

	<p>कार्यालय: प्रधान आयुक्त सीमाशुल्क, मुन्द्रा, सीमाशुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370421 OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS: CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421. PHONE : 02838-271426/271163 FAX :02838-271425 E-mail id- adj-mundra@gov.in</p>	
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A FILE NO./ फाइल संख्या	CUS/APR/ASS/642/2026-Gr-4
B OIO NO./ आदेश संख्या	MCH/ADC/ZDC/726/2025-26
C PASSED BY/ जारीकर्ता	Dipak Zala, ADDITIONAL COMMISSIONER, Customs House, Mundra.
D DATE OF ORDER/ आदेश की तारीख	25.03.2026
E DATE OF ISSUE/ जारी करने की तिथि	25.03.2026
F SCN No. & Date/ कारण बताओ नोटिस क्रमांक	Importer requested for waiver of PH & SCN vide letter dated 20.02.2026
G NOTICEE/ PARTY/ IMPORTER नोटिसकर्ता/पार्टी/आयातक	M/s. Sai Imports and Logistics, 730, S2 Type B 2nd Floor Shalimar Garden Ext, Sahibabad, Ghaziabad, Uttar Pradesh-201005.
H DIN/ दस्तावेज़ पहचान संख्या	20260371MO000091439D

1. यह आदेश संबंधित को निःशुल्क प्रदान किया जाता है।

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

2. यदि कोई व्यक्ति इस आदेश से असंतुष्ट है तो वह सीमाशुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमाशुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1 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 128A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

“सीमाशुल्क आयुक्त) अपील(,

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,
नवरंगपुरा,अहमदाबाद 380 009”

“THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA
HAVING HIS OFFICE AT 4TH FLOOR, HUDCO BUILDING, ISHWAR BHUVAN
ROAD,
NAVRANGPURA, AHMEDABAD-380 009.”

3. उक्तअपील यहआदेश भेजने की दिनांक से 60दिन के भीतर दाखिल की जानी चाहिए।
Appeal shall be filed within sixty days from the date of communication of this order.
4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5 -/रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए-
Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must be accompanied by –
- उक्त अपील की एक प्रति और A copy of the appeal, and
 - इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची 1-के अनुसार न्यायालय शुल्क अधिनियम-1870के मद सं० 6-में निर्धारित 5 -/रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।
This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.
5. अपील ज्ञापन के साथ ड्यूटी /ब्याज /दण्ड /जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।
Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.
6. अपील प्रस्तुत करते समय, सीमाशुल्क) अपील (नियम, 1982और सीमाशुल्क अधिनियम, 1962के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।
While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respects.
7. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (A) के समक्ष मांग शुल्क का 7.5 % भुगतान करना होगा।
An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

BRIEF FACTS OF THE CASE

M/s. Sai Imports and Logistics (IEC No. AQVPM1441J), having address at 730, S2 Type B 2nd Floor Shalimar Garden Ext, Sahibabad, Ghaziabad, Uttar Pradesh-201005 (hereinafter referred as to ‘the importer’) has filed Bill of Entry No. 2821728 dated 23.06.2025 for import of the goods i.e. “Kitchen Sink and Accessories”. On basis of specific

intelligence received in this office, the goods were put on hold for mis-declaration of the cargo in terms of restriction/prohibition. The details of the Bill of Entry are as below:

Table-I

Sr. No.	BE No./ Date	Container No.	BL No./ Date	Goods Declared		Quantity
				HSN	Description	
1	2821728 dated 23.06.2025	CSNU6481428	COAU7259763880 dated 28.05.2025	73241000	Kitchen Sink and Accessories	24219 Kgs
Total						24219

2. Examination of the Goods:

The goods were examined by the officers of SIIB, Mundra under Examination Report dated 08.07.2025 at the premises of M/s Seabird Marine Services (Gujarat) Pvt. Ltd. Adani Port & SEZ, Mundra in the presence of Shri Deepak R Pathak, H Card Holder of Customs Broker Firm M/s Abhay Narayan Singh and Lokendra Kumar Sharma, representative of M/s Seabird Marine Services (Gujarat) Pvt. Ltd. The Seal of container was verified as per documents and found intact. The weighment slip was cross checked and the details are as below:

Table-II

Sr. No.	Bill of Entry No. and Date	Container No.	BL Weight kgs	CFS weight kgs
1	2821728 dated 23.06.2025	CSNU6481428	26910	26880

Further, the goods were examined by the SIIB officers. The goods were packed in different types of packing and same was destuffed in the warehouse. Prima facie the goods appear as Stainless Steel Kitchen Sink with accessories. The details of the goods found on examination is as below:

Table-III

Sr. No.	Marking	Description	No. of CTN/PP Bags/Pallets	Total Pcs found during the examination
1	HS 50	Sink Installation Pipe	27	997
2	WF01	Pull Down Kitchen Faucet	50	997
3	RF01	Kitchen Sink Tap faucet	10	997
4	B02	Small Tray	24	696
5	SO002	Empty Spray Bottle	10	997
6	W01	Glass Rinser for	10	997

		kitchen Sink		
7	B01	Small sink Basket	34	997
8	C001	Cutting Board	---	990
9	B04	Jalli Tray	10	97
10	--	Stainless steel Sink in pallets	9	900
11	--	Stainless steel Sink in pallets	1	197
12	---	Stainless steel Sink loose	--	6950

During the course of examination, the goods found as Stainless Steel Kitchen Sink with accessories of different type. However, the quantity was not ascertained as the importer has given vague description in the Bill of Entry i.e. Kitchen Sink and Accessories. The accessories are of different type and same was mentioned in the above Table-III as per examination report. Prima Facie it appears that the said goods fall under the purview of BIS as per IS 13983:1994. Further, the goods appear highly undervalued. The unit assessable value of the item declared @0.61/Kg which comes to Rs. 53.46 (exchange rate: 1 USD= 87.65 INR). The same appears very low for the goods made of stainless steel.

Accordingly, the goods were seized vide Seizure Memo dated 29.07.2025 and handed over to the concerned CFS vide Supurtanama dated 29.07.2025.

3. Re-Classification of the Goods:

The importer has declared the goods as Kitchen Sink and Accessories and classified the goods under CTH 73241000. However, the goods were found as Stainless Steel Kitchen Sink with accessories of 02 size.

As per description of the goods i.e Stainless Steel Kitchen Sink with accessories it appears that the declared CTH is correct. The relevant extract of CTH 7324 is as below:

7324 SANITARY WARE AND PARTS THEREOF, OF IRON OR STEEL

7324 10 00- Sinks and wash basins, of stainless steel

-Baths:

7324 21 00--Of cast iron, whether or not enamelled

7324 29 00 -- Other

7324 90 00 - Other, including parts

The goods other than the sink are Accessories/Parts of Sink and the same are rightly classifiable under CTH 73249000. The Relevant CTH of the goods found during examination is as follows:

Table-IV

Sr. No.	Description	Declared CTH	Re-determined CTH

1	Sink Installation Pipe	73241000	73249000
2	Pull Down Kitchen Faucet	73241000	73249000
3	Kitchen Sink Tap faucet	73241000	73249000
4	Small Tray	73241000	73249000
5	Empty Spray Bottle	73241000	73249000
6	Glass Rinser for kitchen Sink	73241000	73249000
7	Small sink Basket	73241000	73249000
8	Cutting Board	73241000	73249000
9	Jalli Tray	73241000	73249000
10	Stainless steel Sink in pallets	73241000	73241000
11	Stainless steel Sink in pallets	73241000	73241000
12	Stainless steel Sink loose	73241000	73241000

4. Compliance of Policy conditions:

The imported goods i.e. “Stainless Steel Kitchen Sink with accessories” found during the examination, falls under the compulsory registration with BIS as per IS No. 13983:1994. However, later DPIIT vide its order dated 22.08.2025 has superseded the Quality Control order for Cookware, Utensils and Cans for Food and Beverages, 2024 and extended the applicability of BIS by 01.10.2025 vide Quality Control order for Cookware, Utensils and Cans for Food and Beverages, 2025. So, from the Quality Control order for Cookware, Utensils and Cans for Food and Beverages, 2025, hence it clearly appears that the said order is not applicable on the goods of current consignment. Further, explanation was also sought from DPIIT via mail and they submitted that QCO was not applicable on the said products in the intervening period.

5. Rejection and Re-Determination of Valuation:

5.1. The inconsistency observed in the Bill of Entry filings suggests deliberate undervaluation. In Bill of Entry No. 2821728 dated 23.06.2025, submitted by the importer, the quantities declared are detailed in Table I above, however, during examination the goods found as Stainless Steel Kitchen sink with accessories, as listed in Table III above.

5.2. As there is mis-declaration in description and valuation in the Bill of Entry No. 2821728 dated 23.06.2025, thus they were liable to be re-assessed under section 17(4) of the Customs Act, 1962. Since, mis-description of the goods, 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 Customs Valuation Rules (CVR), 2007, 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*.

Accordingly, A Chartered Engineer was appointed for the valuation of the goods. The Chartered Engineer vide his report ref no. ABJ:INSP:CE:SIIB:SADGURU:25-26:01 dated 01.01.2026 has suggested the valuation of the imported goods as under:

Table-V

Sr. No.	Item	Total Quantity	Unit	Unit Suggestive Average C.I.F. Value by C.E. – per Kg - in USD (Approx.)	Total Suggestive Average C.I.F. Value by C.E. – per Kg - in USD (Approx.)	Total Suggestive C.I.F. Value by C.E. (in INR)
1	Sink Installation Pipe	997	Pcs	0.12	119.64	10486
2	Pull Down Kitchen Faucet	997	Pcs	3.7	3688.9	323332
3	Kitchen Sink Tap	997	Pcs	3.7	3688.9	323332

	Faucet					
4	Small Tray	696	Pcs	0.23	160.08	14031
5	Empty Spray Bottle	997	Pcs	0.12	119.64	10486
6	Glass Rinser for kitchen Sink	997	Pcs	0.23	229.31	20099
7	Small sink Basket	997	Pcs	1.6	1595.2	139819
8	Cutting Board	990	Pcs	0.17	168.3	14751
9	Jalli Tray	97	Pcs	0.34	32.98	2891
10	Stainless steel Sink in pallets	900	Pcs	3.51	3159	276886
11	Stainless steel Sink in pallets	197	Pcs	3.51	691.47	60607
12	Stainless steel Sink loose	6950	Pcs	3.51	24394.5	2138178
Total					38047.92	33,34,900/-

5.3. As per inspection report/valuation opinion of Govt Approved Empanelled Chartered Engineer provided vide Ref: - ABJ:INSP:CE:SIIB:SADGURU:25-26:01 dated 01.01.2026, it appears that goods imported vide Bill of Entry No. 2821728 dated 23.06.2025 filed by M/s Sai Imports and Logistics, 730, S2 Type B 2nd Floor Shalimar Garden Ext, Sahibabad, Ghaziabad, Uttar Pradesh-201005 has been under-valued. The CE re-determined the value of the goods as Rs. 33,34,900/- instead of declared value of Rs. 14,25,609/-.

6. Records of Summons and Statement:

Summons were issued to the Importer to appear before this office on 26.07.2025 and 12.08.2025 in connection with inquiry in respect of import of goods vide Bill of Entry No. 2821728 dated 23.06.2025. However, no one was present for the statement on the said date. Further, Summons was issued to the Importer to appear on 17.09.2025. Accordingly, Shri Anupam Mishra, Proprietor of M/s. Sai Imports and Logistics, appeared before this office to tender his statement. During the course of tendering statement, he admitted as under:

- On being asked, he submitted that he is the Proprietor of M/s. Sai Imports and Logistics, which was established in June 2020. He stated that the firm is engaged in trading of various commodities such as fabric, hardware items, cutting wheels, etc., and occasionally imports goods based on market demand. He further stated that the firm does not undertake exports, however; imports around 3–4 FCL containers per month. He informed that the turnover of the firm was approximately Rs. 7 Crores during FY 2023–24 and Rs. 4 Crores during FY 2024–25.
- On being asked, he submitted that he is fully aware about the summons issued to him in connection with investigation pertaining to import of goods vide BE No. 2821728 dated 23.06.2025.
- On being asked, he stated that the goods imported vide the said BE were Kitchen Sink and accessories, imported for trading purpose. He was shown the Examination Report dated 08.07.2025, wherein Stainless-Steel Sinks were found during examination. He stated that the goods were declared as Kitchen Sink and accessories since Stainless Steel Sinks are meant for use in kitchens and the description is generic in nature.
- On being asked regarding declaration of CTH 73241000 and mention of UQC as “Kgs” instead of prescribed unit “u”, he submitted that he is not fully aware of the technical details and that the Bill of Entry is filed by his authorised Customs Broker on his guidance.
- On being asked, he submitted that his firm falls under Micro Enterprises as per MSME certificate and as per DPIIT order dated 11.10.2024, the implementation date of BIS 13983:1994 for Stainless Steel Sinks in respect of Micro Enterprises is 01.10.2025 and the same has been extended to 01.04.2026 vide DPIIT Order dated 21.08.2025. He stated that since the Bill of Entry is filed on 23.06.2025, BIS requirement is not applicable in his case.
- On being asked about the declared assessable value and allegation of undervaluation, he denied the same and stated that a market survey may be conducted to ascertain the prevailing price of the goods.
- On being asked he submitted that the payment of the consignment was not done to the supplier, as he have known that without BIS goods need to be re-exported back and same was communicated to the supplier.

7. Re-determination of Duty:

7.1. Based on the foregoing paragraphs, it is evident that the importer has attempted to evade payment of customs duties by mis-declaring, Mis-classifying and undervaluing the imported goods. The duty liability for the goods found during examination is ascertained as under:

1	Stainle 1 ss steel Sink in pallets	197	P c s	3.51	60607	606 1	606	121 09	18776
1	Stainle 2 ss steel Sink lo ose	6950	P c s	3.51	2138178	213 818	21382	427 208	66240 8
TOTAL					33,34,900/-	333 490	33349	666 313	10,33 ,152

From the **Table VI above**, it appears that the total duty liability of the importer is Rs. 10,33,152/- (Rupees Ten Lakh Thirty-Three Thousand One Hundred and Fifty-Two Only).

7.2. In Bill of Entry no. 2821728 dated 23.06.2025, the importer has declared the value of the goods as Rs. 14,25,609/-. Based on the declared value and classification, the applicable duties were calculated at Rs. 5,34,175/-.

7.3. Whereas, based on the calculations from Table VI, the importer is required to pay/levy a differential liability of Rs. 4,98,977/- (Rupees Four Lakh Ninety-Eight Thousand Nine Hundred Seventy-Seven only) on the mis-declared/undervalued goods after adjustment.

8. LEGAL PROVISIONS:

8.1. 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;

8.2. SECTION 46 of the Act, 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.

8.3. Further, **Section 111** of the Act, prescribes the Confiscation of improperly imported goods, etc. as under

The following goods brought from a place outside India shall be liable for 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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54.

8.4. Further, Section 112 of the Act provides the 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

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.

8.5. 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.

8.6. 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.

8.7. Relevant Provisions of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

“Rule 4. Transaction value of identical goods. - (1) (a) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of identical goods sold for export to India and imported at or about the same time as the goods being valued;

.....

(3) In applying this rule, if more than one transaction value of identical goods is found, the lowest such value shall be used to determine the value of imported goods.

“Rule 5. Transaction value of similar goods:- (1) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of similar goods sold for export to India and imported at or about the same time as the goods being valued:

Provided that

(2) The provisions of clauses (b) and (c) of sub-rule (1), sub-rule (2) and sub-rule (3), of rule 4 shall, mutatis mutandis, also apply in respect of similar goods.

Rule 7. Deductive value:-

(1) Subject to the provisions of rule 3, if the goods being valued or identical or similar imported goods are sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, the value of imported goods shall be based on the unit price at which the imported goods or identical or similar imported goods are sold in the greatest aggregate quantity to persons who are not related to the sellers in India, subject to the following deductions : -

(i) either the commission usually paid or agreed to be paid or the additions usually made for profits and general expenses in connection with sales in India of imported goods of the same class or kind;

(ii) the usual costs of transport and insurance and associated costs incurred within India;

(iii) the customs duties and other taxes payable in India by reason of importation or sale of the goods.

(2) If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, subject otherwise to the provisions of sub-rule (1), be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry of ninety days after such importation.

(3) (a) If neither the imported goods nor identical nor similar imported goods are sold in India in the condition as imported, then, the value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons who are not related to the seller in India.

(b) In such determination, due allowance shall be made for the value added by processing and the deductions provided for in items (i) to (iii) of sub-rule (1).

Rule 8. Computed value.-

Subject to the provisions of rule 3, the value of imported goods shall be based on a computed value, which shall consist of the sum of:-

(a) the cost or value of materials and fabrication or other processing employed in producing the imported goods;

(b) an amount for profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to India;

(c) the cost or value of all other expenses under sub-rule (2) of rule 10.

Rule 9. Residual method:-

(1) Subject to the provisions of rule 3, where the value of imported goods cannot be determined under the provisions of any of the preceding rules, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules and on the basis of data available in India;

Provided that the value so determined shall not exceed the price at which such or like goods are ordinarily sold or offered for sale for delivery at the time and place of importation in the course of international trade, when the seller or buyer has no interest in the business of other and price is the sole consideration for the sale or offer for sale.

(2) No value shall be determined under the provisions of' this rule on the basis of –

(i) the selling price in India of the goods produced in India;

(ii) a system which provides for the acceptance for customs purposes of the highest of the two alternative values;

(iii) the price of the goods on the domestic market of the country of exportation; (iv) the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of rule 8;

(v) the price of the goods for the export to a country other than India;

(vi) minimum customs values; or

(vii) arbitrary or fictitious values.

Rule 12. Rejection of declared value - (1) When the proper officer has reason to doubt the truth or accuracy of the value declared in relation to any imported goods, he may ask the importer of such goods to furnish further information including documents or other evidence and if, after receiving such further information, or in the absence of a response of such importer, the proper officer still has reasonable doubt about the truth or accuracy of the value so declared, it shall be deemed that the transaction value of such imported goods cannot be determined under the provisions of sub-rule (1) of rule 3.

9. OUTCOME OF THE INVESTIGATION:

9.1. As discussed in foregoing paras, it appears that the goods covered under Bill of Entry No. 2821728 dated 23.06.2025 have been mis-declared

in terms of description and valuation by the importer.

9.2. The goods were examined by the officers of SIIB, Mundra under Panchnama dated 08.07.2025 at the premises of M/s Seabird Marine Services (Gujarat) Pvt. Ltd. Adani Port & SEZ, Mundra in the presence of Shri Deepak R Pathak H Card Holder of CB Firm M/s Abhay Narayan Singh and Lokendra Kumar Sharma representative of M/s Seabird Marine Services (Gujarat) Pvt. Ltd. The goods were packed in different types of packing and same was placed in the warehouse. During the course of examination, the goods found as Stainless Steel Kitchen Sink with accessories of different type. However, the quantity was not ascertained as the importer has given vague description in the Bill of Entry i.e. Kitchen Sink and Accessories. The accessories found during the examination are of different types, and these are mentioned in Table III above. Prima Facie it appears that the said goods fall under the purview of BIS as per IS 13983:1994. Further, the goods appear highly undervalued. The unit assessable value of the item declared @0.61/Kg which comes to Rs. 53.46 (Exchange rate: 1USD=87.65 INR). the same appears very low for the goods made of stainless steel.

Accordingly, the goods were seized vide Seizure Memo dated 29.07.2025 and handed over to the concerned CFS vide Supurtanama dated 29.07.2025.

9.3. The importer has declared the goods as Kitchen Sink and Accessories and classified the goods under CTH 73241000. However, the goods were found as Stainless Steel Kitchen Sink with accessories of 02 size.

As per description of the goods i.e Stainless Steel Kitchen Sink, it appears that the declared CTH is correct. The relevant extract of CTH 7324 is as below:

7324 SANITARY WARE AND PARTS THEREOF, OF IRON OR STEEL

7324 10 00- Sinks and wash basins, of stainless steel

-Baths:

7324 21 00--Of cast iron, whether or not enamelled

7324 29 00 -- Other

7324 90 00 - Other, including parts

The goods other than the sink are Accessories/Parts of Sink and the same are rightly classifiable under CTH 73249000. The appropriate CTH of the goods found during examination is as per table-IV in Para 3.

9.4. As per inspection report/ valuation opinion of Govt Approved Emplaned Chartered Engineer provided vide Ref: - ABJ:INSP:CE:SIIB:SADGURU:25-26:01 dated 01.01.2026, imported goods found under-valued. The CE re-determined the value of the goods as Rs. 33,34,900/- instead of declared value of Rs. 14,25,609/-.

9.5. From the **Table VI above**, it appears that the total duty liability of the importer is Rs. 10,33,152/- (Rupees Ten Lakh Thirty-Three Thousand

One Hundred Fifty-Two Only). In Bill of Entry no. 2821728 dated 23.06.2025, the importer has declared the value of the goods as Rs. 14,25,609/-. Based on the declared value and classification, the applicable duties were calculated at Rs. 5,34,175/-. Based on the calculations from Table VI, the importer is required to pay/levy a differential liability of Rs. 4,98,977/- (Rupees Four Lakh Ninety-Eight Thousand Nine Hundred Seventy-Seven only) on the mis-declared/undervalued goods after adjustment.

9.6. The imported goods i.e. Stainless-Steel Kitchen Sink with accessories found during the examination fall under the compulsory registration with BIS as per IS No. 13983:1994. However, later DPIIT vide its order dated 22.08.2025 has superseded the Quality Control order for Cookware, Utensils and Cans for Food and Beverages, 2024 and extended the applicability of BIS by 01.10.2025 vide Quality Control order for Cookware, Utensils and Cans for Food and Beverages, 2025. So, from the Quality Control order for Cookware, Utensils and Cans for Food and Beverages, 2025 it clearly appears that the said order is not applicable on the goods of current consignment. Further, explanation was also sought from DPIIT via mail and they submitted that QCO was not applicable on the said products in the intervening period.

9.7. Further, the goods imported vide Bill of Entry No. 2821728 dated 23.06.2025, were found to be mis-declared in terms of item description and valuation. Based on the CE report, the value has been re-determined at a total of **Rs. 33,34,900/-**. This act of misdeclaration has led imported goods liable for confiscation under section 111(m) of the Customs Act, 1962 and thus importer has rendered themselves liable for penal action under Section 112(a)(ii) of the Customs Act, 1962.

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

- i. The declared description, quantity and No. of items mentioned in the Bill of Entry No. 2821728 dated 23.06.2025 is liable to be rejected and same needs to be re determined as per above discussion in Table-III.
- ii. The declared value of the goods imported under Bill of Entry No. 2821728 dated 23.06.2025, i.e. Rs. 14,25,609 /- (Rupees Fourteen Lakh Twenty-Five Thousand Six Hundred Nine) is liable to be rejected, under Rule 12 of the CVR, 2007 and required to be re-determined as Rs. 33,34,900/- in terms of Rule 9 of CVR,2007.
- iii. The self-assessment done by the importer is liable to be rejected and the Bill of Entry No. 2821728 dated 23.06.2025 needs to be re-assessed with the differential duty of Rs. 4,98,977/- under Section 17(4) of the Customs Act, 1962.
- iv. The imported goods imported under Bill of Entry No. 2821728 dated 23.06.2025 found on examination having determined value of Rs. 33,34,900/- is liable for confiscation under Section 111(m) of the Customs Act, 1962.

- v. Penalty under Section 112 (a)(ii) of the Customs Act, 1962 is imposable upon the importer.

10. WAIVER OF SHOW CAUSE NOTICE AND PERSONAL HEARING:

-

The importer vide letter dated 20.02.2026 submitted that due to prolonged delay, they are facing heavy demurrage, detention, warehouse charge and other expenses etc. Further, their market orders have been cancelled, resulting in significant losses. They requested to waive the requirement of personal hearing and Show Cause Notice in this matter, further requested for permission to release of the goods at the earliest.

DISCUSSION AND FINDINGS

11. I have carefully gone through the records of the case, investigation report dated 05.02.2026, valuation report by empanelled Chartered Engineer and the applicable provisions of law. The importer, M/s. Sai Imports and Logistics, vide letter dated 20.02.2026 has requested for waiver of Show Cause Notice and Personal hearing. Now, I proceed to decide the case on the basis of documentary evidence available on records, statutory provisions and judicial precedents. I find that the following issues arise for determination in this adjudication: -

- (i) Whether the declared description, classification of the impugned goods imported vide bill of entry no. 2821728 dated 23.06.2025 are liable for rejection and needs to be re-determined as per table-III & IV above;
- (ii) Whether the declared assessable value is liable for rejection under Rules 12 of CVR 2007 and the same can be re-determined under Rule 9 of CVR, 2007 or otherwise.
- (iii) Whether the impugned goods imported vide bill of entry no. 2821728 dated 23.06.2025 are liable for confiscation under section 111(m) of the Customs Act, 1962 and are redemption fine applicable under section 125 of ibid;
- (iv) Whether the importer is liable to penalty under Section 112(a) of the Customs Act, 1962.

12. After having identified and framed the main issues to be decided, I now proceed to deal with each of the issues individually for analysis in light of facts, submissions, circumstances of the case, provisions of the Customs Act, 1962 and nuances of various judicial pronouncements.

(A) Whether the declared description, classification of the impugned goods imported vide bill of entry no. 2821728 dated 23.06.2025 are liable for rejection and needs to be re-determined as per table-III & IV above;

12.1 I find that M/s. Sai Imports and Logistics (IEC No. AQVPM1441J) filed a bill of entry no. 2821728 dated 23.06.2025 for clearance of declared goods i.e. "Kitchen Sink and Accessories" under CTH 73241000. The subject consignment was put on hold and examined by officers of SIIB, Mundra on 08.07.2025. During the course of examination, the goods found as Stainless Steel Kitchen Sink with accessories of different type. However, the quantity was not ascertained as the importer has given vague description in the Bill of Entry i.e. Kitchen Sink and Accessories. The accessories found during examination are of different type and same is mentioned in the Table-III above.

12.2 I noticed that the importer has declared the goods as Kitchen Sink and Accessories and classified the goods under CTH 73241000. However, the goods were found as Stainless Steel Kitchen Sink and other than the sink are Accessories/Parts of Sink. In this context, the relevant extract of CTH 7324 is as below:

7324 SANITARY WARE AND PARTS THEREOF, OF IRON OR STEEL

7324 10 00- Sinks and wash basins, of stainless steel

-Baths:

7324 21 00--Of cast iron, whether or not enamelled

7324 29 00 -- Other

7324 90 00 - Other, including parts

In view of the same, it is evident that the goods other than the sink are Accessories/Parts of Sink and the same are rightly classifiable under CTH 73249000. Therefore, I opined that the declared description and classification of the subject goods is liable to be rejection and the same is to be re-determined as per table-III & IV above.

(B) Whether the declared assessable value is liable for rejection under Rules 12 of CVR 2007 and the same can be re-determined under Rule 9 of CVR, 2007 or otherwise.

13.1 I find that the physical examination of the import consignment showed a mismatch with the declared description and declared classification of the goods. As a result, declared CIF values of goods in the said import documents cannot be considered as the values that truly or correctly represent the goods actually imported. Therefore, there are enough reasons to believe that the declared values do not represent the actual transaction value and, consequently, liable for rejection in terms of Rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

13.2 I find that the transaction value of the items, sought to be imported under the impugned bill of entry, cannot be determined under the provisions of sub-rule (1) of Rule 3 of the rules ibid and the correct value needs to be ascertained and arrived at by proceeding sequentially in accordance with Rules 4 to 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

14.1 I 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.

14.2 I find that 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. 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. 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. Hence, valuation of the goods is to be determined under residual method of valuation provided under Rule 9 of the CV Rules *ibid*.

14.3 I noticed that Chartered Engineer in its report vide ref no. ABJ:INSP:CE:SIIB:SADGURU:25-26:01 dated 01.01.2026 has suggested the valuation of the imported goods as Rs. 33,34,900/- (Rupees Thirty-Three Lakh Thirty-Four Thousand and Nine Hundred only) whereas importer declared as Rs. 14,25,609/-. By considering the value as determined by Chartered Engineer, assessable value of the subject goods is required to be re-determined under Section 14 of the Customs Act, 1962 and re-assessment is required to be done as per section 17(4) of the Customs Act, 1962. The re-assessment resultant a duty difference of **Rs. 4,98,977/- (Rupees Four Lakh Ninety-Eight Thousand Nine Hundred and Seventy-Seven only)** which is to be recovered by the importer.

14.4 Therefore, I conclude that investigation report has rightly proposed re-determination of assessable value under the provision of rule 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and the differential duty to the tune of Rs. 4,98,977/- (Rupees Four Lakh Ninety-Eight Thousand Nine Hundred and Seventy-Seven only) are recoverable from the importer in terms of Section 14 and Section 17(4) of the Customs Act, 1962.

(C) Whether the imported goods are liable for confiscation under section 111(m) of the customs Act, 1962 or otherwise.

15.1 I also find that it is a fact that consequent upon amendment to the Section 17 of the Customs Act, 1962 vide Finance Act, 2011; 'Self-Assessment' has been introduced in Customs. Section 17 of the Customs Act, effective from 08.04.2011, provides for self-assessment of duty on

imported goods by the importer himself by filing a Bill of Entry, in the electronic form. Provisions of the Section 46 of the Customs Act, 1962 makes it mandatory for the importer to make proper & correct entry for the imported goods by presenting a Bill of Entry electronically to the proper officer. As per Regulation 4 of the Bill of Entry (Electronic Declaration) Regulation, 2011 (issued under Section 157 read with Section 46 of the Customs Act, 1962) the Bill of Entry shall be deemed to have been filed and after self-assessment of duty completed when, after entry of the electronic declaration (which is defined as particulars relating to the imported goods that are entered in the Indian Customs Electronic Data Interchange System) in the Indian Customs Electronic Data Interchange System either through ICEGATE or by way of data entry through the service centre, a Bill of Entry number is generated by the Indian Customs Electronic Data Interchange System for the said declaration. Thus, under self-assessment, it is the importer who has to ensure that he declares the correct classification, applicable rate of duty, value, benefit of exemption notifications claimed, if any, in respect of the imported goods while presenting the Bill of Entry. Thus, with the introduction of self-assessment by amendments to Section 17, since 8th April, 2011, it is the added and enhanced responsibility of the importer to declare the correct description, value, quantity, notification, etc and to correctly classify, determine and pay the duty applicable in respect of the imported goods.

15.2 From the above, I find that the Noticee has violated Sub-Section (4) and 4(A) of Section 46 of the Customs Act as they have mis-declared, mis-classified and undervalued the goods and evaded the payment of applicable duty. I find that the Noticee was required to comply with Section 46 which mandates that the importer filing the Bill of Entry must make true and correct declarations. Provisions of Section 46 are as under:-

Section 46 of the Customs Act, 1962:

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

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

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

15.3 I find that the provisions of section 111(m) Sections of the Customs Act, 1962 are re-produced herein below:

111(m): "any goods which do not correspond in respect of value or in any other particular with the entry made under this Act;

In the present case, the importer failed to furnish the correct information such as item description, correct CTH, valuation hence, contravened the provisions of Section 46 of the Customs Act, 1962. I observed that these acts of omission and commission on the part of the importer rendered the goods liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962.

(D) Whether the importer is liable to penalty under Section 112(a) of the Customs Act, 1962.

16.1 As observed in above Paras, I find that with the introduction of self-assessment by amendments to Section 17, since 8th April, 2011, it is the added and enhanced responsibility of the importer to declare the correct description, value, quantity, notification, etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods.

16.2 Since I have held above that Noticee have rendered the subject goods of the said Bill of Entry as liable for confiscation under Section 111(m) of the Customs Act, 1962, I find that the next issue to be decided is the invocation of Section 112 (a) of the Customs Act, 1962. Provisions of relevant sections are re-produced herein below:

“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*

[(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.....”

16.3 I find that it is clear from the provision that penalty under Section 112(a)(ii) can be imposed in cases where the acts or omissions of the importer/noticee renders the goods liable for confiscation under Section 111 of the Act. From the discussions so far, I find that the evidences clearly indicating mis-declaration, mis-classification on their part in respect of the imported goods warranting imposition of penalty under Section 112 (a) (ii) as the fact of mis-declaration, mis-classification and under-valuation was known to the assessee and not the department on the grounds of self-assessment.

17. In view of the above facts of the case and findings on record, I pass the following order: -

ORDER

- i. I reject the description, classification of the goods declared as “Kitchen Sink and Accessories” under CTH 73241000 under Bill of Entry No. 2821728 dated 23.06.2025 and order to amendment in description, quantity and re-classification as detailed in Table-III and IV under B/E No. 2821728 dated 23.06.2025;
- ii. I reject the declared assessable value of the goods imported vide Bill of entry no. 2821728 dated 23.06.2025 valued at **Rs. 14,25,609 /- (Rupees Fourteen Lakh Twenty-Five Thousand Six Hundred and Nine only)** under Rule 12 of CVR, 2007 and order to re-determine the same at **Rs. 33,34,900/- (Rupees Thirty-Three Lakh Thirty-Four Thousand and Nine Hundred only/-)** in terms of Rule 9 of the CVR, 2007 read with section 14 of Customs Act, 1962;
- iii. I order to confiscate the impugned goods imported vide Bill of Entry No. 2821728 dated 23.06.2025 having re-determined value of **Rs. 33,34,900/- (Rupees Thirty-Three Lakh Thirty-Four Thousand and Nine Hundred only/-)** under Section 111(m) read with provisions of Section 46 (4) and Section 46 (4A) of the Customs Act, 1962, I impose redemption fine of **Rs.3,33,000/- (Rs. Rupees Three Lakh Thirty-Three Thousand Only)** in respect of the subject goods for their redemption u/s 125 of the Customs Act, 1962;
- iv. I impose penalty of **Rs.49,000/- (Rupees Forty Nine Thousand only)** on the importer under Section 112 (a)(ii) of the Customs Act, 1962;

18. 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.

19. The investigation report bearing no. 245/2025-26 dated 05.02.2026 stands disposed in above terms.

Dipak Zala,
Additional Commissioner,
Custom House, Mundra.

By Speed Post/Regd. Post/E-mail/Hand Delivery

To,

M/s. Sai Imports and Logistics,
730, S2 Type B 2nd Floor Shalimar Garden Ext,
Sahibabad, Ghaziabad, Uttar Pradesh-201005.

Copy to:

1. The DC/AC, RRA/TRC/SIIB, Custom House, Mundra.

2. Notice Board/ Guard File.