	प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा **OFFICE OF THE PRINCIPAL COMMISSIONER,** **CUSTOM HOUSE, MUNDRA** Port User Building (PUB), Mundra (Gujarat – 370421) ई-मेल/ E-Mail: group5-mundra@gov.in

A	**फा. सं./ FILE NO.**	CUS/APR/MISC/5625/2026-Gr 5-6-O/o Pr Commr-Cus-Mundra
B	**मूल आदेश सं. ORDER-IN-ORIGINAL NO.**	MCH/ADC/ZDC/279/2026-27
C	**द्वारा पारित किया गया PASSED BY**	Dipak Zala Additional Commissioner of Customs, Custom House, Mundra
D	**आदेश की तिथि DATE OF ORDER**	28-08-2026
E	**जारी करने की तिथि DATE OF ISSUE**	28-08-2026
F	**कारण बताओ नोटिस सं. एवं तिथि SCN NUMBER & DATE**	SCN & PH waived vide letter dated Nil
G	**नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER**	M/s Bharat Hatcheries (IEC: 3310006531), Village Pasina Khurd, Panipat, Haryana-132103

1. यह अपील आदेश 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 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 128 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 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, 4TH Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009."

3. उक्त अपील यह आदेश संसूचित होने की दिनांक से साठ दिन के भीतर दाखिल की जानी चाहिए। पर्याप्त कारण होने पर आयुक्त (अपील) अधिकतम तीस दिन की अतिरिक्त अवधि प्रदान कर सकते हैं।

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

The Commissioner (Appeals) may allow a further period of thirty days on sufficient cause being shown.

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 ड्यूटि/ 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.

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BRIEF FACTS OF THE CASE

1. M/s Bharat Hatcheries (IEC: 3310006531), Village Pasina Khurd, Panipat, Haryana-132103 (hereinafter referred to as "the importer"), filed Bill of Entry No. 2202597 dated 30.06.2026 for home consumption through Customs Broker M/s Valiant Logistics (CB Code AAYPW0076ECH001) for import of poultry-house cooling and ventilation equipment supplied by M/s SKOV A/S, Denmark, of Chinese origin. The goods covered by Invoice No. 99084451 dated 07.05.2026 had total assessable value of Rs. 44,50,485.75. The said Bill of Entry is hereinafter referred to as "the BE".

2. The item-wise particulars declared in the BE are as follows:

Sr. No.	Description of Goods	Declared CTH	Quantity	Assessable Value (INR)
1	DA 150C PAD COOLING 24M (POULTRY KEEPING EQUIPMENT), MATERIAL 437077F	84369900	6 sets	8,17,718.38

2	DA 150C PUMP 1X230V 50HZ, MATERIAL 437078F	84369900	6 sets	1,66,281.70
3	EXHAUST FAN GF50 ON/OFF AIR 400V3 50HZ CONE KD, MATERIAL 435566F	84149090	54 sets	19,36,694.98
4	EXHAUST FAN GF50 ON/OFF AIR 400V3 50HZ KD, MATERIAL 435564F	84149090	46 sets	15,29,790.69
	TOTAL			**44,50,485.75**

3. The invoice value of the four items was EUR 38,178.29, while their CIF value was EUR 40,221.29. The consignment comprised 58 packages having a gross weight of 13,186 kg and a net weight of 11,411 kg. The goods were shipped in Container No. HMMU6514389 under MBL No. HDMUTAOA85993900 dated 22.05.2026 and Sea Waybill No. DSV1423491.
4. During examination by the Docks Officer, the goods were found in knocked-down condition and comprised frames, pipes, supports, couplings, gutters, pumps, fan housings, motors, blades, safety grilles, cones, springs, accessory boxes containing fittings, and mounting hardware. Upon considering the examination report and the photographs uploaded by the shed, the FAG officer recorded the following observations:

   "As per the examination report, apart from four items mentioned in BE, the consignment also contains various other small and large metal parts of different types.

   Further goods pad cooling merits classification under chapter 48 as per madeof material (paper), pump under cth 8413 with 18% igst and exhaust fan under cth 84145930 with bcd@10%.

   Further as per pictures uploaded by shed, some goods are found available like spring, accessories box containing fitting, pipe, swimming pool pump, pvc gutter system.

   In view of the above concealment/ mis-declaration of cargo and mis-classification, BE may be Pushed to PAG for adjudication."

4.1 On the basis of the initial examination report and FAG observations, the goods were subjected to detailed examination with the assistance of a Chartered Engineer and given first-check examination to ascertain the identity, description, composition, quantity and completeness of the goods and to quantify the consequential revenue implication.

5. Chartered Engineer Er. Varun Chandok examined the consignment and issued Report Ref. No. VC/CFS/MUNDRA/BH/@TSKDJNJ54*/VIII/20/2026-27 dated 20.08.2026. The remarks of the Chartered Engineer are reproduced verbatim below:

1. *"These goods are Poultry keeping equipment used for cooling in livestock house.*
2. *These equipment's are supplied by manufacturer M/S SKOV A/S, Denmark and supplied from their unit at China. (Annexure A attached for information as obtained from internet).*
3. *Further from manufacturer website, it is found that item no. 1 is DA 150C pad cooling 24 m which is received in knock down condition, with multiple parts like Top Frame, Pipes, pipe Supports, Pipe Couplings, water gutter system, Supply unit,*

plumbing fittings etc. (Annexure B attached). This forms one set and not piece. According to packing list of manufacturer/supplier, these items are mentioned in proportionate ratio and after multiplication it forms 6 sets.

4. *Item no. 2 is DA 150C Pump is used with this Gutter system and is of Make: Guangdong Lingxiao Pump Industry Co., Ltd., China, Model SWIM 150, 1.5 KW, 2900 RM received with base, requisite hardware/fixtures etc.*
5. *Item no. 3 is Exhaust fan GF 50 ON/Off is Ventilation Fan with Cover, Fan, safety Grill, Cone and is set and not Piece. This is received with Aerodynamic cone attachment that gathers air volume and directs airflow.*
6. *Item no. 4 is Exhaust fan GF 50 ON/Off is Ventilation Fan with Cover, Fan, safety Grill and is set and not Piece.*
7. *According to examination done for goods produced, these are in sets, supplied by manufacturer."*

6. CORRECT CLASSIFICATION — STATUTORY ANALYSIS

6.1 Relevant tariff entries and General Rules for Interpretation

6.1.1 The relevant tariff entries of Headings 4812, 8413, 8414 and 8436 in the First Schedule to the Customs Tariff Act, 1975 are extracted herein below:

Heading 4812

4812 00 00 FILTER BLOCKS, SLABS AND PLATES OF PAPER PULP

Heading 8413

8413 PUMPS FOR LIQUIDS, WHETHER OR NOT FITTED WITH A MEASURING DEVICE; LIQUID ELEVATORS

8413 70 - Other centrifugal pumps:

8413 70 10 --- Primarily designed to handle water

Heading 8414

8414 AIR OR VACUUM PUMPS, AIR OR OTHER GAS COMPRESSORS AND FANS; VENTILATING OR RECYCLING HOODS INCORPORATING A FAN, WHETHER OR NOT FITTED WITH FILTERS; GAS-TIGHT BIOLOGICAL SAFETY CABINETS, WHETHER OR NOT FITTED WITH FILTERS

8414 51 -- Table, floor, wall, window, ceiling or roof fans, with a self-contained electric motor of an output not exceeding 125 W:

8414 59 -- Other:

8414 59 10 --- Air circulator

8414 59 20 --- Blowers, portable

8414 59 30 --- Industrial fans and blowers

8414 59 90 --- Other

8414 90 - Parts:

8414 90 90 --- Other

Heading 8436

8436 OTHER AGRICULTURAL, HORTICULTURAL, FORESTRY, POULTRY-KEEPING OR BEE-KEEPING MACHINERY, INCLUDING GERMINATION PLANT FITTED WITH MECHANICAL OR THERMAL EQUIPMENT; POULTRY INCUBATORS AND BROODERS

\- Parts:

8436 91 00 -- Of poultry-keeping machinery or poultry incubators and brooders

8436 99 00 -- Other

6.1.1A The classification of the impugned goods is governed by the General Rules for the

Interpretation (GIR) of the First Schedule to the Customs Tariff Act, 1975. GIR 1, GIR 2(a) and GIR 6, which are relevant to the present classification, are extracted herein below:

"1. The titles of Sections, Chapters and sub-Chapters are provided for ease of reference only; for legal purposes, classification shall be determined according to the terms of the headings and any relative Section or Chapter Notes and, provided such headings or Notes do not otherwise require, according to the following provisions."

"2(a). Any reference in a heading to an article shall be taken to include a reference to that article incomplete or unfinished, provided that, as presented, the incomplete or unfinished article has the essential character of the complete or finished article. It shall also be taken to include a reference to that article complete or finished (or falling to be classified as complete or finished by virtue of this rule), presented unassembled or disassembled."

"6. For legal purposes, the classification of goods in the sub-headings of a heading shall be determined according to the terms of those sub-headings and any related Sub-heading Notes and, mutatis mutandis, to the above Rules, on the understanding that only sub-headings at the same level are comparable. For the purposes of this Rule, the relative Section and Chapter Notes also apply, unless the context otherwise requires."

6.1.1B The HSN Explanatory Notes to GIR 2(a), which explain the treatment of goods presented in knocked-down condition, read, in so far as relevant, as under:

"The second part of Rule 2(a) provides that complete or finished articles presented unassembled or disassembled are to be classified in the same heading as the assembled article."

"When goods are so presented, it is usually for reasons such as requirements or convenience of packing, handling or transport."

Accordingly, a complete article does not become a collection of "parts" merely because it is presented unassembled or in knocked-down condition for convenience of packing or transportation.

6.2 Classification of Item No. 1—DA 150C pad cooling 24 m ex. pump

6.2.1 The proposal recorded during assessment was to classify item No. 1 under Chapter 48 on the premise that the cooling pad was made of paper. Heading 4812, however, is specifically restricted to "Filter blocks, slabs and plates of paper pulp". The HSN Explanatory Notes to Heading 48.12 read, in so far as relevant, as under:

"These are composed of vegetable fibres (cotton, flax, wood, etc.) with a high cellulose content, compressed together in the form of blocks, slabs or plates without the aid of any binding materials, the fibres remaining in a loosely adherent condition."

Thus, Heading 4812 covers identifiable filter blocks, slabs or plates made of paper pulp. It does not cover machinery, equipment or a multi-component cooling-system assembly merely because one of the possible media used with such system may contain cellulose.

6.2.2 Material No. 437077F, imported under item No. 1, is described in the manufacturer's technical literature as "DA 150C pad cooling 24m ex. pump" and as a complete pad-cooling system of 24 metres. It comprises a supply unit, top frame, pipes, pipe supports, pipe couplings, brackets, water gutter and plumbing fittings. The Chartered Engineer has also certified that these components were imported in proportionate quantities forming six sets and not as individual pieces.

6.2.3 More importantly, the manufacturer's technical literature expressly shows that the pump, cooling-pad variants and glue are to be ordered separately. The cooling pads themselves are, therefore, not included in material No. 437077F. The literature further provides different pad variants, including plastic pads. Hence, the imported goods cannot be identified as blocks, slabs or plates of paper pulp merely on the basis that one separately available cooling-pad variant may be cellulose based.

6.2.4 The function of the DA 150C system is also not that of filtration. The cooling operation takes place when fresh air passes through cooling pads kept moist by recirculating water, resulting in evaporative cooling and moistening of air. The system is not designed to filter or separate impurities from liquids or gases. Therefore, both the objective characteristics of the imported goods and their principal function are inconsistent with the scope of Heading 4812.

6.2.5 By application of GIR 1, classification is to be determined according to the terms of the heading and the goods as presented at the time of importation. Material No. 437077F, being a multi-component livestock-house cooling-system assembly and not a filter block, slab or plate of paper pulp, falls outside the scope of Heading 4812. The proposal to classify item No. 1 under CTH 4812 00 00 is, therefore, factually and legally untenable. Consequently, the declared classification of item No. 1 under **CTH 8436 99 00—"Other", under Parts of machinery of Heading 8436**, is not disturbed in the present proceedings.

6.3 Correct classification of Item No. 2—DA 150C pump—CTH 8413 70 10

6.3.1 Item No. 2 is a Guangdong Lingxiao Pump Industry Co. Ltd. SWIM 150 pump of 1.5 kW, operating at 2900 RPM and imported with its base and requisite hardware/fixtures. The pump is separately invoiced and presented as a complete machine for circulation of water in the DA 150C pad-cooling system.

6.3.2 Note 2(a) to Section XVI of the First Schedule to the Customs Tariff Act, 1975, in so far as relevant, reads as under:

"2. Subject to Note 1 to this Section, Note 1 to Chapter 84 and Note 1 to Chapter 85, parts of machines (not being parts of the articles of heading 8484, 8544, 8545, 8546 or 8547) are to be classified according to the following rules:

(a) parts which are goods included in any of the headings of Chapter 84 or 85 (other than headings 8409, 8431, 8448, 8466, 8473, 8487, 8503, 8522, 8529, 8538 and 8548) are in all cases to be classified in their respective headings."

Accordingly, even where a machine is designed for use with another machine or system, it is required to be classified in its own specific heading when it is independently covered by a heading of Chapter 84 or 85.

6.3.3 Heading 8413 specifically covers "Pumps for liquids, whether or not fitted with a measuring device; liquid elevators". The HSN Explanatory Notes to Heading 84.13, in so far as relevant, state as under:

"In such pumps liquids are taken in axially by means of an impeller with the resulting centrifugal action forcing the liquid outward to the periphery of an annular casing."

"The notes indicate that centrifugal pumps may be driven by an electric or internal combustion motor or turbine."

6.3.4 The manufacturer's literature specifies that material No. 437078F is a 1.5 kW pump used with the DA 150C pad-cooling system and having a water-supply capacity of 29 m^3 per hour. It is, therefore, a complete power-driven centrifugal pump designed primarily for handling and circulating water. The goods answer directly to the description of Heading 8413 and cannot be classified as a residual part of agricultural or poultry-keeping machinery under CTH 8436 99 00.

6.3.5 Therefore, by application of GIR 1, GIR 6 and Note 2(a) to Section XVI, item No. 2 is correctly classifiable under **CTH 8413 70 10—"Primarily designed to handle water", under Other centrifugal pumps**, and not under the declared CTH 8436 99 00.

6.4 Correct classification of Item Nos. 3 and 4—GF 50 industrial wall fans—CTH 8414 59 30

6.4.1 The Chartered Engineer's report and manufacturer's technical literature establish that item Nos. 3 and 4 comprise the fan housing, electric motor, impeller/blades, safety grille, shutter, mounting parts and other components required to form complete GF 50 wall fans. Item No. 3 additionally includes an aerodynamic cone that gathers the air volume and directs the airflow. The manufacturer describes material Nos. 435566F and 435564F as complete fans supplied in knocked-down condition and requiring assembly before installation.

6.4.2 The HSN Explanatory Notes to Heading 84.14, in so far as relevant, state as under:

"These machines, which may or may not be fitted with integral motors, are designed either for delivering large volumes of air or other gases at relatively low pressure or merely for creating a movement of the surrounding air."

The imported GF 50 fans, having an air output of up to 43,700 m^3 per hour, squarely satisfy the description of industrial fans covered by Heading 8414.

6.4.3 Sub-heading 8414 51 covers table, floor, wall, window, ceiling or roof fans fitted with a self-contained electric motor of an output not exceeding 125 W. Though commercially described as "wall fans", the imported GF 50 fans are fitted with 1.5 kW motors, equivalent to 1,500 W. They are, therefore, expressly outside the scope of sub-heading 8414 51 and fall under sub-heading 8414 59—"Other".

6.4.4 Heading 8414 90 covers only parts of machines of Heading 8414. In the present case, the goods comprise all the components necessary to constitute complete working fans and have been presented in knocked-down condition only for convenience of packing and transportation. The goods cannot, therefore, be classified as "parts" under CTH 8414 90 90.

6.4.5 GIR 2(a) expressly provides that a complete or finished article presented unassembled or disassembled shall be classified as the complete article. The HSN Explanatory Notes to GIR 2(a) also clarify that such articles remain classifiable in the same heading as their assembled counterparts. Consequently, the fact that the imported fans required assembly after importation does not alter their identity as complete industrial fans.

6.4.6 Therefore, by application of GIR 1, GIR 2(a) and GIR 6, item Nos. 3 and 4 are correctly classifiable under **CTH 8414 59 30—"Industrial fans and blowers"**, and not under the declared CTH 8414 90 90—"Other parts".

6.5 Resultant classification
In view of the foregoing statutory provisions, examination findings, Chartered Engineer's report and manufacturer's technical literature, the classification of the imported goods is determined as under:

Item No.	Description of goods	Declared CTH	Classification determined	Tariff description
1	DA 150C pad cooling 24 m ex. pump	8436 99 00	**8436 99 00**	**Other**, under Parts of machinery of Heading 8436; Chapter 48 proposal rejected
2	DA 150C pump, SWIM 150, 1.5 kW	8436 99 00	**8413 70 10**	**Primarily designed to handle water**, under Other centrifugal pumps
3	GF 50 ON/OFF industrial wall fan with cone, KD	8414 90 90	**8414 59 30**	**Industrial fans and blowers**
4	GF 50 ON/OFF industrial wall fan without cone, KD	8414 90 90	**8414 59 30**	**Industrial fans and blowers**

Accordingly, the proposal to classify item No. 1 under Chapter 48 is not sustainable and its declared classification under CTH 8436 99 00 is not disturbed. Item No. 2 is ordered to be reclassified from CTH 8436 99 00 to CTH 8413 70 10, while item Nos. 3 and 4 are ordered to be reclassified from CTH 8414 90 90 to CTH 8414 59 30.

7. REASSESSMENT AND DIFFERENTIAL CUSTOMS DUTY

7.1 Consequent upon the classification determined hereinabove, the item-wise reassessment and differential duty are tabulated below:

Item	Declared description	Assessable value (Rs.)	Declared CTH → Reassessed CTH	BCD (Rs.)	SWS (Rs.)	IGST (Rs.)	Reassessed total duty (Rs.)	Self-assessed duty (Rs.)	Differential duty (Rs.)
1	DA 150C pad cooling 24m (Poultry Keeping Equipment)	8,17,718.38	84369900 → 84369900	61,328.9 (7.5%)	6,132.90	44,259.0 (5% @I434)	1,11,720.80	1,11,720.80	Nil
	DA 150C pump					32,400.0			

2	1×230V 50Hz (Poultry Keeping Equipment)	1,66,281.70	84369900 → 84137010	12,471.1 (7.5%)	1,247.10	(18% @II400c)	46,118.20	22,718.20	23,400.00
3	Exhaust Fan GF 50 ON/OFF AIR 400V3 50Hz cone KD (Poultry Ventilation System)	19,36,694.98	84149090 → 84145930	1,93,669.5 (10%)	19,366.90	3,86,951.7 (18% @II401)	5,99,988.10	5,37,142.30	62,845.80
4	Exhaust Fan GF 50 ON/OFF AIR 400V3 50Hz KD (Poultry Ventilation System)	15,29,790.69	84149090 → 84145930	1,52,979.1 (10%)	15,297.90	3,05,652.2 (18% @II401)	4,73,929.20	4,24,287.40	49,641.80
	Total	**44,50,485.75**	—	**4,20,448.60**	**42,044.80**	**7,69,262.90**	**12,31,756.30**	**10,95,868.70**	**1,35,887.60**

7.2 Thus, after statutory/system rounding, the differential customs duty payable on item Nos. 2 to 4 works out to **Rs. 1,35,888/- (Rupees One Lakh Thirty-Five Thousand Eight Hundred Eighty-Eight only)**, and the self-assessed total duty of **Rs. 10,95,869/-** is liable to be revised to **Rs. 12,31,757/-**.

8. **<u>Relevant Legal Provisions:</u>**

A. **Under Customs Act, 1962:-**

I. **Section 2(15) —**'duty' means a duty of customs leviable under this Act;

II. **Section 12. Dutiable goods.—**(1) Except as otherwise provided in this Act, or any other law for the time being in force, duties of customs shall be levied at such rates as may be specified under the 1[Customs Tariff Act, 1975 (51 of 1975)], or any other law for the time being in force, on goods imported into, or exported from, India.
(2) The provisions of sub-section (1) shall apply in respect of all goods belonging to Government as they apply in respect of goods not belonging to Government.

III. 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.
(2) The proper officer may verify the entries made under section 46 or section 50 and the self assessment of goods referred to in sub-section (1) and for this purpose, examine or test any imported goods or export goods or such part thereof as may be necessary.
Provided …
(3) For the purposes of verification under sub-section (2), the proper officer may require the importer, exporter or any other person to produce any document or information, whereby the duty leviable on the imported goods or export goods, as the case may be, can be ascertained and thereupon, the importer, exporter or such other person shall produce such document or furnish such information.
(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.

IV. **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 to the proper officer a bill of entry for home consumption or warehousing in the prescribed form:
Provided that the Principal Commissioner of Customs or Commissioner of Customs may, in cases where it is not feasible to make entry by presenting electronically, allow an entry to be presented in any other manner:
Provided further that] if the importer makes and subscribes to a declaration before the proper officer, to the effect that he is unable for want of full information to furnish all the particulars of the goods required under this sub-section, the proper officer may, pending the production of such information, permit him, previous to the entry thereof (a) to examine the goods in the presence of an officer of customs, or (b) to deposit the goods in a public warehouse appointed under section 57 without warehousing the same.
(2) Save as otherwise permitted by the proper officer, a bill of entry shall include all the goods mentioned in the bill of lading or other receipt given by the carrier to the consignor.
(3) The importer shall present the bill of entry under sub-section (1) before the end of the next day following the day (excluding holidays) on which the aircraft or vessel or vehicle carrying the goods arrives at a customs station at which such goods are to be cleared for home consumption or warehousing:

Provided that a bill of entry may be presented within thirty days of the expected arrival of the aircraft or vessel or vehicle by which the goods have been shipped for importation into India:
Provided further that where the bill of entry is not presented within the time so specified and the proper officer is satisfied that there was no sufficient cause for such delay, the importer shall pay such charges for late presentation of the bill of entry 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, 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.

(5) If the proper officer is satisfied that the interests of revenue are not prejudicially affected and that there was no fraudulent intention, he may permit substitution of a bill of entry for home consumption for a bill of entry for warehousing or vice versa.

V. Section 111 - Confiscation of improperly imported goods etc.- The following goods brought from a place outside India shall be liable to confiscation: -
(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;

VI. Section 112 – Penalty for improper importation of goods, etc. -Any person, —
(a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or

(b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111,

shall be liable, -
(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty 1 [not exceeding the value of the goods or five thousand rupees], whichever is the greater;
2 [(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;]
3 [(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 4 [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 5 [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 6 [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.]

VII. 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 for a penalty not exceeding five times the value of goods.

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WAIVER OF SHOW CAUSE NOTICE AND PERSONAL HEARING

9. The importer submitted a letter dated Nil requesting waiver of issuance of Show Cause Notice and formal adjudication proceedings and requested that the matter be decided on the basis of the documents, clarification and undertaking placed on record. The importer confirmed that relevant documents had been furnished and undertook compliance with the Customs Act, 1962 and the rules/regulations made thereunder. No personal hearing was sought. In terms of the proviso to Section 124 of the Customs Act, notice and representation may, at the request of the person concerned, be oral. The matter is therefore taken up for decision on the available record.

DISCUSSION AND FINDINGS

10.1 I have carefully examined Bill of Entry No. 2202597 dated 30.06.2026, Invoice No. 99084451 dated 07.05.2026, packing list, examination report, photographs, manufacturer's technical literature and Chartered Engineer's Report Ref. No. VC/CFS/MUNDRA/BH/@TSKDJNJ54*/VIII/20/2026-27 dated 20.08.2026. The importer has waived issuance of Show Cause Notice and requested disposal of the matter on the basis of the available records. I, therefore, proceed to decide the matter on merits.

10.2 Item No. 1—DA 150C pad cooling system

Item No. 1 covers six sets of material No. 437077F, having assessable value of ₹8,17,718.38, declared under CTH 8436 99 00. The Chartered Engineer found top frames, pipes, pipe supports, couplings, water-gutter system, supply units and plumbing fittings in proportionate quantities forming six complete sets. The manufacturer's literature further establishes that the pump, cooling pads and glue are separately ordered and are not included in material No. 437077F. Thus, the imported goods are neither made of paper pulp nor presented as filter blocks, slabs or plates covered by CTH 4812 00 00. I, therefore, reject the proposal for classification under Chapter 48 and uphold the declared classification under CTH 8436 99 00. No differential duty arises on this item.

10.3 Item No. 2—DA 150C pump

Item No. 2 comprises six Guangdong Lingxiao SWIM 150 pumps, material No. 437078F, having assessable value of ₹1,66,281.70. Each unit is a complete 1.5 kW, 2900 RPM centrifugal pump, having a water-supply capacity of 29 m^3 per hour and imported with its base and requisite fixtures. Although the Bill of Entry itself describes the goods as "DA 150C PUMP 1X230V 50HZ", they were declared under CTH 8436 99 00 applicable to other parts of machinery of Heading 8436. Being a complete centrifugal pump primarily designed to handle water, the goods are specifically classifiable under CTH 8413 70 10 in terms of GIR 1, GIR 6 and Note 2(a) to Section XVI. On reassessment, duty on this item increases from ₹22,718.20 to ₹46,118.20, resulting in differential duty of ₹23,400/-.

10.4 Item No. 3—GF 50 exhaust fans with cone

Item No. 3 comprises 54 sets of GF 50 ON/OFF exhaust fans with aerodynamic cones, material No. 435566F, having assessable value of ₹19,36,694.98. Examination and the Chartered Engineer's report establish that each set contains the fan housing, motor, blades/impeller, safety grille, mounting components and aerodynamic cone required to constitute a complete industrial fan. The 1.5 kW motor exceeds the 125 W limit prescribed under sub-heading 8414 51. The goods, though presented unassembled for transportation, retain the character of complete industrial fans under GIR 2(a) and cannot be treated as parts under CTH 8414 90 90. They are, therefore, classifiable under CTH 8414 59 30. Duty consequently increases from ₹5,37,142.30 to ₹5,99,988.10, resulting in differential duty of ₹62,845.80.

10.5 Item No. 4—GF 50 exhaust fans without cone

Item No. 4 comprises 46 sets of GF 50 ON/OFF exhaust fans without aerodynamic cones, material No. 435564F, having assessable value of ₹15,29,790.69. Each set contains the housing, motor, fan blades/impeller, safety grille and mounting components necessary to constitute a complete working fan. The absence of the optional aerodynamic cone does not alter its identity as a complete industrial fan. Therefore, applying GIR 1, GIR 2(a) and GIR 6, the goods are classifiable under CTH 8414 59 30 and not as parts under CTH 8414 90 90. Duty consequently increases from ₹4,24,287.40 to ₹4,73,929.20, resulting in differential duty of ₹49,641.80.

10.6 Reassessment and differential duty

The self-assessment was, therefore, incorrect in respect of item Nos. 2 to 4. Under Section 17(4) of the Customs Act, 1962, the Bill of Entry is liable to reassessment by changing the classification of item No. 2 from CTH 8436 99 00 to CTH 8413 70 10 and that of item Nos. 3 and 4 from CTH 8414 90 90 to CTH 8414 59 30. After statutory/system rounding, the total duty stands revised from ₹10,95,869/- to ₹12,31,757/-, resulting in differential duty of ₹1,35,888/-.

10.7 Finding regarding alleged concealment

The springs, frames, pipes, fittings, gutters, motors, blades, grilles, cones and mounting hardware noticed during examination have been correlated by the Chartered Engineer with the six pad-cooling systems, six pumps and 100 GF 50 fans declared in the Bill of Entry. No independent or additional goods, over and above the four declared items, have been separately identified or quantified. I, therefore, do not find sufficient evidence to sustain the allegation of physical concealment of undeclared goods. The case is confined to incorrect classification and consequential short-payment of duty on item Nos. 2 to 4.

10.8 Confiscation under Section 111(m)

The importer expressly described item No. 2 as a “pump” but classified it under CTH 8436 99 00 applicable to other machinery parts. Similarly, item Nos. 3 and 4 were expressly described as “exhaust fans” supplied in knocked-down condition but were classified under CTH 8414 90 90 applicable only to parts. The tariff declarations were material particulars because they resulted in application of lower rates of duty. The importer thus failed to ensure the accuracy of the Bill of Entry as required under Sections 46(4) and 46(4A). Accordingly, item Nos. 2 to 4, having an aggregate assessable value of ₹36,32,767.37, do not correspond with the tariff particulars declared in the Bill of Entry and are liable to confiscation under Section 111(m) of the Customs Act, 1962.

10.9 Redemption under Section 125

Item Nos. 2 to 4 are dutiable goods and are not prohibited for import. Since the goods have been held liable to confiscation under Section 111(m), the importer is required to be given an option to redeem them under Section 125 of the Customs Act, 1962. The quantum of redemption fine is determined in the operative portion of this order.

10.10 Penalty under Section 112(a)(ii)

The importer filed and subscribed the Bill of Entry by classifying a complete centrifugal pump under CTH 8436 99 00 and 100 complete industrial fans under CTH 8414 90 90 applicable to parts. This incorrect self-assessment resulted in short-payment of customs duty of ₹1,35,888/- and rendered the goods liable to confiscation under Section 111(m). The importer’s acts and omissions, therefore, attract penalty under Section 112(a)(ii) of the Customs Act, 1962. The quantum of penalty is specified in the operative portion of this order.

10.11 Penalty under Section 114AA

The applicability of Section 114AA is not being inferred merely from a difference of opinion regarding classification. In the present case, the Bill of Entry itself identified item No. 2 as a pump and item Nos. 3 and 4 as exhaust fans, while the corresponding tariff declarations treated them as machinery/fan parts. The invoice, packing list and manufacturer’s literature available to the importer also identified material No. 437078F as a complete pump and material Nos. 435566F and 435564F as complete GF 50 fans supplied in knocked-down condition. Their actual identity was, therefore, known at the time of filing the Bill of Entry and did not emerge only upon subsequent testing or technical examination.

Despite such knowledge, the importer used CTH 8436 99 00 and CTH 8414 90 90, resulting in a materially incorrect self-assessment and short-payment of duty. I, therefore, find that the importer knowingly used a declaration incorrect in material particulars and is liable to penalty under Section 114AA of the Customs Act, 1962. The quantum thereof is determined separately in the operative portion of this order.

10.12 In view of the foregoing, I hold that item No. 1 shall remain classified under CTH 8436 99 00; item No. 2 is classifiable under CTH 8413 70 10; and item Nos. 3 and 4 are classifiable under CTH 8414 59 30. Bill of Entry No. 2202597 dated 30.06.2026 is liable to reassessment with differential duty of ₹1,35,888/-. Item Nos. 2 to 4 are liable to confiscation under Section 111(m), redemption under Section 125, and penalties under Sections 112(a)(ii) and 114AA of the Customs Act, 1962.

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

ORDER

(i) I reject the proposal to classify item No. 1, namely, "DA 150C Pad Cooling 24M", under Chapter 48, and its declared classification under CTH 84369900 is not disturbed in the present proceedings. I further reject the self-assessment of item No. 2 under CTH 84369900 and item Nos. 3 and 4 under CTH 84149090, and order their reassessment under CTH 84137010, CTH 84145930 and CTH 84145930 respectively, in terms of Section 17(4) of the Customs Act, 1962;

(ii) I determine the differential customs duty payable on item Nos. 2 to 4 at **Rs. 1,35,888/- (Rupees One Lakh Thirty-Five Thousand Eight Hundred Eighty-Eight only)**. The total duty payable on Bill of Entry No. 2202597 dated 30.06.2026 is accordingly revised from Rs. 10,95,869/- to **Rs. 12,31,757/-**, and the differential duty shall be paid before clearance of the goods;

(iii) I order confiscation of item Nos. 2 to 4, having aggregate assessable value of **Rs. 36,32,767 (Rupees Thirty-Six Lakh Thirty-Two Thousand Seven Hundred Sixty Seven only)**, under Section 111(m) of the Customs Act, 1962. However, in terms of Section 125(1) of the Customs Act, 1962, I give the importer an option to redeem the said goods on payment of redemption fine of **Rs. 3,60,000/- (Rupees Three Lakh Sixty Thousand only)**, in addition to the duty and other charges payable in terms of Section 125(2) thereof;

(iv) I impose a penalty of **Rs. 13,000/- (Rupees Thirteen Thousand only)** upon M/s Bharat Hatcheries under Section 112(a)(ii) of the Customs Act, 1962; and

(v) I impose a penalty of **Rs. 25,000/- (Rupees Twenty Five Thousand only)** upon M/s Bharat Hatcheries under Section 114AA of the Customs Act, 1962.

12. 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.

Digitally signed by
Dipakbhai Zala
Date: 28-08-2026
12:19:36

Dipak Zala
Additional Commissioner of Customs
Custom House, Mundra

To,
M/s Bharat Hatcheries (IEC: 3310006531)
Village Pasina Khurd, Panipat, Haryana-132103.

Copy to:
1. The Deputy Commissioner of Customs, Review Section, Custom House, Mundra.
2. The Deputy Commissioner of Customs, Docks Examination, Custom House, Mundra.

3. The Deputy Commissioner of Customs, TRC, Custom House, Mundra.
4. The Deputy Commissioner of Customs, EDI, Custom House, Mundra.
5. Office copy.