


Outward No.-2585

	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/INV/359/2025-Gr 5-6
B	मूल आदेश सं. ORDER-IN-ORIGINAL NO.	MCH/ADC/ZDC/ 100 /2025-26	1. यह
C	द्वारा पारित किया गया PASSED BY	DIPAK ZALA ADDITIONAL COMMISSIONER OF CUSTOMS, CUSTOM HOUSE, MUNDRA.	
D	आदेश की तिथि DATE OF ORDER	26.06.2025	
E	जारी करने की तिथि DATE OF ISSUE	26.06.2025	
F	कारण बताओ नोटिस संखं . तिथि SCN NUMBER & DATE	Requested for waiver of SCN & PH	
G	नोटिसीपार्टी / आयातक/ NOTICEE/ PARTY/ IMPORTER	M/s Bueno Mobile Solutions India Pvt. Ltd., Flat No. 203, 9/54, Namdhari Chamber, Karol Bagh, New Delhi- 110005 (IEC: AAJCB1747P)	
H	डिन सं .DIN NUMBER	20250671M000002252D1	

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, 4TH 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/- रुपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं^o-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 paise 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

On the basis of specific intelligence that M/s. Bueno Mobile Solutions India Pvt. Ltd. , Flat No. 203, 9/54, Namdhari Chamber, Karol Bagh, New Delhi-110005 (IEC: AAJCB1747P), was indulging in mis-declaration and undervaluation of imported goods, the officers of the Directorate of Revenue Intelligence (DRI), Delhi Zonal Unit, conducted an examination of goods imported under Bill of Entry Nos. 7958205 (Z TYPE) dated 23.01.2025 and. The goods were stored at the warehouse of M/s Shoolin Trade Link LLP, Plot No. 11-A, Block-B, Sector-12S, Light Engineering Zone, APSEZ-Mundra-370421.

1.2 Whereas, the examination was conducted on 29.01.2025 under panchnama in the presence of two independent Panchas. The goods, received in container no. UETU6034252 with seal FJ23068254, were examined as per the commercial invoice No. 2412301545 dated 17.12.2024, issued by M/s M King Glory Limited, Hong Kong. The details of the goods declared in the Bill of entry no. 7958205 (Z TYPE) dated 23.01.2025 are detailed below:

Table A				
Sr.				

No	CTH	Description	Quantity	UQC
1	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41157074)	2080	DOZ
2	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41149187)	500	DOZ
3	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41140449)	1675	DOZ
4	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41136921)	830	DOZ
5	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41127361)	1370	DOZ
6	85183020	Mini Speaker for Mobile (R-41184381)	583	DOZ
7	85177990	USB Dock for Mobile Phone (R-41076805)	1251	DOZ
8	85068090	Sealed Secondary Cell for Earphone (R-41160199)	590	GRS
9	85441990	USB Charging Wire (52560 MTR)	365	GRS
10	85189000	Housing Set Parts for Earphone	1710	GRS
11	85189000	Mini PCBA Parts for Earphone	625	GRS
12	85189000	Inner Speaker Parts for Earphone	360	GRS
13	85189000	Earbuds Rubber Parts for Earphone	110	THD
14	85299090	MMC Card Reader	30	GRS
15	70072190	Screen Protector for Mobile (12036 PCS)	472	KGS
16	85299090	On/Off Switch & Socket Parts for SMD	375	GRS
17	85079090	Housing Set Parts for Mobile Phone Battery	180	GRS
18	39269099	Packing Material More Than 100 Micron	85	KGS
19	85139000	Reflector Parts for LED Torch	105	GRS
20	87089900	Small Gear Knob for Car	500	PCS
21	82054000	Screwdriver for Mobile Repairing	3000	PCS
22	35069190	Glue Paste for Mobile Repair	1950	KGS
23	63071090	Cleaning Cloth for Mobile Screen	70	THD
24	96039000	Brush for Mobile Repairing	2500	PCS
25	85441990	Boot Wire for Mobile Phone Repairing	1000	PCS
26	85369090	AV Connector	435	GRS

1.3 Whereas, the examination revealed gross misdeclaration in the quantity of goods and undervaluation in the declared CIF value, as well as misclassification of certain items under incorrect Customs Tariff Headings (CTH). A total of 1545 boxes were examined, and discrepancies were found between the declared quantities and the actual quantities. Subsequently, the goods were seized under Section 110 of the Customs Act, 1962, vide Seizure Memo dated 30.01.2025 (CBIC DIN: 202501DDZ4000000C31A) by the officers

of the DRI, Delhi. The details of the goods found during examination are as under:

Table B									
Declared in Bill of Entry				As per DRI Examination					
S R N O	DESCRIPTION	QUA NTI TY	MEAS URE U NIT	MA RK	DESCRIPTION	C T N	Qty p er C TN	TOTAL QUANTI TY	MEAS URE U NIT
1	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41157074)	2080	DOZ	MP	LITHIUM-ION CELL	100	300	30000	PCS
2	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41149187)	500	DOZ	ZLT-KK	LITHIUM-ION CELL	26	240	6240	PCS
3	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41140449)	1675	DOZ	BABLU	LITHIUM-ION CELL	123	90	11070	PCS
4	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41136921)	830	DOZ	GEE	LITHIUM-ION CELL	25	400	10000	PCS
5	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41127361)	1370	DOZ	TK/MT	LITHIUM-ION CELL	44	400	17600	PCS
6	MINI SPEAKER FOR MOBILE (R-41184381)	583	DOZ	NIC	MINI BLUETOOTH SPEAKER	140	50	7000	PCS
7	USB DOCK FOR MOBILE PHONE (R-41076805)	1251	DOZ	CHANDER	C-TYPE ADAPTER/CHARGER FOR MOBILE PHONE	81	160	12960	PCS
8	SEALED SECONDARY CELL FOR EARPHONE (R-41160199)	590	GRS	PIPS	SEALED SECONDARY CELL FOR EARPHONE	57	1500	85500	PCS
9	USB CHARGING WIRE (52560 MTR)	365	GRS	PKY	C-TYPE CHARGING CABLE	53	1000	53000	PCS
10	HOUSING SET PARTS FOR EARPHONE	1710	GRS	JP	HOUSING SET PARTS FOR EARPHONE	71	3600	255600	PCS
11	MINI PCBA PARTS FOR EARPHONE	625	GRS	JP	MINI PCBA	9	10000	90000	PCS
12	INNER SPK. PARTS FOR EARPHONE	360	GRS	JP	INNER SPEAKER PARTS	4	13000	52000	PCS
13	EARBUDS RUBBER PARTS FOR EARPHONE	110	THD	JP	EARBUDS	2	55000	110000	PCS
14	MMC CARD READER	30	GRS	SG	MMC CARD READER	10	500	5000	PCS
15	SCREEN PROTECTOR FOR MOBILE (6630 PCS)	260	KGS	DPS	TAMPURED GLASS	418	200	83600	PCS
16	ON/OFF SWITCH & SOCKET PARTS FOR SMD	375	GRS	WST	ON/OFF SWITCH & SOCKET PARTS	18	3000	54000	PCS
17	HOUSING SET PARTS FOR MOBILE PHONE BATTERY	180	GRS	-	-	0		0	PCS
18	PACKING MATERIAL MORE THAN 100 MICRON	85	KGS	-	-	0		0	PCS
19	REFLECTOR PARTS FOR LED TORCH	105	GRS	GEE	REFLECTOR PARTS FOR LED TORCH	10	1500	15000	PCS
20	SMALL GEAR KNOB FOR CAR	500	PCS	ELIDE	SMALL GEAR KNOB FOR CAR	8	60	480	PCS
21	SCREWDRIVER USE FOR MOBILE REPAIRING	3000	PCS	VAK	SCREWDRIVER FOR MOBILE REPAIRING	8	500	4000	PCS

22	GLUE PASTE USE FOR MOBILE REPAIR (90360 PCS)	1730	KGS	RAJ IV	GLUE PASTE	264	340	89760	PCS
23	CLEANING CLOTH FOR MOBILE SCREEN	70	THD	VA K	CLEANING CLOTH FOR MOBILE SCREEN	7	10000	70000	PCS
24	BRUSH USE FOR MOBILE REPAIRING	2500	PCS	VA K	BRUSH	1	2500	2500	PCS
25	BOOT WIRE USE FOR MOBILE PHONE REPAIRING	1000	PCS	VA K	BOOT WIRE FOR MOBILE REPAIRING	5	200	1000	PCS
26	AV CONNECTOR	435	GRS	SD-0125	AV CONNECTOR	61	1000	61000	PCS
TOTAL (APPROX.) :						1545			

1.4 The Directorate of Revenue Intelligence (DRI), Delhi Zonal Unit, transferred the investigation to the Special Intelligence and Investigation Branch (SIIB), Customs House, Mundra, vide letter F. No. DZU/23/Int-01/2025/3941 dated 04.03.2025 for further investigation and issuance of Investigation Report and provided copies of panchnama of examination of goods (in original) along with Seizure Memo, Documents, Samples drawn.

1. Investigation:

2 . 1 . DRI officers observed that the goods were significantly undervalued and inaccurately declared in terms of quantity and description, hence, opinion of the Government empanelled Chartered Engineer was sought for determination of the value and description of goods imported under BE no. 7958205 (Z TYPE) dated 23.01.2025. The Chartered Engineer vide his report ref no. ABJ:INSP:CE:SIIB:MA:25-26:23 dated 02.06.2025 has suggested the valuation and description of the imported goods.

2.2. Rejection and Determination of Valuation:

2.2.1. The inconsistency observed in filing the Bill of Entry suggests deliberate misclassification and misdeclaration. In the Bill of Entry No. 7958205 (Z TYPE) dated 23.01.2025, submitted by the importer, a total of 26 items were listed for import as detailed in Table A above, however, the import documents lacked descriptions of the items as listed in Table B above.

2.2.2. As some items were found un-declared in the Bill of Entry No. 7958205 (Z TYPE) dated 23.01.2025, in terms of description, classification, quantity of the goods imported and thus value, hence they were liable to be re-assessed under section 17(4) of the Customs Act, 1962. Since, mis-declaration of the goods, in parameters such as description and quantity, which have relevance to value, was noticed, the declared value of the undeclared goods is liable to be determined in terms of Rule 12, explanation 1 (i), of the said Rules, by going sequentially from Rule 2 to 9 thereof. Determination of valuation:

- a. Efforts were made to find out the correct assessable value of the imported goods found undeclared. It was observed that the imported goods were found in different variety, description, specification and quality, so, it was not possible to find and compare the same with other goods having identical/similar description, brand, make, model, quantity and Country of Origin. As the import data extracted with respect to contemporaneous imports was general in nature and contemporaneous data for imports of identical/similar goods was not available/found, therefore, the value could not be determined under Rules 4 and 5 of CVR, 2007.
- b. As per Rule 6 *ibid*, if the value cannot be determined under Rules 3, 4 and 5 same shall be determined under the provisions of Rule 7 or when same cannot be determined under that rule then under Rule 8.
- c. As the imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore, determination of transaction value under Rule 7 of CVR, 2007 was not possible.
- d. As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available. Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007.
- e. Hence, valuation of the goods is to be determined under residual method of valuation provided under Rule 9 of the CV Rules *ibid*.

The Chartered Engineer vide his report ref no. ABJ:INSP:CE:SIIB:MA:25-26:23 dated 02.06.2025 has suggested the valuation of the imported goods as under:

Table C							
SR NO	Mark	Description	Total Quantity	Measure Unit	Unit Suggestive Average C.I.F. Value by C.E. (in USD)	Total Suggestive Average C.I.F. Value by C.E. (in USD)	Total Suggestive Average C.I.F. Value by C.E. (in INR) $\$=87.1$
1	MP	LITHIUM-ION CELL	30000	PCS	0.4	12000	1045200
2	ZLT-KK	LITHIUM-ION CELL	6240	PCS	0.4	2496	217402
3	BABLU	LITHIUM-ION CELL	11070	PCS	0.4	4428	385679
4	GEE	LITHIUM-ION CELL	10000	PCS	0.4	4000	348400
5	TK/MT	LITHIUM-ION CELL	17600	PCS	0.4	7040	613184
6	NIC	MINI BLUETOOTH SPEAKER	7000	PCS	0.45	3150	274365
7	CHANDER	C-TYPE ADAPTER/CHARGER FOR MOBILE PHONE SEALED	12960	PCS	0.12	1555.2	135458

8	PIPS	SECONDARY CELL FOR EARPHONE	85500	PCS	0.015	1282.5	111706
9	PKY	C-TYPE CHARGING CABLE	53000	PCS	0.06	3180	276978
10	JP	HOUSING SET PARTS FOR EARPHONE	255600	PCS	0.02	5112	445255
11	JP	MINI PCBA	90000	PCS	0.035	3150	274365
12	JP	INNER SPEAKER PARTS	52000	PCS	0.03	1560	135876
13	JP	EARBUDS	110000	PCS	0.012	1320	114972
14	SG	MMC CARD READER	5000	PCS	0.05	250	21775
15	DPS	TAMPERED GLASS	83600	PCS	0.092	7691.2	669904
16	WST	ON/OFF SWITCH & SOCKET PARTS	54000	PCS	0.012	648	56441
17	-	-	0	PCS	0	0	0
18	-	-	0	PCS	0	0	0
19	GEE	REFLECTOR PARTS FOR LED TORCH	15000	PCS	0.04	600	52260
20	ELIDE	SMALL GEAR KNOB FOR CAR	480	PCS	0.64	307.2	26757
21	VAK	SCREWDRIVER FOR MOBILE REPAIRING	4000	PCS	0.06	240	20904
22	RAJIV	GLUE PASTE	89760	PCS	0.1	8976	781810
23	VAK	CLEANING CLOTH FOR MOBILE SCREEN	70000	PCS	0.012	840	73164
24	VAK	BRUSH	2500	PCS	0.012	30	2613
25	VAK	BOOT WIRE FOR MOBILE REPAIRING	1000	PCS	0.04	40	3484
26	SD-0125	AV CONNECTOR	61000	PCS	0.018	1098	95636
TOTAL (APPROX.) :			1127310			70994.1	6183586

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

The chartered engineer, empanelled by the government, determined the fair value of the goods to be Rs. 61,83,586/-, (Sixty-one Lakh, Eighty-Three Thousand, Five Hundred Eighty-Six only) in contrast to the declared CIF value of Rs. 8,62,962/-.

2.3. Classification

Whereas, to accurately determine the tax liability, both declared and undeclared items must be classified under the appropriate Customs Tariff Heading (CTH) based on the DRI examination report and the government-approved chartered engineer's report. The

classification of goods, as per the DRI examination report, the chartered engineer's report (Ref. No. ABJ:INSP:CE:SIIB:MA:25-26:23, dated 02.06.2025, and the Bill of Entry, is as follows:

Table D								
Declared in Bill of Entry					As per DRI Examination			
Sr. No	CTH	Description	Quantity	Measure Unit	Description	CTH redetermined	Total Quantity	Measure Unit
1	85076000	Lithium-Ion Cell For Mobile Phone Battery (R-41157074)	2080	DOZ	Lithium-Ion Cell	85076000	30000	PCS
2	85076000	Lithium-Ion Cell For Mobile Phone Battery (R-41149187)	500	DOZ	Lithium-Ion Cell	85076000	6240	PCS
3	85076000	Lithium-Ion Cell For Mobile Phone Battery (R-41140449)	1675	DOZ	Lithium-Ion Cell	85076000	11070	PCS
4	85076000	Lithium-Ion Cell For Mobile Phone Battery (R-41136921)	830	DOZ	Lithium-Ion Cell	85076000	10000	PCS
5	85076000	Lithium-Ion Cell For Mobile Phone Battery (R-41127361)	1370	DOZ	Lithium-Ion Cell	85076000	17600	PCS
6	85183020	Mini Speaker For Mobile (R-41184381)	583	DOZ	Mini Bluetooth Speaker	85182110	7000	PCS
7	85177990	USB Dock For Mobile Phone (R-41076805)	1251	DOZ	C-Type Adapter/Charger For Mobile Phone	85044030	12960	PCS
8	85068090	Sealed Secondary Cell For Earphone (R-41160199)	590	GRS	Sealed Secondary Cell For Earphone	85076000	85500	PCS
9	85441990	USB Charging Wire (52560 mtr)	365	GRS	C-Type Charging Cable	85444299	53000	PCS
10	85189000	Housing Set Parts For Earphone	1710	GRS	Housing Set Parts For Earphone	85189000	255600	PCS
11	85189000	Mini PCBA Parts For Earphone	625	GRS	Mini PCBA	85189000	90000	PCS
12	85189000	Inner speaker. Parts For Earphone	360	GRS	Inner Speaker Parts	85189000	52000	PCS
13	85189000	Ear buds Rubber Parts For Earphone	110	THD	Ear buds	85189000	110000	PCS
14	85299090	MMC Card Reader	30	GRS	MMC Card Reader	84719000	5000	PCS
15	70072190	Screen Protector For Mobile (6630 PCS)	260	KGS	Tampered Glass	70072190	83600	PCS
16	85299090	ON/OFF Switch & Socket Parts For SMD	375	GRS	On/Off Switch & Socket Parts	85365090	54000	PCS
17	85079090	Housing Set Parts For Mobile Phone Battery	180	GRS	Goods Not found during examination			
18	39269099	Packing Material More Than 100 Micron	85	KGS	Goods Not found during examination			
19	85139000	Reflector Parts For Led Torch	105	GRS	Reflector Parts For Led Torch	85139000	15000	PCS
20	87089900	Small Gear Knob For Car	500	PCS	Small Gear Knob For Car	87089900	480	PCS
21	82059090	Screwdriver Use For Mobile Repairing	3000	PCS	Screwdriver For Mobile Repairing	82054000	4000	PCS
		Glue Paste Use For						

22	38101010	Mobile Repair (90360 PCS)	1730	KGS	Glue Paste	35061000	89760	PCS
23	63071010	Cleaning Cloth For Mobile Screen	70	THD	Cleaning Cloth For Mobile Screen	63071010	70000	PCS
24	96039000	Brush Use For Mobile Repairing	2500	PCS	Brush	96039000	2500	PCS
25	85177990	Boot Wire Use For Mobile Phone Repairing	1000	PCS	Boot Wire For Mobile Repairing	85444299	1000	PCS
26	85299090	AV Connector	435	GRS	AV Connector	85299090	61000	PCS
TOTAL (APPROX.) :								

The items listed in Table D at serial numbers 6, 7, 8, 9, 14, 16, 21, 22, and 25 appear to have been misclassified and require re-classification.

2.3.1. Re-classification:

A. Mini Bluetooth Speaker –

8518 Microphones and Stands Therefor: Loudspeakers, Whether Or Not Mounted In Their Enclosures: Headphones and Earphones, Whether Or Not Combined With A Microphone, and Sets Consisting Of A Microphone and One or More Loudspeakers: Audio-Frequency Electric Amplifiers: Electric Sound Amplifier Sets

- *Loudspeakers, whether or not mounted in their enclosures:*

851821 -- Single loudspeakers, mounted in their enclosures:

85182110 --- Wireless

The goods “Mini Bluetooth Earphone” are classified under CTH 85183020 that classifies product ‘headphone/earphone connecting only through wired medium. However, the declared goods get connected with Wireless medium, therefore the declared classification appears to be incorrect. Hence, the merit classification of the impugned goods “Mini Bluetooth Speakers” appears to be under 85182110, **wherein the applicable rate of duty is 20% + 2% (SWS) + 18% (IGST).**

B. C-Type Adapter/Charger for Mobile Phone

8 5 0 4 Electrical Transformers, Static Converters (For Example, Rectifiers) and Inductors

8504 40 - Static converters:

8504 4030 ---Battery chargers

The goods declared as ‘USB Dock for Mobile Phone’ are classified under 8517, which is for ‘*Telephone sets, *Smartphones and Other Telephones for Cellular Networks or*

for Other Wireless Networks: Other Apparatus for The Transmission or Reception Of Vice, Images or Other Data, including Apparatus for Communication in A Wired Or Wireless Network (Such As A Local Or Wide Area Network), Other than Transmission or Reception Apparatus Of Heading 8443, 8525, 8527 Or 8528.'

The Headings 8525, 8527, 8528 and 8443 include- *Flat Panel Display Modules; Reception Apparatus For Radio-Broadcasting, Monitors and Projectors Not Incorporating Television Reception Apparatus; Reception Apparatus for Television; and Electrical Machines and Apparatus Having Individual Functions* respectively.

However, the impugned goods is 'C-Type Adapter/Charger for Mobile Phone', which are used as battery charger for mobile phone. As there is specific heading of 'Battery Chargers' under CTH 85044030. Therefore, the merit classification of the impugned goods appears to be under 85044030, 'Battery chargers', **wherein the applicable rate of duty is 20% + 2% (SWS) + 18% (IGST).**

-

C. Sealed Secondary Cell for Earphone

8 5 0 7 Electric Accumulators, Including Separators Therefore, Whether Or Not Rectangular (Including Square)

8507 60 00 - Lithium-ion

The goods declared as 'Sealed Secondary Cell for Earphone' are classified under 85068090-parts, which is for '*Parts of Primary Cells and Primary Batteries*'. However, the impugned goods is 'Sealed Secondary Cell for Earphone' that are more suitable to be classified under the 'CTH 8507- Electric Accumulators, including Separators Therefor, Whether or Not Rectangular (Including Square)'. Therefore, the merit classification of the impugned goods appears to be under 85076000, **wherein the applicable rate of duty is 20% + 2% (SWS) + 18% (IGST).**

D. C-Type Charging Cable

8544 Insulated (Including Enamelled Or Anodised) Wire, Cable (Including Co-Axial Cable) And Other Insulated Electric Conductors, Whether Or Not Fitted With Connectors; Optical Fibre Cables, Made Up Of Individually Sheathed Fibres, Whether or not assembled With electric conductors or fitted with Connectors

- Winding wire:

-- Other electric conductors, for a voltage not exceeding 1,000V:

8544 42 -- Fitted with connectors:

8544 42 99 ---- Other

The goods declared as 'C-Type Charging Cable' are classified under 85441990, which is for 'Winding Wire'. However, the impugned goods of 'Charging Cable which is fitted with Connector'. Therefore, the merit classification of the impugned goods "C-Type Charging Cable" appears to be under 85444299, 'Other electric conductors for a voltage not exceeding 1000V, fitted with connectors', **wherein the applicable rate of duty is 10% + 1% (SWS) + 18% (IGST).**

-

E. MMC Card Reader

8471 Automatic Data Processing Machines and Units thereof; Magnetic or optical readers, Machines for Transcribing Data on to Data Media in Coded Form and Machines for Processing Such Data, Not Elsewhere Specified Or Included

84719000 – Other

The goods declared as 'MMC Card Reader' are classified under 85299090, which is 'others of "Parts Suitable for Use Solely or Principally with the Apparatus of Headings *8524 TO 8528"'. The Headings 8524 to 8528 include- *Flat Panel Display Modules, Transmission Apparatus For Radio-Broadcasting or Television, Reception Apparatus For Radio-Broadcasting, Monitors and Projectors, Not Incorporating Television Reception Apparatus, Reception Apparatus for Television*. The Goods 'MMC Card Reader' does not contain its own memory, but simply serves as a drive unit to read and write data to and from flash memory media. Therefore, the impugned goods MMC Card Reader appears to be more suitably classified under 84719000, **wherein the applicable rate of duty is 0% (BCD)+ 0% (SWS) + 18% (IGST).**

-

F. On/Off Switch & Socket Parts

8536 Electrical Apparatus For switching or Protecting Electrical Circuits, Or For Making Connections To Or In Electrical Circuits (For Example, Switches, Relays, Fuses, Surge Suppressors, Plugs, Sockets, Lamp-Holders And Other Connectors, Junction Boxes), For a voltage Not Exceeding 1,000 Volts: Connectors For Optical Fibres, Optical Fibre Bundles Or Cables.

8536 50 - Other Switches:

8536 50 90 --- Other

The goods declared as 'On/Off Switch & Socket Parts' are classified under

85299090, which is 'others of "Parts Suitable for Use Solely or Principally with the Apparatus of Headings *8524 TO 8528". The Headings 8524 to 8528 include- *Flat Panel Display Modules, Transmission Apparatus For Radio-Broadcasting or Television, Reception Apparatus For Radio-Broadcasting, Monitors and Projectors, Not Incorporating Television Reception Apparatus, Reception Apparatus for Television.*' As there is specific tariff heading of 'switches' under CTH 8536. Therefore, the merit classification of the impugned goods "**On/Off Switch & Socket Parts**" appears to be under 85365090, **wherein the applicable rate of duty is 10% + 1% (SWS) + 18% (IGST).**

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G. Screwdriver Use for Mobile Repairing-

8205 Hand Tools (Including Glaziers' Diamonds), Not Elsewhere Specified Or Included; Blow Lamps; Vices; Clamps And The Like, Other Than Accessories For And Parts Of, Machine-Tools or water-jet cutting machines; anvils; Portable Forges; Hand-Or Pedal-Operated Grinding Wheels With Frameworks

8205 40 00 – Screwdrivers

The goods declared as 'Screwdriver use for Mobile repairing' are classified under CTH 82059090 which is for 'Other hand tools not elsewhere specified or included'. However, there is specific heading 'Screwdrivers' under CTH 82054000. Therefore, the merit classification of the impugned goods "Screwdriver Use for Mobile Repairing-" appears to be under 82054000, **wherein the applicable rate of duty is 10% + 1% (SWS) + 18% (IGST).**

-

H. Glue Paste

3506 Prepared Glues and Other Prepared Adhesives, Not Elsewhere Specified or Included; Products Suitable For Use as Glues or Adhesives, Put Up For Retail Sale as Glues or Adhesives, Not Exceeding a Net Weight of 1 Kg

3506 10 00 - Products suitable for use as glues or adhesives, put up for retail sale as glues or adhesives, not exceeding a net weight of

The goods declared as 'Glue paste' has been classified under CTH 38101010 which is for 'Pickling preparations and other soldering, brazing or welding powders or pastes'. However, there is specific heading for 'Products suitable for use as glues or adhesives' under CTH 35061000. Therefore, the merit classification of the impugned goods "Glue paste" appears to be under 35061000, **wherein the applicable rate of duty is 10% + 1%**

					<i>\$=87.1</i>								
1	Lithium-Ion Cell	30000	PCS	12000	1045200	20	209040	2	20904	18	229526	459470	
2	Lithium-Ion Cell	6240	PCS	2496	217402	20	43480	2	4348	18	47741	95570	
3	Lithium-Ion Cell	11070	PCS	4428	385679	20	77136	2	7714	18	84695	169544	
4	Lithium-Ion Cell	10000	PCS	4000	348400	20	69680	2	6968	18	76509	153157	
5	Lithium-Ion Cell	17600	PCS	7040	613184	20	122637	2	12264	18	134655	269556	
6	Mini Bluetooth Speaker	7000	PCS	3150	274365	20	54873	2	5487	18	60251	120611	
7	C-Type Adapter/Charger For Mobile Phone	12960	PCS	1555.2	135458	20	27092	2	2709	18	29747	59547	
8	Sealed Secondary Cell For Earphone	85500	PCS	1282.5	111706	20	22341	2	2234	18	24531	49106	
9	C-Type Charging Cable	53000	PCS	3180	276978	10	27698	1	2770	18	55340	85808	
10	Housing Set Parts For Earphone	255600	PCS	5112	445255	15	66788	1.5	6679	18	93370	166837	
11	Mini PCBA	90000	PCS	3150	274365	15	41155	1.5	4115	18	57534	102805	
12	Inner Speaker Parts	52000	PCS	1560	135876	15	20381	1.5	2038	18	28493	50913	
13	Ear buds	110000	PCS	1320	114972	15	17246	1.5	1725	18	24110	43080	
14	MMC Card Reader	5000	PCS	250	21775	0	0	0	0	18	3920	3920	
15	Tampered Glass	83600	PCS	7691.2	669904	15	100486	1.5	10049	18	140479	251013	
16	On/Off Switch & Socket Parts	54000	PCS	648	56441	10	5644	1	564	18	11277	17485	
17	Reflector Parts For Led Torch	15000	PCS	600	52260	7.5	3920	0.75	392	18	10183	14494	
18	Small Gear Knob For Car	480	PCS	307.2	26757	15	4014	1.5	401	28	8728	13143	
19	Screwdriver For Mobile Repairing	4000	PCS	240	20904	10	2090	1	209	18	4177	6476	
20	Glue Paste	89760	PCS	8976	781810	10	78181	1	7818	18	156206	242205	
21	Cleaning Cloth For Mobile Screen	70000	PCS	840	73164	10	7316	1	732	12	9745	17793	
22	Brush	2500	PCS	30	2613	20	523	2	52	18	574	1149	
23	Boot Wire For Mobile Repairing	1000	PCS	40	3484	10	348	1	35	18	696	1079	
24	Av Connector	61000	PCS	1098	95636	15	14345	1.5	1435	18	20055	35835	
Total (Approx.) :					70994.1		6183586		1016413		101641	1312540	2430595

From the **Table E above**, it appears that the total duty liability of the importer is Rs. 24,30,595/- (Rupees Twenty-four Lakh Thirty Thousand and Five Hundred Ninety-Five only).

2.4.2 The importer in the BE no. 7958205 (Z TYPE) dated 23.01.2025, has declared the value of the goods as Rs. 8,62,962/- and calculated the applicable duties and taxes on the

good declared, based on the declared value and classification in the Bill of Entry, the importer has assessed the duty and taxes as Rs. 3,15,654/-.

2.4.3 Based on the calculations from para 2.4.1 (Table E) and para 2.4.2 above, the importer is required to pay/levy a differential liability of **Rs. 21,14,941/- (Rs. Twenty one Lakhs Fourteen Thousand Nine Hundred Forty one only)** on the misdeclared/undeclared/undervalued goods after adjustment. This amount represents the additional duty and tax liability that the importer must pay due to the misdeclaration and misclassification of goods.

2.4.4 The statement of Shri Bishwa Nath Mishra, authorised representative of the importer M/s Bueno Mobile Solutions India Pvt. Ltd. was recorded on 16.06.2025, wherein he stated as under:

- M/s. Shoolin Trade Link LLP filed the Bill of Entry on behalf of M/s Bueno Mobile Solutions India Pvt. Ltd. based on documents provided by the importer.
- Reviewed the valuation report dated 02.06.2025 of the government-approved Chartered Engineer, and in acceptance of the same signed all pages of the CE report. The importer accepts the valuation and agrees to pay duties, taxes, penalties, and fines for excess/undeclared goods.
- Submitted the copy of ETA/WPC certificate for goods 'Mini Speaker for Mobile' in respect of the manufacturer M/s. Shenzhen Huaxingyuantai Technology Co. Ltd., China, along with the required BIS certificate No. for Lithium-ion Cell for mobile phone battery: R-41157074, R-41149187, R- 41245429, R-41136921, R-41127361, for USB Dock for mobile phone –R-41076805, for Sealed Secondary cell for Earphone - R-41160199 & Mini Speaker for Mobile :- R-41184381.
- Requested for waiver of a Show Cause Notice and personal hearing, and requested for the matter to be decided on merits at the earliest.

3. Outcome of Investigation

The investigation conducted by the Directorate of Revenue Intelligence (DRI), Delhi Zonal Unit, and subsequently transferred to the Special Intelligence and Investigation Branch (SIIB), Customs House, Mundra, revealed significant irregularities in the import consignment of M/s Bueno Mobile Solutions India Pvt Ltd., New Delhi, under Bill of Entry Nos. 7958205 (Z TYPE) dated 23.01.2025, covering container no. UETU6034252. The examination uncovered deliberate misdeclaration, misclassification, and undervaluation of goods, indicating an intent to evade Customs duties. The outcomes of the investigation are as follows:

1. Misdeclaration

- The examination of container no. UETU6034252 on 29.01.2025 revealed significant discrepancies between the declared quantities and descriptions in the Bill of Entry No. 7958205 and the actual quantities found, as detailed in Table B. Key discrepancies include:
 - **Lithium-Ion Cells:** Declared 6,455 DOZ (77,460 PCS) across five BIS numbers, found 74,910 PCS, including undeclared cells (R-41245429, 11,070 PCS).
 - **Tampered Glass:** Declared 12,036 PCS (472 KGS), found 83,600 PCS.
 - **C-Type Charging Cable:** Declared 52,560 MTR (365 GRS), found 53,000 PCS.
 - **C-Type Adapter/Charger:** Declared 15012 pcs, found 12,960 PCS.
 - **Sealed Secondary Cell for Earphone:** Declared as 52560 pcs, found 85500 pcs.
 - **Housing set parts for earphone:** Declared 2,55,600 pcs, found 2,46,240 pcs.
 - **Inner Speaker parts for earphone;** Declared 51,840 pcs, found 52,000 pcs.
 - **Screwdriver use for Mobile repairing:** Declared 4,000 pcs, found 3,000 pcs.
 - **AV Connector:** Declared 62,640 pcs, found 61,000 pcs.

2. Misclassification

- Several items were misclassified in the Bill of Entry, affecting applicable duty rates. Based on the DRI examination and the Chartered Engineer's report (Ref. No. ABJ:INSP:CE:SIIB:MA:25-26:23, dated 02.06.2025), the Customs Tariff Headings (CTH) were corrected for items at serial numbers 6, 7, 8, 9, 14, 16, 21, 22, and 25 in Table D. Key reclassifications include:
 - **Mini Bluetooth Speaker:** Misclassified under CTH 85183020 (headphones/earphones), corrected to CTH 85182110 (wireless loudspeakers, 20% BCD).
 - **C-Type Adapter/Charger:** Misclassified under CTH 85177990 (telephone parts), corrected to CTH 85044030 (battery chargers, 20% BCD).
 - **Sealed Secondary Cell for Earphone:** Misclassified under CTH 85068090 (primary cell parts), corrected to CTH 85076000 (lithium-ion accumulators, 20% BCD).
 - **C-Type Charging Cable:** Misclassified under CTH 85441990 (winding wire), corrected to CTH 85444299 (conductors with connectors, 15% BCD).
 - **MMC Card Reader:** Misclassified under CTH 85299090 (parts for apparatus), corrected to CTH 84719000 (data processing machines, 0% BCD).
 - **On/Off Switch & Socket Parts:** Misclassified under CTH 85299090, corrected to CTH 85365090 (electrical switches, 10% BCD).
 - **Screwdriver for Mobile Repairing:** Misclassified under CTH 82059090 (other hand tools), corrected to CTH 82054000 (screwdrivers, 10% BCD).
 - **Glue Paste:** Misclassified under CTH 38101010 (pickling preparations), corrected to CTH 35061000 (adhesives for retail, 10% BCD).
 - **Boot Wire for Mobile Repairing:** Misclassified under CTH 85177990 (telephone parts), corrected to CTH 85444299 (conductors with connectors, 15% BCD).
- These reclassifications ensure accurate duty assessment based on the correct CTHs.

3. Duty Evasion

- The importer's deliberate misdeclaration and undervaluation resulted in a differential duty liability of INR 21,14,941/- (total duty liability of INR 24,30,595/- as per Table E minus declared duty of INR 3,15,654/-).

4. Seizure and Legal Action

- The goods were seized under Section 110 of the Customs Act, 1962, on 30.01.2025 (CBIC DIN: 202501DDZ4000000C31A), due to their liability for confiscation under Sections 111(l) and 111(m) for being undeclared/excess and not corresponding to the declared value or description.
- The importer's actions indicate intent to evade customs duty, violating Section 46(4) (false declaration in Bill of Entry), rendering goods liable to confiscation under Sections 111(l), and 111(m), and attracting penalties under Sections 112(a)(i), (ii), and 114AA for knowingly submitting false documents.
- Goods listed at serial numbers 17 (Housing Set Parts for Mobile Phone Battery) and 18 (Packing

Material More Than 100 Micron) were not found during examination, further supporting misdeclaration claims.

5. Valuation

- **Declared Value:** The importer declared a CIF value of INR 8,62,962/-.
- **Reassessed Value:** The goods were grossly undervalued, with the suggestive CIF value determined by the Government-Empanelled Chartered Engineer at INR 61,83,586/- (USD 70,994.1 at INR 87.1/USD) as per Table C.
- **Valuation Method:** The declared value was rejected under Section 17(4) of the Customs Act, 1962, due to misdeclaration. Valuation was determined under Rule 9 of the Customs Valuation Rules (CVR), 2007 (residual method), as values under Rules 4–8 could not be established due to the lack of comparable data for identical or similar goods, non-standard nature of goods, and absence of domestic market sale prices.
- **Chartered Engineer's Report:** Ref. No. ABJ:INSP:CE:SIIB:MA:25-26:23, dated 02.06.2025, provided suggestive unit and total CIF values for all items, confirming undervaluation.

6. Importer's Admission and Cooperation

- The statement of the authorized representative of M/s Bueno Mobile Solutions India Pvt. Ltd. was recorded on 16.06.2025, wherein:
 - The representative acknowledged that M/s Shoolin Trade Link LLP filed the Bill of Entry based on documents provided by the importer.
 - The importer reviewed and accepted the Chartered Engineer's valuation report (dated 02.06.2025), signing all pages.
 - The importer agreed to pay duties, taxes, penalties, and fines for excess/undeclared goods.
 - Submitted the copy of ETA/WPC certificate for goods 'Mini Speaker for Mobile' in respect of the manufacturer M/s. Shenzhen Huaxingyuantai Technology Co. Ltd., China, along with the required BIS certificate No. for Lithium-ion Cell for mobile phone battery: R-41157074, R-41149187, R- 41245429, R-41136921, R-41127361, for USB Dock for mobile phone –R-41076805, for Sealed Secondary cell for Earphone - R-41160199 & Mini Speaker for mobile:- R-41184381.
 - Requested for waiver of a Show Cause Notice and personal hearing, asking for the matter to be decided on merits at the earliest.

The importer has, by his acts of omission and commission, rendered the goods found undeclared/mis declared/undervalued having assessable value Rs. 61,83,586/- under Bill of Entry no. 7958205 (Z TYPE) dated 23.01.2025, liable for confiscation under section 111 (l) & (m) of the Customs Act, 1962 and is, therefore, also liable for penalty under section 112 (a) (ii) of the Customs Act, 1962.

Further, the importer furnished false and incorrect documentation by failing to declare the dutiable goods in the subject Bill of Entry, therefore, this act of omission and commission, renders the importer for penalty under Section 114AA of the Customs Act, 1962

4. LEGAL PROVISIONAS:

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

4.2 **Section 2 (39)** of the Customs Act, 1962, '**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;

4.3 **SECTION 46 (4)** of the Customs Act, 1962, prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

4.4. Section 111 of the of the Customs Act, 1962- **Confiscation of improperly imported goods, etc. as under**

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

...

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force are 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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54.

...

4.5 **Section 112** of the Customs Act, 1962, penal provisions for improper importation of goods, etc. which read as under:

Any person, -

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

(b) who acquires possession of or is in any way concerned in carrying, removing,

depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111,

shall be liable, -

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

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

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

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

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

4.6. Section 114 AA of the Customs Act, 1962, 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.

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

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

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

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

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

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

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

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

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

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

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

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

Waiver of Notice and Personal Hearing: -

5. The authorised representative of the importer M/s Bueno Mobile Solutions India Pvt. Ltd. in his statement dated 16.06.2025, have requested for waiver of the Show Cause Notice and personal hearing in the matter, necessary adjudication proceeding/action may be initiated in respect of the said Bill of Entry as per the Customs Act, 1962.

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

(i) The mis-declared goods in Bill of Entry No. 7958205 (Z TYPE) dated 23.01.2025 are to be re-classified as per the Customs Tariff Headings (CTH) outlined in paragraph 2.3.1 and Table D, based on the examination by the DRI Delhi Zonal Unit and the government-approved Chartered Engineer's report (Ref. No. ABJ:INSP:CE:SIIB:MA:25-26:23, dated 02.06.2025).

(ii) The quantities of the import goods declared by the importer in the Bill of Entry are to be rejected, and the goods, including those found in excess, are to be quantified as per Table B and shall be incorporated into the Bill of Entry.

(iii) The total value of the mis-declared and declared goods is to be re-determined to Rs. 61,83,586/-, as determined by the Chartered Engineer's report dated 02.06.2025 under Rule 9 of the Customs Valuation Rules, 2007, following sequential application from Rule 2 to 9, due to the absence of comparable data under Rules 3 to 8.

(iv) The goods imported in excess of the declared quantities and goods found mis-declared, valued at Rs. 61,83,586/-, are liable for confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962.

(v) The differential duty of Rs. 21,14,941/- (as calculated in paragraph 2.4.3: Rs. 24,30,595/- (Table E) - Rs. 3,15,654/- (declared duty)) has not been levied on the undeclared and excess goods and is to be included in the importer's duty liability.

(vi) The importer is liable for penalties under Sections 112(a)(ii), and 114AA of the Customs Act, 1962, for attempting to evade duties through mis-declaration and undervaluation of goods.

RECORD OF PERSONAL HEARING

7. The authorized representative of the importer in his statement dated 16.06.2025 has requested for waiver of the Show cause notice and personal hearing in the matter and necessary adjudication /proceeding/action may be initiated in respect of the said Bill of Entry as per the Customs Act, 1962.

DISCUSSION & FINDING

8. I have carefully gone through the case records and applicable provisions of Law. I find that the authorized representative of the importer in his statement dated 16.06.2025 has requested for waiver of the Show cause notice and personal hearing in the matter, thus, the condition of Principles of Natural Justice *under Section 122A of the Customs Act, 1962* has been complied with. Hence, I proceed to decide the case on the basis of facts and documentary evidences available on records.

9. The main issues before me are to decide whether-

(i) The mis-declared goods in Bill of Entry No. 7958205 (Z TYPE) dated 23.01.2025 are to be re-classified as per the Customs Tariff Headings (CTH) outlined in paragraph 2.3.1 and Table D, based on the examination by the DRI Delhi Zonal Unit and the government-approved Chartered Engineer's report (Ref. No. ABJ:INSP:CE:SIIB:MA:25-26:23, dated 02.06.2025).

(ii) The quantities of the import goods declared by the importer in the Bill of Entry are to be rejected, and the goods, including those found in excess, are to be quantified as per Table B and shall be incorporated into the Bill of Entry.

(iii) The total value of the mis-declared and declared goods is to be re-determined to Rs. 61,83,586/-, as determined by the Chartered Engineer's report dated 02.06.2025 under Rule 9 of the Customs Valuation Rules, 2007, following sequential application from Rule 2 to 9, due to the absence of comparable data under Rules 3 to 8.

(iv) The goods imported in excess of the declared quantities and goods found mis-declared, valued at Rs. 61,83,586/-, are liable for confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962.

(v) The differential duty of Rs. 21,14,941/- (as calculated in paragraph 2.4.3: Rs. 24,30,595/- (Table E) - Rs. 3,15,654/- (declared duty)) has not been levied on the undeclared and excess goods and is to be included in the importer's duty liability.

(vi) The importer is liable for penalties under Sections 112(a)(ii), and 114AA of the Customs Act, 1962, for attempting to evade duties through mis-declaration and undervaluation of goods.

10. I find that M/s Bueno Mobile Solutions India Pvt. Ltd. had filed Bill of Entry Nos. 7958205 (Z TYPE) dated 23.01.2025 for the clearance of the goods as detailed below:

Table A				
Sr. No	CTH	Description	Quantity	UQC

1	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41157074)	2080	DOZ
2	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41149187)	500	DOZ
3	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41140449)	1675	DOZ
4	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41136921)	830	DOZ
5	85076000	Lithium-Ion Cell for Mobile Phone Battery (R-41127361)	1370	DOZ
6	85183020	Mini Speaker for Mobile (R-41184381)	583	DOZ
7	85177990	USB Dock for Mobile Phone (R-41076805)	1251	DOZ
8	85068090	Sealed Secondary Cell for Earphone (R-41160199)	590	GRS
9	85441990	USB Charging Wire (52560 MTR)	365	GRS
10	85189000	Housing Set Parts for Earphone	1710	GRS
11	85189000	Mini PCBA Parts for Earphone	625	GRS
12	85189000	Inner Speaker Parts for Earphone	360	GRS
13	85189000	Earbuds Rubber Parts for Earphone	110	THD
14	85299090	MMC Card Reader	30	GRS
15	70072190	Screen Protector for Mobile (12036 PCS)	472	KGS
16	85299090	On/Off Switch & Socket Parts for SMD	375	GRS
17	85079090	Housing Set Parts for Mobile Phone Battery	180	GRS
18	39269099	Packing Material More Than 100 Micron	85	KGS
19	85139000	Reflector Parts for LED Torch	105	GRS
20	87089900	Small Gear Knob for Car	500	PCS
21	82054000	Screwdriver for Mobile Repairing	3000	PCS
22	35069190	Glue Paste for Mobile Repair	1950	KGS
23	63071090	Cleaning Cloth for Mobile Screen	70	THD
24	96039000	Brush for Mobile Repairing	2500	PCS
25	85441990	Boot Wire for Mobile Phone Repairing	1000	PCS
26	85369090	AV Connector	435	GRS

11. I find that the investigation conducted by the Directorate of Revenue Intelligence (DRI), Delhi Zonal Unit, and subsequently transferred to the Special Intelligence and Investigation Branch (SIIB), Customs House, Mundra, revealed significant irregularities in the import consignment of M/s Bueno Mobile Solutions India Pvt Ltd., New Delhi, under Bill of Entry Nos. 7958205 (Z TYPE) dated 23.01.2025, covering container no. UETU6034252. The examination uncovered deliberate misdeclaration, misclassification, and undervaluation of goods, indicating an intent to evade Customs duties. The goods found during examination are as detailed below:

Table B									
Declared in Bill of Entry					As per DRI Examination				
S R N O	DESCRIPTION	QUA NTI TY	MEAS URE U NIT	MA RK	DESCRIPTION	C T N	Qty p er C TN	TOTAL QUANTI TY	MEAS URE U NIT
1	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41157074)	2080	DOZ	MP	LITHIUM-ION CELL	100	300	30000	PCS
2	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41149187)	500	DOZ	ZLT-KK	LITHIUM-ION CELL	26	240	6240	PCS
3	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41140449)	1675	DOZ	BABLU	LITHIUM-ION CELL	123	90	11070	PCS
4	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41136921)	830	DOZ	GEE	LITHIUM-ION CELL	25	400	10000	PCS
5	LITHIUM-ION CELL FOR MOBILE PHONE BATTERY (R-41127361)	1370	DOZ	TK/MT	LITHIUM-ION CELL	44	400	17600	PCS
6	MINI SPEAKER FOR MOBILE (R-41184381)	583	DOZ	NIC	MINI BLUETOOTH SPEAKER	140	50	7000	PCS
7	USB DOCK FOR MOBILE PHONE (R-41076805)	1251	DOZ	CHANDER	C-TYPE ADAPTER/CHARGER FOR MOBILE PHONE	81	160	12960	PCS
8	SEALED SECONDARY CELL FOR EARPHONE (R-41160199)	590	GRS	PIPS	SEALED SECONDARY CELL FOR EARPHONE	57	1500	85500	PCS
9	USB CHARGING WIRE (52560 MTR)	365	GRS	PKY	C-TYPE CHARGING CABLE	53	1000	53000	PCS
10	HOUSING SET PARTS FOR EARPHONE	1710	GRS	JP	HOUSING SET PARTS FOR EARPHONE	71	3600	255600	PCS
11	MINI PCBA PARTS FOR EARPHONE	625	GRS	JP	MINI PCBA	9	10000	90000	PCS
12	INNER SPK. PARTS FOR EARPHONE	360	GRS	JP	INNER SPEAKER PARTS	4	13000	52000	PCS
13	EARBUDS RUBBER PARTS FOR EARPHONE	110	THD	JP	EARBUDS	2	55000	110000	PCS
14	MMC CARD READER	30	GRS	SG	MMC CARD READER	10	500	5000	PCS
15	SCREEN PROTECTOR FOR MOBILE (6630 PCS)	260	KGS	DPS	TAMPED GLASS	48	200	83600	PCS
16	ON/OFF SWITCH & SOCKET PARTS FOR SMD	375	GRS	WST	ON/OFF SWITCH & SOCKET PARTS	18	3000	54000	PCS
17	HOUSING SET PARTS FOR MOBILE PHONE BATTERY	180	GRS	-	-	0		0	PCS
18	PACKING MATERIAL MORE THAN 100 MICRON	85	KGS	-	-	0		0	PCS
19	REFLECTOR PARTS FOR LED TORCH	105	GRS	GEE	REFLECTOR PARTS FOR LED TORCH	10	1500	15000	PCS
20	SMALL GEAR KNOB FOR CAR	500	PCS	ELIDE	SMALL GEAR KNOB FOR CAR	8	60	480	PCS
21	SCREWDRIVER USE FOR MOBILE REPAIRING	3000	PCS	VAK	SCREWDRIVER FOR MOBILE REPAIRING	8	500	4000	PCS
22	GLUE PASTE USE FOR MOBILE REPAIR (90360 PCS)	1730	KGS	RAJIV	GLUE PASTE	264	340	89760	PCS

23	CLEANING CLOTH FOR MOBILE SCREEN	70	THD	VA K	CLEANING CLOTH FOR MOBILE SCREEN	7	10000	70000	PCS
24	BRUSH USE FOR MOBILE REPAIRING	2500	PCS	VA K	BRUSH	1	2500	2500	PCS
25	BOOT WIRE USE FOR MOBILE PHONE REPAIRING	1000	PCS	VA K	BOOT WIRE FOR MOBILE REPAIRING	5	200	1000	PCS
26	AV CONNECTOR	435	GRS	SD-0125	AV CONNECTOR	61	1000	61000	PCS
TOTAL (APPROX.):						1545			

12. From the above tables it is evident that importer has mis-declared the goods. Further, from the investigation it is also observed that the importer has deliberately mis-declared, misclassified, and undervalued the goods, with an intent to evade Customs duties. The following discrepancies were observed in the investigation:

1. Mis-declaration

- The examination of container no. UETU6034252 on 29.01.2025 revealed significant discrepancies between the declared quantities and descriptions in the Bill of Entry No. 7958205 and the actual quantities found, as detailed in Table B. Key discrepancies include:
 - Lithium-Ion Cells:** Declared 6,455 DOZ (77,460 PCS) across five BIS numbers, found 74,910 PCS, including undeclared cells (R-41245429, 11,070 PCS).
 - Tampered Glass:** Declared 12,036 PCS (472 KGS), found 83,600 PCS.
 - C-Type Charging Cable:** Declared 52,560 MTR (365 GRS), found 53,000 PCS.
 - C-Type Adapter/Charger:** Declared 15012 pcs, found 12,960 PCS.
 - Sealed Secondary Cell for Earphone:** Declared as 52560 pcs, found 85500 pcs.
 - Housing set parts for earphone:** Declared 2,55,600 pcs, found 2,46,240 pcs.
 - Inner Speaker parts for earphone;** Declared 51,840 pcs, found 52,000 pcs.
 - Screwdriver use for Mobile repairing:** Declared 4,000 pcs, found 3,000 pcs.
 - AV Connector:** Declared 62,640 pcs, found 61,000 pcs.

2. Misclassification

- Several items were misclassified in the Bill of Entry, affecting applicable duty rates. Based on the DRI examination and the Chartered Engineer's report (Ref. No. ABJ:INSP:CE:SIIB:MA:25-26:23, dated 02.06.2025), the Customs Tariff Headings (CTH) were corrected for items at serial numbers 6, 7, 8, 9, 14, 16, 21, 22, and 25 in Table D. Key reclassifications include:
 - Mini Bluetooth Speaker:** Misclassified under CTH 85183020 (headphones/earphones), corrected to CTH 85182110 (wireless loudspeakers, 20% BCD).
 - C-Type Adapter/Charger:** Misclassified under CTH 85177990 (telephone parts), corrected to CTH 85044030 (battery chargers, 20% BCD).
 - Sealed Secondary Cell for Earphone:** Misclassified under CTH 85068090 (primary cell parts), corrected to CTH 85076000 (lithium-ion accumulators, 20% BCD).
 - C-Type Charging Cable:** Misclassified under CTH 85441990 (winding wire), corrected to CTH 85444299 (conductors with connectors, 15% BCD).
 - MMC Card Reader:** Misclassified under CTH 85299090 (parts for apparatus), corrected to CTH 84719000 (data processing machines, 0% BCD).
 - On/Off Switch & Socket Parts:** Misclassified under CTH 85299090, corrected to CTH 85365090 (electrical switches, 10% BCD).
 - Screwdriver for Mobile Repairing:** Misclassified under CTH 82059090 (other hand tools), corrected to CTH 82054000 (screwdrivers, 10% BCD).

- **Glue Paste:** Misclassified under CTH 38101010 (pickling preparations), corrected to CTH 35061000 (adhesives for retail, 10% BCD).
- **Boot Wire for Mobile Repairing:** Misclassified under CTH 85177990 (telephone parts), corrected to CTH 85444299 (conductors with connectors, 15% BCD).
- These reclassifications ensure accurate duty assessment based on the correct CTHs.

3. Valuation

- **Declared Value:** The importer declared a CIF value of INR 8,62,962/-.
- **Reassessed Value:** The goods were grossly undervalued, with the suggestive CIF value determined by the Government-Empanelled Chartered Engineer at INR 61,83,586/- (USD 70,994.1 at INR 87.1/USD) as per Table C.
- **Valuation Method:** The declared value was rejected under Section 17(4) of the Customs Act, 1962, due to misdeclaration. Valuation was determined under Rule 9 of the Customs Valuation Rules (CVR), 2007 (residual method), as values under Rules 4–8 could not be established due to the lack of comparable data for identical or similar goods, non-standard nature of goods, and absence of domestic market sale prices.
- **Chartered Engineer's Report:** Ref. No. ABJ:INSP:CE:SIIB:MA:25-26:23, dated 02.06.2025, provided suggestive unit and total CIF values for all items, confirming undervaluation.

4. Duty Evasion

- The importer's deliberate misdeclaration and undervaluation resulted in a differential duty liability of INR 21,14,941/- (total duty liability of INR 24,30,595/- as per Table E minus declared duty of INR 3,15,654/-).

13. I find that several imported goods have been mis-classified, therefore, the correct classification needs to be done. I find that the classification of the goods, listed in Table D at serial numbers 6, 7, 8, 9, 14, 16, 21, 22, and 25, as declared by the importer in the said Z Bill of Entry is liable to be rejected and these goods are liable to be re-classified as discussed at para 2.3.1.

14. I find that the importer has attempted to evade payment of duties and taxes by mis-declaring and undervaluing the imported goods. The duty liability for the declared / undeclared goods has been ascertained as per Table E of para 2.4.1. The same has been reproduced as under:

Sr. No	Description	Total Quantity	Measure Unit	Total Suggestive Average C.I.F. Value by C.E. (in USD)	Total Suggestive Average C.I.F. Value by C.E. (in INR) \$=87.1	Rate of BCD	BCD (in Rs.)	SWS (RATE in %)	SWS (in Rs.)	IGST rate	Applicable IGST Duty Amount (in Rs.)	Total Duty (in Rs.)
1	Lithium-Ion Cell	30000	PCS	12000	1045200	20	209040	2	20904	18	229526	459470
2	Lithium-Ion Cell	6240	PCS	2496	217402	20	43480	2	4348	18	47741	95570
3	Lithium-Ion Cell	11070	PCS	4428	385679	20	77136	2	7714	18	84695	169544
4	Lithium-Ion Cell	10000	PCS	4000	348400	20	69680	2	6968	18	76509	153157
5	Lithium-Ion Cell	17600	PCS	7040	613184	20	122637	2	12264	18	134655	269556

6	Mini Bluetooth Speaker	7000	PCS	3150	274365	20	54873	2	5487	18	60251	120611
7	C-Type Adapter/Charger For Mobile Phone	12960	PCS	1555.2	135458	20	27092	2	2709	18	29747	59547
8	Sealed Secondary Cell For Earphone	85500	PCS	1282.5	111706	20	22341	2	2234	18	24531	49106
9	C-Type Charging Cable	53000	PCS	3180	276978	10	27698	1	2770	18	55340	85808
10	Housing Set Parts For Earphone	255600	PCS	5112	445255	15	66788	1.5	6679	18	93370	166837
11	Mini PCBA	90000	PCS	3150	274365	15	41155	1.5	4115	18	57534	102805
12	Inner Speaker Parts	52000	PCS	1560	135876	15	20381	1.5	2038	18	28493	50913
13	Ear buds	110000	PCS	1320	114972	15	17246	1.5	1725	18	24110	43080
14	MMC Card Reader	5000	PCS	250	21775	0	0	0	0	18	3920	3920
15	Tampered Glass	83600	PCS	7691.2	669904	15	100486	1.5	10049	18	140479	251013
16	On/Off Switch & Socket Parts	54000	PCS	648	56441	10	5644	1	564	18	11277	17485
17	Reflector Parts For Led Torch	15000	PCS	600	52260	7.5	3920	0.75	392	18	10183	14494
18	Small Gear Knob For Car	480	PCS	307.2	26757	15	4014	1.5	401	28	8728	13143
19	Screwdriver For Mobile Repairing	4000	PCS	240	20904	10	2090	1	209	18	4177	6476
20	Glue Paste	89760	PCS	8976	781810	10	78181	1	7818	18	156206	242205
21	Cleaning Cloth For Mobile Screen	70000	PCS	840	73164	10	7316	1	732	12	9745	17793
22	Brush	2500	PCS	30	2613	20	523	2	52	18	574	1149
23	Boot Wire For Mobile Repairing	1000	PCS	40	3484	10	348	1	35	18	696	1079
24	Av Connector	61000	PCS	1098	95636	15	14345	1.5	1435	18	20055	35835
Total (Approx.) :				70994.1	6183586		1016413		101641		1312540	2430595

15. I find that, the imported goods have been undervalued in view of the report submitted by the Chartered Engineer and hence the declared value rejected under Rule 12 of CVR, 2007. Further, the value of the goods re-determined on the basis of CE report under Rule 9 of the CVR, 2007 and same needs to be re-assessed in BE. The re-determined value of the goods comes out Rs. 61,83,586/-, (Sixty-one Lakh, Eighty-Three Thousand, Five Hundred Eighty-Six only) as per CE report in para 2.2.2 above. The same has been accepted by the authorized representative of the importer.

16. I find that the total duty liability of the importer comes to Rs. 24,30,595/- (Rupees Twenty-four Lakh Thirty Thousand and Five Hundred Ninety-Five only) instead of declared Rs. 3,15,654/-. Thus, I find that importer has not paid/short paid the Customs Duty of Rs. 21,14,941/- (Rs. Twenty one Lakhs Fourteen Thousand Nine Hundred Forty one

only).

17. I find that, by these act of omission and commission at the level of importer, it appears that, the importer has contravened the provisions of Section 46 and Section 17 of the Customs Act, 1962, in as much as, they failed to make correct and true declaration and information to the Customs Officer in the form of Bill of Entry and also failed to assess their duty liability correctly and hence, the cargo is liable for confiscation under Section 111(l) and 111(m) of the Customs Act, 1962. The importer is also liable for penalty under Sections 112(a)(ii) and 114AA of the Customs Act, 1962.

18. I find that the relevant legal provisions are reproduced below for ease of reference:

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

Section 2 (39) of the Customs Act, 1962, '**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 46 (4) of the Customs Act, 1962, prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

Section 111 of the of the Customs Act, 1962- **Confiscation of improperly imported goods, etc. as under**

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

...

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force are 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

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

...

Section 112 of the Customs Act, 1962, penal provisions for improper importation of goods, etc. which read as under:

Any person, -

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

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

shall be liable, -

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

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

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

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

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

Section 114 AA of the Customs Act, 1962, **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.

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

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

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

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

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

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

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

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

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

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

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

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

19. Since the imported goods are liable for confiscation, an option of redeeming the goods is required to be granted to the importer, against the order of confiscation by paying redemption fine as provided under Section 125(1) of the Customs Act, 1962. The Section 125 ibid reads as under: -

“Section 125. Option to pay fine in lieu of confiscation. — (1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods 1[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.”

I find that as provided under Section 125(1) ibid, the importer will have to pay the redemption fine while exercising option to redeem the confiscated goods. Thus, in view of these provisions, I hold that the goods can be re-deemed by the importer on payment of redemption fine.

20. In view of the above, I find that the importer has contravened the provisions of Section 46 and Section 17 of the Customs Act, 1962, in as much as, they failed to make correct and true declaration and information to the Customs Officer in the form of Z Bill of Entry and also failed to assess their duty liability correctly and hence, the cargo is liable for confiscation under Section 111(l) and 111(m) of the Customs Act, 1962. The importer is also liable for penalty under Sections 112(a)(ii) and 114AA of the Customs Act, 1962.

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

ORDER

- i. I order to reject the classification of the goods listed in Table D at serial numbers 6, 7, 8, 9, 14, 16, 21, 22, and 25 as declared by the importer in the Z Bill of Entry No. 7958205 dated 23.01.2025 and order to re-determined the CTH of these goods as discussed in para 2.3.1 above.
- ii. I order to reject the quantities of the imported goods declared by the importer in the Z Bill of Entry and order to quantify and incorporate the goods, including those found in excess, as per Table B into the Z Bill of Entry.
- iii. I order to reject the declared assessable value of the goods imported under Z Bill of Entry No. 7958205 dated 23.01.2025 i.e. **Rs. 8,62,962/-** and order to re-determined a t **Rs. 61,83,586/-, (Sixty-one Lakh, Eighty-Three Thousand, Five Hundred Eighty-Six only)** as discussed above under Rule 9 of the CVR, 2007 read with Section 14 of the Customs Act, 1962. I order for re-assessment of the goods imported vide Z Bill of Entry No. 7958205 dated 23.01.2025 accordingly under Section 17(4) of the Customs Act, 1962.
- iv. I order to reject the self-assessment of Z Bill of Entry No. 7958205 dated 23.01.2025 and order to re-assess the BE with total consequential duty of **Rs. 24,30,595/- (Rupees Twenty-four Lakh Thirty Thousand and Five Hundred Ninety-Five only)** instead of declared duty of **Rs. 3,15,654/-**. The differential duty comes out **Rs. 21,14,941/-** (Rs. Twenty one Lakhs Fourteen Thousand Nine Hundred Forty one only).
- v. I order for confiscation of the goods imported vide Z Bill of Entry No. 7958205 dated 23.01.2025 having re-determined assessable value of **Rs. 61,83,586/-, (Sixty-one Lakh, Eighty-Three Thousand, Five Hundred Eighty-Six only)** under Section 111(l) and 111(m) of the Customs Act, 1962. However, I give an option to the Importer M/s Bueno Mobile Solutions India Pvt. Ltd. to redeem the goods under provisions of Section 125 of Customs Act, 1962 on payment of Redemption Fine of **Rs. 5,00,000 /- (Rs. Five Lakh Only)**.
- vi. I order to impose penalty of **Rs. 2,00,000 /- (Rs. Two Lakh only)** on the importer M/s Bueno Mobile Solutions India Pvt. Ltd. under Section 112(a)(ii) of Customs Act, 1962.
- vii. I order to impose penalty of **Rs. 2,00,000 /- (Rs. Two Lakh only)** on the importer M/s Bueno Mobile Solutions India Pvt. Ltd. under Section 114AA of Customs Act, 1962.

22. This order is issued without prejudice to any other action which may be contemplated against the importer or any other person under provisions of the Customs Act, 1962 and rules/regulations framed thereunder or any other law for the time being in force in the Republic of India.

Additional Commissioner of Customs
Appraising Group-V,
Custom House, Mundra

To,
M/s Bueno Mobile Solutions India Pvt. Ltd. (IEC: AAJCB1747P),
Flat No. 203, 9/54, Namdhari Chamber, Karol Bagh,
New Delhi-110005.

Copy to:

1. The Dy. Commissioner of Customs, Review Section, CH, Mundra
2. The Dy. Commissioner of Customs, TRC Section, CH, Mundra
3. The Dy. Commissioner of Customs, EDI Section, CH, Mundra
4. Guard file