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- group4-mundra@gov.in

A	**FILE NO.** फ़ाइल संख्या	**CUS/APR/INV/657/2026-Gr 4-O/o Pr Commr-Cus-Mundra**
B	**OIO NO.** आदेश संख्या	**MCH/ZDC/ADC/366/2026-27**
C	**PASSED BY** जारीकर्ता	**Dipak Zala,** **Additional Commissioner of Customs/** अपर आयुक्त सीमा शुल्क, **Custom House, Mundra/**कस्टम हाउस, मुंद्रा।
D	**DATE OF ORDER** आदेश की तारीख	19-10-2026
E	**DATE OF ISSUE** जारी करने की तिथि	19-10-2026
F	**SCN No. & Date** कारण बताओ नोटिस क्रमांक	Waived.
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/आयातक	**M/S. SHREE RAM INFRASTEEL PRIVATE LIMITED, B-7, 8 INDUSTRIAL ESTATE, BEHIND JILA UDHYOG KENDRA,** **BHILWARA - 311001, RAJASTHAN**

1. यहआदेश संबन्धित को नि:शुल्क प्रदान किया जाता है।
This Order - in - Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस आदेश से असंतुष्ट है तो वह सीमाशुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमाशुल्क अधिनियम 1962 की धारा128 के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते परअपील कर सकताहै-

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

"सीमाशुल्कआयुक्त) अपील(,

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,

नवरंगपुरा,अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS)

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 –

i. उक्त अपील की एक प्रति और A copy of the appeal, and
ii. इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची 1-के अनुसार न्यायालय शुल्क अधिनियम-1870के मद सं° 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 ड्यूटि /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,1962 के 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. Shree Ram Infrasteel Private Limited (IEC No. AAQCS2626F),

B-7, 8 Industrial Estate, Behind Jila Udhyog Kendra, Bhilwara-311001 (hereinafter referred to as the "importer" for the sake of brevity), filed Z-Type Bill of Entry No. 3194082 dated 17.08.2026 for warehousing of goods imported from China and supplied by M/s. Tianjin Krep International Trade Co., Ltd., China. The goods were covered under Invoice No. GNL260427 dated 01.07.2026 and were stuffed in Container No. DPWU2176562/20/HC. The importer declared Iron Pin classifiable under CTH 73170099 and Drywall Screw classifiable under CTH 73181500, as detailed below:

TABLE-1

Sr. No.	Declared CTH	Declared Description	Qty.	UQC	Declared Assessable Value (Rs.)	Declared Duty (Rs.)
1	73170099	Iron Pin	480	KGS	26,740.32	8,284.10
2	73181500	Drywall Screw	24,520	KGS	31,79,447.10	11,91,338.90
		TOTAL	**25,000**		**32,06,187.42**	**11,99,623.00**

2. ACTION TAKEN - EXAMINATION FINDINGS

The officers of SIIB, Customs House, Mundra conducted examination of the impugned goods under Panchnama dated 02.09.2026 at M/s. OWS Warehouse Services LLP, APSEZ, Mundra, in the presence of independent Panch witnesses, the warehouse representative and the authorised representative of the importer. The container was 100% de-stuffed and the goods were segregated item-wise for detailed examination. The goods actually found were as under:

TABLE-2

Sr. No.	Declared Description	Declared HSN	Goods found on examination	Weight (Kg)
1	Iron Pin	73170099	Nails	3,480
2	Drywall Screws	73181500	Drywall Screws (Different Size)	23,650
3	Drywall Screws	73181500	Hexagonal Self Tapping Screw	950
			TOTAL	28,080

The examination thus revealed that against 480 Kgs of Iron Pins

declared in the Bill of Entry, 3,480 Kgs of Nails/Iron Pins were actually found, resulting in an excess quantity of 3,000 Kgs. Further, 950 Kgs of Hexagonal Self Tapping Screws, which were not specifically declared in the Bill of Entry, were also found. The goods therefore materially differed from the declarations made in the Bill of Entry in respect of description and quantity.

3. RE-DETERMINED DESCRIPTION, CLASSIFICATION AND QUANTITY OF THE GOODS

The importer had classified the Drywall Screws under CTH 73181500. During examination, apart from Drywall Screws, 950 Kgs of Hexagonal Self Tapping Screws were found. Self-tapping screws find a specific tariff entry under CTH 73181400. Accordingly, the description, classification and quantity of the imported goods require re-determination on the basis of the physical examination findings as under:

TABLE-3

Sr.	Declared Description	Declared HSN	Declared Weight in (Kg)	Goods found on examination	HSN of the Goods found on examination	Actual Weight (Kg)
1	Iron Pin	73170099	480	Nails	73170099	3,480
2	Drywall Screws	73181500	24,520	Drywall Screws (Different Size)	73181500	23,650
3	--	--		Hexagonal Self Tapping Screw	73181400	950
TOTAL WEIGHT			**25000**			**28,080**

4. INVESTIGATIONS CONDUCTED

4. Based on the physical examination, the imported goods were found to have discrepancies in description, classification and quantity vis-à-vis the declarations made in the Bill of Entry. The excess quantity of Nails/Iron Pins and the undeclared Hexagonal Self Tapping Screws had a direct bearing upon classification, valuation, assessment of duty and policy compliance. In view of these discrepancies, and in order to ascertain the correct assessable value of the imported goods in accordance with Section 14 of the Customs Act, 1962 read with the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, an independent

valuation was obtained from an empanelled Chartered Engineer and Government-approved Valuer.

Rejection of declared value & Redetermination of Assessable Value:

Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 provides that, subject to Rule 12, the value of imported goods shall be the transaction value adjusted in accordance with Rule 10. Where the value cannot be determined under Rule 3, it is required to be determined sequentially through Rules 4 to 9. In the present case, the material discrepancies in the description and quantity of the goods created reasonable doubt regarding the truth and accuracy of the declared value and, therefore, the declared value appeared liable to rejection under Rule 12.

As contemporaneous import data of identical or similar goods of matching quality and specifications was not available and requisite data for determination under the deductive or computed value methods was also not available, the value was determined under Rule 9 of the CVR, 2007. Shri Anwar Y. Kukad, Chartered Engineer and Government-approved Valuer, inspected the goods on 21.09.2026 and submitted Valuation Report Ref. No. AYK:VAL:03073:2026 dated 21.09.2026. The valuation was reported as under:

TABLE-4

S. No.	Description of Goods	Quantity as per BE (Kg)	Quantity actually found (Kg)	Declared CIF Unit Price (USD/Kg)	CE CIF Unit Value (USD/Kg)	Value as per BE (₹)	Value as per CE (₹)
1	Iron Pin / Nails	480	3,480	0.580	0.580	26,740.32	1,93,867.32
2	Drywall Screws	24,520	23,650	1.350	1.350	31,79,447.10	30,66,636.38
3	Hexagonal Self Tapping Screws	0	950		1.350	0.00	1,23,184.13
TOTAL		**25,000**	**28,080**	**---**	**---**	**32,06,187.42**	**33,83,687.83**

Accordingly, the declared assessable value of ₹ 32,06,187.42/- appeared liable to rejection under Rule 12 of the CVR, 2007 and the assessable value of the cargo appeared liable to be re-determined as ₹ 33,83,688/- under Rule 9 of the said Rules read with Section 14 of the Customs Act, 1962.

5. IMPORTABILITY AND POLICY COMPLIANCE

5. The examination revealed 950 Kgs of Hexagonal Self Tapping Screws, classifiable under CTH 73181400, which were not declared in the Bill of Entry. As recorded in Investigation Report No. 177/2026-27, import of the said Self Tapping Screws is subject to mandatory BIS certification under Indian Standard IS 18476:2023 (equivalent to ISO 15480:2019), whereas the importer was not in possession of the requisite BIS certificate. The investigation therefore treated the said goods, valued at ₹ 1,23,184/-, as improperly imported and liable to confiscation under Sections 111(d) and 111(l) of the Customs Act, 1962. The importer also furnished an undertaking requesting that any goods found restricted or prohibited may be permitted to be re-exported in accordance with law.

6. RE-DETERMINATION OF APPLICABLE DUTY

6. Based on the re-determined description, classification, quantity and assessable value, the applicable duty on the imported goods was re-calculated by the investigating authority. The total duty was re-determined at ₹ 12,55,286/- as against the declared duty of ₹ 11,99,623/-, resulting in differential duty of ₹ 55,663/-.

TABLE-5

S. No.	Description of Goods	Quantity actually found (Kg)	CE CIF Unit Value (USD/Kg)	Value as per BE (₹)	Value as per CE (₹)	BCD	SWS @10% OF BCD	Assessable value for IGST calculation	IGST @18%	Total Duty to be paid
1	Iron Pin / Nails	3,480	0.580	₹26,740	₹1,93,867	₹19,387	₹1,939	₹2,15,193	₹38,735	₹60,060
2	Drywall Screws	23,650	1.350	₹31,79,447	₹30,66,636	₹4,59,995	₹46,000	₹35,72,631	₹6,43,074	₹11,49,069
3	Hexagonal Self Tapping Screws	950	1.350	₹0	₹1,23,184	₹18,478	₹1,848	₹1,43,510	₹25,832	₹46,157
TOTAL		**28,080**		**₹32,06,187.42**	**₹33,83,688**	**₹4,97,860**	**₹49,786**	**₹39,31,334**	**₹7,07,640**	**₹12,55,286**

7. OUTCOME OF THE INVESTIGATION

7. The investigation conducted by SIIB, Customs House, Mundra revealed that the consignment imported by M/s. Shree Ram Infrasteel Private Limited under Z-Type Bill of Entry No. 3194082 dated 17.08.2026 contained material discrepancies in description, classification and quantity. Against 480 Kgs of Iron Pins declared, 3,480 Kgs were found, resulting in 3,000 Kgs excess Nails/Iron Pins. Further, 950 Kgs of Hexagonal Self Tapping Screws, correctly classifiable under CTH 73181400, were found undeclared. The total physical quantity was 28,080 Kgs against the declared net quantity of 25,000 Kgs.

Valuation of the Goods: The declared assessable value of ₹ 32,06,187.42/- was proposed to be rejected under Rule 12 of the CVR, 2007 and the value was re-determined as ₹ 33,83,688/- under Rule 9 on the basis of the Chartered Engineer's Valuation Report dated 21.09.2026.

Confiscation of Goods and Penal Action: The 950 Kgs of Hexagonal Self Tapping Screws valued at ₹ 1,23,184/- were considered liable to confiscation under Sections 111(d) and 111(l) for non-declaration and absence of requisite BIS certification. The excess 3,000 Kgs of Nails/Iron Pins, having proportionate value of ₹ 1,67,130/-, were considered liable to confiscation under Sections 111(l) and 111(m). The combined value of the offending goods works out to ₹ 2,90,314/-. The importer also appeared liable to penal action under Sections 112 and 114AA of the Customs Act, 1962.

8. RELEVANT LEGAL PROVISIONS

(A) RELEVANT PROVISIONS OF CUSTOMS ACT, 1962:

Section 2(22): "goods" includes (a) vessels, aircrafts and vehicles; (b) stores; (c) baggage; (d) currency and negotiable instruments; and (e) any other kind of movable property;

Section 2(23): “import”, with its grammatical variations and cognate expressions, means bringing into India from a place outside India;

Section 2(25): “imported goods”, means any goods brought into India from a place outside India but does not include goods which have been cleared for home consumption;

Section 2(26): "importer", in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes [any owner, beneficial owner] or any person holding himself out to be the importer;

As per Section 2 (33) of the Customs Act, 1962 ‘prohibited goods’ means any goods the import or export of which is subject to any prohibition under this Act or any other

law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with.

Section 2(39): "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113.

Section 11A: "illegal import" means the import of any goods in contravention of the provisions of this Act or any other law for the time being in force.

Section 17. Assessment of duty. –

(1) An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods.

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

Section 46. Entry of goods on importation:

(4) The importer while presenting a Bill of Entry shall make and subscribe to a declaration as to the truth of the contents of such Bill of Entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, relating to the imported goods.

(4A) the importer who presents a Bill of Entry shall ensure the following, namely:

(a) The accuracy and completeness of the information given therein;

(b) The authenticity and validity of any document supporting it; and

(c) Compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.

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

(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;

(l) any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;

(m) any goods which do not correspond in respect of value or in any other particular with the entry made under this Act or in the case of baggage with the declaration made under section 77 in respect thereof, or in the case of goods under transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of section 54;

Section 112. Penalty for improper importation of goods, etc. –

Any person,-

a. who, in relation to any goods, does or omits to do any act which

act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or

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

shall be liable,-

i. in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty [not exceeding the value of the goods or five thousand rupees, whichever is the greater;
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:

114AA. Penalty for use of false and incorrect material.—

If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.

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:

(B) 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. WAIVER OF NOTICE AND PERSONAL HEARING

9. The importer, vide letter dated 25.09.2026, accepted the value of the goods as re-determined by the Chartered Engineer and requested waiver of Show Cause Notice and Personal Hearing in the matter. The importer further furnished an undertaking that, in respect of any goods found to be restricted or prohibited, the same may be permitted to be re-exported in accordance with the applicable provisions of law.

10. In view of the above facts, it appeared that: -

(i) the declared description, classification, quantity and value of the goods in Z-Type Bill of Entry No. 3194082 dated 17.08.2026 filed by M/s. Shree Ram Infrasteel Pvt. Ltd. are liable to be rejected/re-determined to the extent of the discrepancies found during examination;

(ii) the declared assessable value of ₹ 32,06,187.42/- is liable to be rejected and re-determined as ₹ 33,83,688/- under Rule 9 of the CVR, 2007 read with Section 14 of the Customs Act, 1962 as detailed in table-4 above;

iii) 24,520 kg of Drywall Screws under CTH 73181500 was declared, but a physical examination found a shortfall of 870 kg, leaving a total of 23,650 kg. Consequently, the physically present consignment valued at ₹30,66,636/- is liable to confiscation under Section 111(m) of the Customs Act, 1962.

(iv) 950 Kgs of Hexagonal Self Tapping Screws valued at ₹ 1,23,184/-, not declared in the Bill of Entry and imported without the requisite BIS certification as recorded in the Investigation Report, were liable to confiscation under Sections 111(d) and 111(l);

(v) 3,000 Kgs of excess Nails/Iron Pins having proportionate value of ₹ 1,67,130/- were liable to confiscation under Sections 111(l) and 111(m);

(v) The re-determined duty of ₹12,55,286/- in the investigation's calculation includes ₹46,157/- attributable to the 950 kg of Hexagonal Self Tapping Screws. Since those goods are being permitted to be re-exported and are not being cleared for home consumption, the duty attributable to them shall not form part of the present demand for clearance of the remaining goods, subject to completion of re-export in accordance with law. The duty on the remaining goods is therefore **₹12,09,129/-** (₹12,55,286/- less ₹46,157/-). After adjustment of the duty of **₹11,99,623/-** already declared in the Bill of Entry, the **differential duty payable is ₹9,506/-**, subject to verification of any duty already paid and the applicable warehousing clearance procedure.; and

(vi) the importer appeared liable to penalty under Sections 112 and 114AA of the Customs Act, 1962.

WAIVER OF SHOW CAUSE NOTICE AND PERSONAL HEARING

11. The importer vide their letter dated 25.09.2026 accepted the examinations findings and the valuation suggested in Chartered Engineer's valuation certificate No. AYK:VAL:03073:2026 dated 21.09.2026 and requested waiver of Show Cause Notice and Personal Hearing in respect of the subject Bill of Entry. In view of the express waiver, the matter is taken up for decision on the basis of the documentary evidence available on record.

DISCUSSION AND FINDINGS

12. I have carefully gone through the records of the case and Investigation Report No. 177/2026-27. I note that the importer, vide email dated 25.09.2026 has accepted the value suggested by the Chartered Engineer and has requested waiver of the Show Cause Notice and Personal Hearing. Thus, I find that the requirements of natural justice under Section 122A of the Customs Act, 1962 have been complied with and I proceed to decide the case on the basis of the documentary evidence on record. The main issues to be decided are:

(i) First issue:- Whether the description, classification and quantity of the impugned goods covered under Bill of Entry No. 3194082 (Z-Type) dated 17.08.2026 need to be amended as per the physical examination findings;

(ii) Second issue:- Whether the declared assessable value of ₹ 32,06,187.42/- is liable to be rejected under Rule 12 of CVR, 2007 and re-determined as ₹ 33,83,688/- under Rule 9 of CVR, 2007;

(iii) Third issue:- Whether declared 24,520 kg of Drywall Screws under CTH 73181500 was found a shortfall of 870 kg, leaving a total of 23,650 kg. Consequently, the physically present consignment valued at ₹30,66,636/- is liable to confiscation under Section 111(m) of the Customs Act, 1962

(iv) Fourth issue:- Whether 950 Kgs of Hexagonal Self Tapping Screws and 3,000 Kgs of excess Nails/Iron Pins are liable to confiscation under Sections 111(d), 111(l) and/or 111(m);

(v) Fifth issue:- Whether the subject Bill of Entry requires re-assessment under Section 17(4) and whether differential duty of ₹ 9,506/- is payable; and

(v) Sixth issue:- Whether penalties under Sections 112 and 114AA are imposable upon M/s. Shree Ram Infrasteel Private Limited.

13.1 Regarding the first issue, I find that the consignment covered under Bill of Entry No. 3194082 dated 17.08.2026 was subjected to 100% examination by SIIB office₹ Against the declared 480 Kgs of Iron Pins, 3,480 Kgs of Nails/Iron Pins were found, resulting in an excess of

3,000 Kgs. Further, 23,650 Kgs of Drywall Screws and 950 Kgs of Hexagonal Self Tapping Screws were found. Thus, the actual quantity of goods was 28,080 Kgs against the declared net quantity of 25,000 Kgs.

13.2 I further find that the Hexagonal Self Tapping Screws find a specific tariff entry under CTH 73181400, whereas they had not been separately declared in the Bill of Entry and were covered within the declaration of Drywall Screws under CTH 73181500. The discrepancies are material and have a direct bearing upon classification, policy compliance, valuation and assessment of duty.

13.3 In terms of Section 46 of the Customs Act, 1962, the importer is required to make a true, correct and complete declaration and to ensure accuracy and completeness of the information furnished. I therefore hold that the description, classification and quantity particulars of the impugned goods were not correctly declared and are liable to be amended in accordance with the physical examination findings.

14.1 Regarding the second issue, I find that the mis-declaration in respect of description and quantity creates a reasonable and justifiable doubt regarding the truth and accuracy of the declared transaction value. The nature and quantity of the goods are fundamental elements for determination of assessable value.

14.2 The declared assessable value was ₹ 32,06,187.42/-, whereas the Chartered Engineer assessed the CIF value of the goods actually found at ₹ 33,83,687.82/-, rounded to ₹ 33,83,688/-. The difference, read with the physical discrepancies recorded during examination, provides sufficient basis to doubt the truth and accuracy of the declared value.

14.3 In terms of Rule 12 of the CVR, 2007, where the proper officer has reason to doubt the truth or accuracy of the declared value, the transaction value may be rejected after due consideration of the material on record. I find that the discrepancies noticed during examination justify rejection of the declared value.

14.4 Once the declared value is rejected, the value is required to be determined sequentially under Rules 4 to 9. The investigation records that reliable contemporaneous import data of identical or similar goods of the same quality and composition was not available and the requisite data for determination under Rules 7 and 8 was also unavailable.

14.5 Accordingly, I find that recourse to Rule 9 was appropriate. Shri Anwar Y. Kukad, Chartered Engineer and Government-approved Valuer, inspected the goods and, vide Valuation Report Ref. No. AYK:VAL:03073:2026 dated 21.09.2026, assessed the total CIF value at USD 35,228.40, equivalent to ₹ 33,83,687.82.

14.6 I also note that the Chartered Engineer's valuation was accepted by the importer while seeking waiver of Show Cause Notice and Personal Hearing.

14.7 Therefore, I hold that the declared assessable value of ₹ 32,06,187.42/- is liable to be rejected under Rule 12 of the CVR, 2007 and re-determined as ₹ 33,83,688/- under Rule 9 thereof read with Section 14 of the Customs Act, 1962.

15.1 Regarding the third issue, I have examined the declaration in Bill of Entry No. 3194082 dated 17.08.2026, the physical examination findings and the re-determined valuation. The importer declared **24,520 kg of Drywall Screws** under CTH 73181500. On examination, **23,650 kg of Drywall Screws** were found. There is, therefore, a shortfall of **870 kg** in the quantity of goods corresponding to this declared item.

15.2 The examination also revealed **950 kg of Hexagonal Self Tapping Screws**. Those goods have been identified and classified separately under CTH 73181400. They cannot be counted as Drywall Screws merely because they were found in the same consignment. I have accordingly compared the quantity declared as Drywall Screws with the quantity of Drywall Screws actually found, while considering the Hexagonal Self Tapping Screws separately.

15.3 Quantity is a material particular of an entry under the Customs Act, 1962. The declared quantity of 24,520 kg does not correspond with the 23,650 kg of Drywall Screws established on examination. The difference also requires correction of the quantity and assessable value for this item: the Chartered Engineer’s valuation assigns **₹30,66,636/-** to the 23,650 kg actually found, against the declared assessable value of **₹31,79,447/-** for 24,520 kg. I therefore find that the declaration for this item does not correspond with the imported goods in respect of quantity and consequential value.

15.4 Section 111(m) of the Customs Act, 1962 provides for confiscation where goods do not correspond, in respect of value or any other

particular, with the entry made under the Act. Here, the discrepancy attaches to the quantity entered for the Drywall Screws. The **870 kg shortfall represents goods that were not found**; it cannot itself be confiscated. The goods to which the incorrect entry relates, and which are available for adjudication, comprise the **entire 23,650 kg of Drywall Screws actually found**. I accordingly hold that these goods, having a re-determined assessable value of **₹30,66,636/-**, are liable to confiscation under **Section 111(m)**.

16.1 Regarding the fourth issue, I find that the importer had filed the subject Bill of Entry under self-assessment in terms of Section 17(1) of the Customs Act, 1962. Examination and investigation established that the goods were not correctly declared in respect of description, classification and quantity, resulting in incorrect self-assessment.

16.2 In terms of Section 17(4), where it is found on verification, examination or otherwise that self-assessment has not been done correctly, the proper officer may re-assess the duty leviable on such goods. Accordingly, the subject Bill of Entry is liable to be re-assessed.

16.3. Total duty of ₹12,55,286/- on all goods found during examination, against declared duty of ₹11,99,623/-. However, the calculated duty includes ₹46,157/- attributable to the 950 kg of Hexagonal Self Tapping Screws proposed to be re-exported. As those goods are not being cleared for home consumption, the duty presently payable on the remaining goods is ₹12,09,129/-. Therefore, the **differential duty payable is ₹9,506/-**, subject to verification of duty already paid and completion of re-export of the Hexagonal Self Tapping Screws in accordance with law.

16.4 Accordingly, I hold that the subject Bill of Entry is liable to be re-assessed under Section 17(4) of the Customs Act, 1962 and differential duty of ₹ 9,506/- is payable by the importer.

17.1 Regarding the fifth issue, I find that the importer was statutorily obliged under Section 46 of the Customs Act, 1962 to declare true, correct and complete particulars of the imported goods and to ensure compliance with the restrictions or prohibitions applicable to them.

17.2 The examination established that 950 Kgs of Hexagonal Self Tapping Screws, valued at ₹ 1,23,184/-, were not declared as such in the

Bill of Entry. The Investigation Report further records that these goods were subject to mandatory BIS certification under IS 18476:2023 and that the importer did not possess the requisite BIS certificate.

17.3 In view of the policy non-compliance recorded in the Investigation Report, I hold that the said 950 Kgs of Hexagonal Self Tapping Screws are liable to confiscation under Section 111(d) of the Customs Act, 1962. Since the said goods were also not included in the entry in their correct description/classification, they are additionally liable to confiscation under Section 111(l).

17.4 I further find that against 480 Kgs of Iron Pins declared, 3,480 Kgs were found. Thus, 3,000 Kgs of Nails/Iron Pins, having proportionate value of ₹ 1,67,130/-, were in excess of the quantity included in the Bill of Entry and are liable to confiscation under Section 111(l). Since the goods also did not correspond with the entry in respect of quantity and value, the provisions of Section 111(m) are attracted.

17.5 The combined value of the offending goods, namely 950 Kgs of Hexagonal Self Tapping Screws valued at ₹ 1,23,184/- and 3,000 Kgs of excess Nails/Iron Pins valued at ₹ 1,67,130/-, works out to ₹ 2,90,314/- .

17.6 Therefore, I hold that the 950 Kgs of Hexagonal Self Tapping Screws are liable to confiscation under Sections 111(d) and 111(l), and the 3,000 Kgs of excess Nails/Iron Pins are liable to confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962.

18.1 Regarding the sixth issue of imposition of penalty, I find that the importer, by filing a Bill of Entry which did not correctly declare the description, classification and quantity of the goods, committed acts and omissions which rendered the offending goods liable to confiscation under Section 111.

18.2 In terms of Section 112 of the Customs Act, 1962, a person who, in relation to any goods, does or omits to do any act which renders such goods liable to confiscation under Section 111, or abets such act or omission, is liable to penalty within the limits prescribed therein. Since the offending goods have been held liable to confiscation, the importer attracts penal liability under Section 112.

18.3 Further, the importer filed and used the Bill of Entry containing

incorrect material particulars in respect of description and quantity. Section 114AA provides for penalty where 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 for the purposes of the Customs Act. Having regard to the material discrepancies established on examination and the incorrect particulars used for clearance/warehousing of the goods, the importer is liable to penalty under Section 114AA, subject to the requisite finding as to knowledge or intention.

18.4 I note that the importer accepted the Chartered Engineer's valuation and waived Show Cause Notice and Personal Hearing. The said cooperation may be considered as a mitigating factor while quantifying redemption fine and penalties, but does not efface the statutory consequences of the violations established on record.

18.5 Accordingly, I hold that M/s. Shree Ram Infrasteel Private Limited is liable to penalty under Sections 112 and 114AA of the Customs Act, 1962.

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

ORDER

(i) I order that the description, classification and quantity particulars of the impugned goods covered under Bill of Entry No. 3194082 (Z-Type) dated 17.08.2026 be amended/re-determined in accordance with the physical examination findings recorded above;

(ii) I reject the declared assessable value of ₹ 32,06,187.42/- under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and re-determine the assessable value as ₹ 33,83,688/- (Rupees Thirty-Three Lakh Eighty-Three Thousand Six Hundred and Eighty-Eight only) under Rule 9 of the said Rules read with Section 14 of the Customs Act, 1962;

(iii) I order confiscation of 950 Kgs of Hexagonal Self Tapping Screws, having re-determined value of ₹ 1,23,184/- (Rupees One Lakh Twenty-Three Thousand One Hundred and Eighty-Four only), under Sections 111(d) and 111(l) of the Customs Act, 1962. Having regard to the import restriction/non-compliance recorded in the Investigation Report and the undertaking furnished by the importer, I permit re-export of the said goods subject to payment of redemption fine of **₹ 12,000/- (Rupees**

Twelve Thousand only), under Section 125 of the Customs Act, 1962 and fulfilment of all applicable conditions;

(iv) I impose penalty of **₹ 6,000/- (Rupees Six Thousand only),** on M/s. Shree Ram Infrasteel Private Limited under Section 112(a)(i) of the Customs Act, 1962;

(v) I order confiscation of the entire 23,650 kg of Drywall Screws actually found on examination, having a re-determined assessable value o f **Rs. 30,66,636/-** (Rupees Thirty Lakh Sixty-Six Thousand Six Hundred and Thirty-Six only)**,** under Section 111(m) of the Customs Act, 1962**,** as their quantity does not correspond with the 24,520 kg declared in Bill of Entry No. 3194082 dated 17.08.2026. I give the importer an option under Section 125 of the said Act to redeem these goods for home consumption on payment of a redemption fine of **₹ 3,00,000/- (Rupees Three Lakh only),** in addition to the applicable duty and other charges. The shortfall of 870 kg is not itself ordered to be confiscated.

(vi) I order confiscation of 3,000 Kgs of excess Nails/Iron Pins, having proportionate value of **₹ 1,67,130/-** (Rupees One Lakh Sixty-Seven Thousand One Hundred and Thirty only), under Sections 111(l) and 111(m) of the Customs Act, 1962. However, I give an option to the importer to redeem the said goods for home consumption on payment of redemption fine of **₹ 16,000/- (Rupees Sixteen Thousand only),** under Section 125 of the Customs Act, 1962;

(vii) I reject the self-assessment made under Section 17(1) of the Customs Act, 1962 in respect of Bill of Entry No. 3194082 dated 17.08.2026 and order re-assessment under Section 17(4). The total re-determined duty liability is ₹ 12,09,129/- (Rupees Twelve Lakh Nine Thousand One Hundred and Twenty-Nine only)**,** after excluding ₹ 46,157/- attributable to the 950 kg of Hexagonal Self Tapping Screws permitted for re-export. resulting in differential duty of ₹ 9,506/- (Rupees Nine Thousand Five Hundred and Six only), which shall be paid/recovered in accordance with law;

(viii) I impose penalty of **₹ 5,000/- (Rupees Five Thousand only),** on M/s. Shree Ram Infrasteel Private Limited under Section 112(a)(ii) of the Customs Act, 1962;

(ix) I impose penalty of **₹ 25,000/- (Rupees Twenty Five Thousand only),** on M/s. Shree Ram Infrasteel Private Limited under Section 114AA of the Customs Act, 1962.

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

Digitally signed by Dipakbhai Zala
Date: 19-10-2026 13:21:40

(Dipak Zala)
Additional Commissioner of Customs
Custom House, Mundra

To,
M/s. SHREE RAM INFRASTEEL PRIVATE LIMITED
B-7, 8 Industrial Estate, Behind Jila Udhyog Kendra,
Bhilwara - 311001, Rajasthan

Copy to:
1. The Deputy/Assistant Commissioner, SIIB, Customs House, Mundra
2. The Deputy Commissioner, Review, Customs House, Mundra
3. The Deputy Commissioner, TRC, Customs House, Mundra
4. The Deputy Commissioner, EDI, Customs House, Mundra
5. The Specified Officer, APSEZ, Mundra
6. Guard File