mundra.
- (ii) The Dy./Asstt. Commissioner (EDI), Customs House, Mundra.
- (iii) The Dy./Asstt. Commissioner (RRA/TRC), Customs House, Mundra.
- (iv) Guard File.

