
	OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS CUSTOMS HOUSE, MP & SEZ MUNDRA, KUTCH-GUJARAT -370421 Email: Group6-mundra@gov.in	 सत्यमेव जयते
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A FILE NO.	CUS/APR/INV/91/2026-Gr 5-6-O/o Pr Commr-Cus-Mundra
फ़ाइल संख्या	
B OIO NO.	MCH/ADC/ZDC/ 646/2025-26
आदेश संख्या	
C PASSED BY	Dipak Zala,
जारीकर्ता	Additional Commissioner of Customs/ अपर आयुक्त सीमा शुल्क, Custom House, Mundra/कस्टम हाउस, मुंद्रा।
D DATE OF ORDER	13-02-2026
आदेश की तारीख	
E DATE OF ISSUE	13-02-2026
जारी करने की तिथि	
F SCN No. & Date	Waived.
कारण बताओ नोटिस क्रमांक	
G NOTICEE/ PARTY/ IMPORTER	M/s. Saavik Enterprises (IEC No. BCRPC1620C)
नोटिसकर्ता/पार्टी/आयातक	
H DIN/ दस्तावेज पहचान संख्या	20260271MO0000009769

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),
HAVING HIS OFFICE AT 4TH FLOOR, HUDCO BUILDING, ISHWAR BHUVAN ROAD,
NAVRANGPURA, AHMEDABAD-380 009.”**

3. उक्तअपील यहआदेश भेजने की दिनांक से 60 दिन 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 1870-के 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, 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 Saavik Enterprises (IEC No. BCRPC1620C/0) (hereinafter referred to as ‘the importer’ for the sake of brevity), having address at “Khasra No. 884, Village Rithala, Delhi – 110085”, had filed Bill of entry no. 5469868 (Z type) dated 03.11.2025, for import of miscellaneous goods.

in container no. TRHU6115198.

1.1. Whereas, on the basis of intelligence developed by SIIB, Mundra Customs, it was found, that the consignment of goods imported by the importer M/s. Saavik Enterprises (IEC: BCRPC1620C), and covered under SEZ (Z type) Bill of Entry No. 5469868 dated 03.11.2025 which is declared to contain miscellaneous cargo appear to be risky for mis-declaration/concealment of goods. Accordingly, the said consignment was put on hold for 100% examination by SIIB, Custom House, Mundra.

EXAMINATION AND INVESTIGATION:

2.1 The relevant details as mentioned in the SEZ (Z type) Bill of Entry No. 5469868 dated 03.11.2025 are as follows:

- Name & Address of the Importer: M/s. Saavik Enterprises (IEC: BCRPC1620C), Khasra No. 884 Rithala, Delhi-110085, No of Packages declared: 635 Pkgs.

2.2. Further, summary of the goods/items have been declared by the importer in the Bill of Entry are as under:

Table-1

Sr. No.	CTH as declared	Description of Item	Unit Price (in USD)	Quantity	UQC	Amount (in USD)
1	96151900	hair Clip	0.07	5423	Doz	379.61
2	96151900	Hair Clip 32 Set	0.23	140	Set	32.2
3	96151900	Baby Hair Clip 20 PCS/Set	0.19	640	Set	121.6
4	96151900	Baby Hair Rubber Band 30 PCS/SET	0.05	2000	Set	100
5	96151900	Baby Elastic	0.08	1350	Doz	108
6	96151900	Hair Pin	0.16	3890	Doz	622.4
7	96151900	Hair Band	0.16	2077	Doz	332.32
8	96151900	Elastic Hair Rubber Band 20 PCS /set	0.15	4104	Set	615.6
9	96151900	Baby hair pin 14 Pcs/set	0.02	18000	Set	360

10	96151900	elastic hair Rubber Band 20 PCs/set	.17	336	Doz	57.12
11	96151900	hair Clutcher	0.08	616	Doz	49.28
12	96151900	hair pin 10 Pcs/set	0.02	18000	Set	360
13	96151900	hair pin 14 Pcs/set	.03	13519	Set	405.57
14	96151900	baby hair clip	.07	200	Doz	14
15	71179090	earring 5 Pair /set	22.5	4	Kgs	90
16	71179090	earring 7 Pair /set	24.8	5	Kgs	124
17	71179090	earring 11 Pair /set	26.66	60	Kgs	1600
18	71179090	earring 14 Pair /set	26.66	6	Kgs	160.0
19	71179090	Tops 17 pairs per set	25.5	4	Kgs	102
20	71179090	tops 24 pair per set	27.0	12	Kgs	324
21	71179090	nose pin 40 pcs per set	26.66	18	Kgs	480
22	71179090	necklace	26.57	7	Kgs	186
23	39232990	silicone bags	.06	2870	Pcs	172.2
24	42022290	lady purse	.40	50	Pcs	20
25	39241090	empty plastic box	.02	640	Pcs	12.8
26	39264019	plastic tops 36 pair/set	.02	12480	Set	249.6
27	39264019	plastic bracelet	.05	400	Pcs	20
28	392441090	straw 6 pcs/set	.06	1152	Set	69.12
29	39269099	hanger	.40	560	Pcs	224
30	39269099	plastic storage box	.14	1534	Pcs	214.76
31	39269099	plastic soap dispenser	.10	1296	Pcs	129.6
32	82159900	table basket	.16	2190	Pcs	350.4
33	39241090	plastic basket 2 pcs per set	.45	132	Set	59.4
34	85389000	shell MCB Part	.04	12500	Pcs	500
35	85389000	Support MCB Part	.015	3000	Pcs	45
36	85389000	Resistance MCB Part	.002	3500	Pcs	7
37	85389000	Seal MCB Part	.001	4000	Pcs	4
38	85389000	handle MCB part	.001	21000	Pcs	21
39	85389000	Spring MCB Part	.001	10000	Pcs	10

40	85389000	Core MCB Part	.001	10000	Pcs	10
41	85389000	Glass MCB Part	.002	7500	Pcs	15
42	85389000	Cover MCB Part	.001	15000	Pcs	15
43	85389000	Clip MCB Part	.001	35000	Pcs	35
44	85389000	Slipper MCB part	.001	6000	Pcs	6
45	85389000	Terminal MCB Part	.02	50000	Pcs	1000
46	85389000	Rotary MCB Part	.06	5000	Pcs	300

2.3. The officers of the SIIB Section, Customs House, Mundra conducted examination of the said consignment imported vide SEZ (Z type) Bill of Entry No. 5469868 dated 03.11.2025, stuffed in Container No. TRHU6115198,40' on 17.11.2025 in presence of authorized representative of the importer.

2.4 During examination of the goods imported, the total number of Package/bundles has been found as **635 Packages**. Further, the details of the Goods found during examination are mentioned as below:

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Table-2

Sr. No.	SEZ (Z Type) Bill of Entry No. & Date	Description of Item	No of CTN	No of Packages	Unit	Weight as per CFS weightment slip (in Kgs)	Remarks
1		hair Clip	49	5423	DOZ		
2		Hair Clip 32 Set	3	140	Set		
3		Baby Hair Clip 20 PCS/Set	7	640	Set		
4		Baby Hair Rubber Band 30 PCS/SET	10	2000	Set		

5	Baby Elastic	8	1350	DOZ
6	Hair Pin	65	3890	DOZ
7	Hair Band	29	2077	DOZ
8	Elastic Hair Rubber Band 20 PCS /set	63	4104	Set
9	Baby hair pin 14 Pcs/set	20	18000	Set
10	elastic hair Rubber Band 20 PCs/set	4	336	doz
11	hair Clutcher	4	616	DOZ
12	hair pin 10 Pcs/set	15	18000	Set
13	hair pin 14 Pcs/set	27	13519	Set
14	baby hair clip	1	200	DOZ
15	earring 5 Pair /set	3	4	Kgs
16	earring 7 Pair /set	2	5	Kgs
17	earring 11 Pair /set	24	60	Kgs
18	earring 14 Pair /set	2	6	Kgs
19	Tops 17 pairs per set	1	4	Kgs
20	tops 24 pair per set	3	12	Kgs
21	nose pin 40 pcs per			

		set	10	18	Kgs
22	5469868 dated 03.11.2025	necklace	2	7	Kgs
23		silicone bags	13	2870	Pcs
24		lady purse	1	50	Pcs
25		empty plastic box	2	640	Pcs
26		plastic tops 36 pair/set	52	12480	Set
27		plastic bracelet	4	400	Pcs
28		straw 6 pcs/set (of steel)	3	1152	Set
29		Hanger (of steel)	14	560	Pcs
30		plastic storage box	42	1534	Pcs
31		plastic soap dispenser	23	1296	Pcs
32		table basket	30	2190	Pcs
33		plastic basket 2 pcs per set	11	132	Set
34		shell MCB Part	63	12500 (1058 Kgs)	
35		Support MCB Part	2	3000 (78Kgs)	
36		Resistance MCB Part	1	3500 (11 Kgs)	
37		Seal MCB Part	1	40000 (30 Kgs)	
38	handle MCB part	1	21000 (35 Kgs)		
39	Spring		20000		

40	MCB Part Core MCB Part	1 1	(17Kgs) 10000 (17 Kgs)			
41	Glass MCB Part	1	7500 (34 Kgs)			
42	Cover MCB Part	2	15000 (34 Kgs)			
43	Clip MCB Part	3	35000 (66 Kgs)			
44	Slipper MCB part	4	20100 (17 Kgs)			
45	Terminal MCB Part	7	100002 (171 Kgs)			
46	Rotary MCB Part	1	5000 (548 Kgs)	Pcs	12720	
Total		635				

The cartons were weighed and the recorded weights were matched with the Importer's packing list. The number of pieces were accordingly determined based on this weight correlation.

2.5. In view of above, it appears that goods mentioned at Sr. No. 01 to 27 and 30 to 46 are found as declared (in description) and some items are found in excess that of declared quantity; Further, goods mentioned at Sr. No. 28 of Table 2 is Straw 6 Pcs/Set (of Steel) classifiable under CTH 73239390 instead of CTH 39241090 and at Sr. No. 29 is Hanger (of steel) **classifiable under CTH 73239390 instead of CTH 39269099** in SEZ (Z type) Bill of Entry No. 5469868 dated 03.11.2025.

2.6 In the present matter, DTA Bill of Entry has not been filed till date. Here, it is pertinent to mention that as per Rules 48 of SEZ rules, 2006, some of the provisions of Customs Act, 1962 come in picture only after filling of DTA bill of Entry.

The Rule 47 (4) of the SEZ Rules, 2006 read as under:

(4) Valuation and assessment of the goods cleared into Domestic Tariff Area shall be made in accordance with Customs Act and rules made thereunder.

The Rule 48(2) of the SEZ rules is reproduced below:

“(2) Valuation of the goods and/or services cleared into Domestic Tariff Area shall be determined in accordance with provisions of Customs Act and rules made thereunder as applicable to goods when imported into India”

2.7 Here, it is pertinent to mention that the importer has filed a SEZ WH/Z Type Bill of Entry for Home consumption without any mention of re-export, and during self-assessment, they have levied the applicable BCD instead of recognizing the non-applicability of BCD in the case of re-export. Additionally, it should be noted that when goods are imported for re-export purposes, this must be declared in the import Bill of Entry (BOE). Upon examining the submitted documents, it is clear that the invoice and packing list were issued to the buyer/consignee declared as the importer in the Bill of Entry and the Bill of Lading listed the importer as the consignee.

2.8 Furthermore, a warehouse/Z Type BOE is typically filed when goods are imported and stored in a bonded warehouse without immediate payment of customs duties. The duties are deferred until the goods are either cleared for domestic consumption or re-exported. During the self-assessment process, the importer levied the applicable BCD, which further supports the interpretation that the goods were not intended for re-export. In the case of goods meant for re-export, the BCD would be zero, and this should be explicitly stated. The self-assessment process allows importers to declare the classification and applicable duties on imported goods. By levying the BCD, the importer effectively confirmed that the goods were meant for domestic clearance (DTA) and not for re-export. Therefore, based on these facts, it is evident that the, though the SEZ Unit/Importer did not file a DTA BE, but the available information supports the conclusion that the goods were intended for DTA clearance only.

2.9 Further, the assessable value of the imported items declared by the importer under Rule 3 of the Customs Valuation (Determination of value of imported goods) Rules, 2007 ('CV Rules' for sake of brevity) in the SEZ- Z Type B.E as Rs. **8,97,074.54/-** [10,113.58/- USD] appears appropriate to be rejected in terms of Rule 12 of the Rules, *ibid*. To ascertain the value of cargo, attempts have been made to get the details from the previous bills of entry filed by the importer and as well as NIDB data for similar and identical during the relevant period was done. However, due to various items without specification and detail, valuation of identical or similar items cannot be ascertained. Thus, valuation of the item under import

could not be determined in terms of Rule 4 to 8 of the CV Rules, *ibid*. Therefore, valuation of the goods was found appropriate to be determined under residual method of valuation provided under Rule 9 of the CV Rules *ibid* and hence, opinion of the empanelled Chartered Engineer was sought for determination of the value of the goods under import. The empanelled Chartered Engineer Shri Ajay Jhala has submitted his observations vide report ABJ:INSP:CE:MUN:SIIB:RUD:25-26:08 dated 06.01.2026. The Empanelled CE has ascertained the CIF value of the imported consignment **Rs. 13,87,545/- (15,643.125/- USD)** as item-wise details mentioned below.

Table-3**1USD=88.7 INR**

Sr.	Description of Item	No. of packages found on examination	Unit	Per Unit Suggestive Average C.I.F. Value in Bulk Quantity (IN USD Approx)	Total Suggestive Average C.I.F. Value in Bulk Quantity (in USD Approx)	Assessable Value (in INR) as per CE valuation	Duty payable as per assessable value ascertained by CE (in Rs.)			
							BCD	SW S	IGS T	TOTAL
1	Hair Clip	5423	DOZ	0.098	531.454	47140	9428	943	2876	13246
2	Hair Clip 32 Set	140	Set	0.333	46.62	4135	827	83	252	1162
3	Baby Hair Clip 20 PCS/Set	640	Set	0.266	170.24	15100	3020	302	921	4243
4	Baby Hair Rubber Band 30 PCS/SET	2000	Set	0.07	140	12418	2484	248	757	3489
5	Baby Elastic	1350	DOZ	0.112	151.2	13411	2682	268	818	3769
			D							

6	Hair Pin	3890	OZ	0.224	871.36	77290	15458	1546	4715	21718
7	Hair Band	2077	DOZ	0.224	465.248	41267	8253	825	2517	11596
8	Elastic Hair Rubber Band 20 PCS / set	4104	Set	0.21	861.84	76445	15289	1529	4663	21481
9	Baby hair pin 14 Pcs/set	18000	Set	0.028	504	44705	8941	894	2727	12562
10	elastic hair Rubber Band 20 PCs/set	336	doz	0.238	79.968	7093	1419	142	433	1993
11	hair Clutch	616	DOZ	0.112	68.992	6120	1224	122	373	1720
12	hair pin 10 Pcs/set	18000	Set	0.028	504	44705	8941	894	2727	12562
13	hair pin 14 Pcs/set	13519	Set	0.042	567.798	50364	10073	1007	3072	14152
14	baby hair clip	200	DOZ	0.1	20	1774	355	35	108	498
15	earring 5 Pair /set	4	Kgs	31.489	125.956	11172	2793	0	419	3212
16	earring 7 Pair /set	5	Kgs	34.72	173.6	15398	3850	0	577	4427
17	earring 1 1 Pair /set	60	Kgs	37.332	2239.92	198681	49670	0	7451	57121
18	earring 1 4 Pair /set	6	Kgs	37.5	225	19958	4989	0	748	5738
19	Tops 17 pairs per set	4	Kgs	35.683	142.732	12660	3165	0	475	3640
20	tops 24 pair per set	12	Kgs	37.8	453.6	40234	10059	0	1509	11567
21	nose pin 40 pcs per set	18	Kgs	37.332	671.976	59604	14901	0	2235	17136
22	necklace	7	Kgs	37.199	260.393	23097	5774	0	866	6640

23	silicone bags	2870	Pcs	0.084	241.08	21384	3208	321	4484	8013
24	lady purse	50	Pcs	1	50	4435	665	67	930	1662
25	empty plastic box	640	Pcs	0.028	17.92	1590	238	24	333	596
26	plastic tops 36 pair/set	12480	Set	0.031	386.88	34316	5147	515	7196	12858
27	plastic bracelet	400	Pcs	0.07	28	2484	373	37	521	931
28	straw 6 pcs/set (of steel)	1152	Set	0.084	96.768	8583	1717	172	524	2412
29	Hanger (of steel)	560	Pcs	0.56	313.6	27816	5563	556	1697	7816
30	plastic storage box	1534	Pcs	0.196	300.664	26669	4000	400	5592	9993
31	plastic soap dispenser	1296	Pcs	0.14	181.44	16094	2414	241	3375	6030
32	table basket	2190	Pcs	0.224	490.56	43513	4351	435	8694	13480
33	plastic basket 2 pcs per set	132	Set	0.63	83.16	7376	1106	111	1547	2764
34	shell MC B Part	12500 (1058 Kgs)		0.056	700	62090	9314	931	13020	23265
35	Support MCB Part	3000 (78 Kgs)		0.021	63	5588	838	84	1172	2094
36	Resistance MCB Part	3500 (11 Kgs)		0.003	10.5	931	140	14	195	349
37	Seal MC B Part	40000 (30 Kgs)		0.001	40	3548	532	53	744	1329
38	handle MC B part	21000 (35 Kgs)		0.001	21	1863	279	28	391	698
39	Spring MC B Part	20000 (17Kgs)		0.001	20	1774	266	27	372	665
40	Core MC B Part	10000 (17 Kgs)	Pcs	0.001	10	887	133	13	186	332
4	Glass M	7500 (34		0.003	22.5	1996	299	30	419	748

1	CB Part	Kgs)											
4	Cover M	15000 (3											
2	CB Part	4 Kgs)	0.001	15	1331	200	20	279	499				
4	Clip MC	35000 (6											
3	B Part	6 Kgs)	0.001	35	3105	466	47	651	116				
4	Slipper	20100 (1											
4	MCB par	7 Kgs)	0.001	20.1	1783	267	27	374	668				
4	Terminal	100002 (
5	MCB Par	171 Kgs)	0.028	2800.056	248365	372	37	520	930				
4	Rotary M	5000 (54											
6	CB Part	8 Kgs)	0.084	420	37254	558	55	781	139				
TOTAL				15643.125	1387545.1	26	17	15	439				
					9	55	5	30	060				

2.10 The importer has declared the total assessable value of the consignment as **Rs. 8,97,074.54/-** and Total declared duty is Rs. 2,82,224/- in the SEZ Z Type Bill of Entry No. 5469868 dated 03.11.2025. However, as per the report submitted by the Chartered Engineer the suggestive value of the consignment is Rs. 13,87,545. Thus, it appears that the subjected consignment has been undervalued to the extent of **Rs. 4,90,471/-** on account of mis-declaration of the imported goods by the said importer.

2.11 Thus, by way of mis-declaration of the items in terms of description, as discussed above, short levy of the Customs duty to the tune of **Rs. 1,56,836/- (BCD- Rs. 90,363/-+ SWS Rs. 6,476 + IGST Rs. 59,996/-)** (as calculated in Table-3 above) [Total re-calculate Duty Rs. 4,39,060 – Total Declared Duty Rs. 2,82,224/-] has been observed in the present matter.

2.12 Further, the goods mentioned at Sr No. 28 and 29 of Table No. 2 are covered under Steel Import Monitoring System (SIMS) and the Importer needs to submit SIMS Registration Certificate of the goods of 73 Chapter imported in India as per Notification No. 17/2015-20 dated 5.09.2019, as amended issued by DGFT. The IGM inward date for this shipment is 02.11.2025. However, the Importer has not produced a SIMS certificate at the time of examination and later on the Importer has submitted SIMS registration No MOSSIMS926020923093 dated 09.02.2026, for these goods. Thus, it appears that the said goods were imported without SIMS

registration, rendering the said goods as 'prohibited' for import into India.

2.13 The said importer vide their letter dated 12.01.2026 also submitted that they are agreed with the value ascertained for each of the products as per CE report. The importer has also submitted that they do not want any show cause notice or personal hearing in this matter and they are ready to pay whatever duty, penalty, redemption fine or other charges as imposed by the Competent Authority under the provisions of Customs Law.

LEGAL PROVISIONS:

(A) RELEVANT PROVISIONS OF SEZ ACT, 2005:

2. Definitions.— In this Act, unless the context otherwise requires,—

.....

(o) “**import**” means—

(i) *bringing goods or receiving services, in a Special Economic Zone, by a Unit or Developer from a place outside India by land, sea or air or by any other mode, whether physical or otherwise; or*

(ii) *receiving goods, or services by a Unit or Developer from another Unit or Developer of the same Special Economic Zone or a different Special Economic Zone;*

Section 21: Single enforcement officer or agency for notified offences.—

1. *The Central Government may, by notification, specify any act or omission made punishable under any Central Act, as notified offence for the purposes of this Act.*
2. *The Central Government may, by general or special order, authorise any officer or agency to be the enforcement officer or agency in respect of any notified offence or offences committed in a Special Economic Zone.*
3. *Every officer or agency authorised under sub-section (2) shall have all the corresponding powers of investigation, inspection, search or seizure as is provided under the relevant Central Act in respect of the notified offences.*

Section 22: Investigation, inspection, search or seizure.—

The agency or officer, specified under section 20 or section 21, may, with prior intimation to the Development Commissioner concerned, carry out the investigation, inspection, search or seizure in the Special Economic Zone or in a Unit if such agency or officer has reasons to believe (reasons to be recorded in writing) that a notified offence has been committed or is likely

to be committed in the Special Economic Zone:

Provided that no investigation, inspection, search or seizure shall be carried out in a Special Economic Zone by any agency or officer other than those referred to in sub-section (2) or sub-section (3) of section 21 without prior approval of the Development Commissioner concerned:

Provided further that any officer or agency, if so authorised by the Central Government, may carry out the investigation, inspection, search or seizure in the Special Economic Zone or Unit without prior intimation or approval of the Development Commissioner

Notification Nos. 2665(E) and 2667(E) dated 05.08.2016:

1. *In exercise of the powers conferred by section 22 of the Special Economic Zones Act, 2005 (28 of 2005), the Central Government by Notification No. 2667(E) dated 05.08.2016 issued by the Ministry of Commerce & Industry, has authorized the jurisdictional Customs Commissioner, in respect of offences under the Customs Act, 1962 (52 of 1962) to be the enforcement officer(s) in respect of any notified offence or offences committed or likely to be committed in a Special Economic Zone. The enforcement officer(s), for the reasons to be recorded in writing, may carry out the investigation, inspection, search or seizure in a Special Economic Zone or Unit with prior intimation to the Development Commissioner, concerned. Under Section 21(1) of the SEZ Act, 2005, the Central Government may, by notification, specify any act or omission made punishable under any Central Act, as notified offence for the purposes of this Act.*
2. *The Central Government, by the Notification 2665(E) dated 05.08.2016 has notified offences contained in Sections 28, 28AA, 28AAA, 74, 75, 111, 113, 115, 124, 135 and 104 of the Customs Act, 1962 (52 of 1962) as offences under the SEZ Act, 2005.*

47 (5) *Refund, Demand, Adjudication, Review and Appeal with regard to matters relating to authorise operations under Special Economic Zones Act, 2005, transactions, and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the Customs Act, 1962, Central Excise Act, 1944, and the Finance Act, 1994 and the rules made thereunder or the notifications issued thereunder.*

(B) 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;

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 transshipment, with the declaration for transshipment 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 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.*

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.

(C) 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.*

4. OUTCOME OF THE INVESTIGATION:

4.1 From the above discussion, it appears that the importer has filed SEZ Z Type Bill of Entry No. 5469868 dated 03.11.2025. Upon investigation, it was noticed that the items under import were mis-declared in term of classification as mentioned at Table 02 above. Therefore, value of the consignments declared by the importer under Rule 3 of the Customs Valuation (Determination of value of imported goods) Rules, 2007 ('CV Rules' for sake of brevity) appears liable to be rejected in terms of Rule 12 of the Rules, *ibid*. Since, the items found during the examination are of unbranded with no specification, the valuation of the same could not be determined in terms of Rule 4 to 8 of the CV Rules, *ibid*. Therefore, valuation of the goods was found to be determined under residual method of valuation provided under Rule 9 of the CV Rules *ibid* and hence, opinion of the empanelled Chartered Engineer was sought for determination of the value of the goods under import.

4.2 Further, as per the empanelled Chartered Engineer report, the value of the consignment under import is ascertained to Rs. 13,87,545/- against declared value of **Rs. 8,97,074/-** Thus, it appears that the subjected consignment was undervalued to the tune of Rs. 4,90,471/- on account of mis-declaration of the imported goods in terms of classification and valuation. Thus, by way of mis-declaration of the items under import, in terms of classification and valuation, as worked out at Para-2.11 short levy of the Customs duty to the tune of Rs. **1,56,836/- (BCD- Rs. 90,363/-+ SWS Rs. 6,476/- + IGST Rs. 59,996/-)** has been detected in the present case & the same is recoverable from the importer.

4.3 Accordingly, it is found that the goods imported by the said importer (as mentioned in above paras) having assessable value ascertained to Rs. 13,87,545/- are not correctly included in the SEZ Z Type Bill of Entry No. 5469868 dated 03.11.2025 filed by the said importer as well as do not correspond in respect of value and particulars thereof. Hence, the said goods (as mentioned in above paras) of Table No. 02 (except item no. 28 & 29) having assessable value ascertained to Rs. **13,51,146/-** are found liable for confiscation under Section 111 (l) and 111 (m) of the Customs Act, 1962. Also, the item no. 28 & 29, having re-determined assessable value **Rs. 36,399/-**, which are found mis-declared in terms of classification and also imported without valid SIMS registration, rendering

the said goods as 'prohibited'. Hence, the said goods at Sr No .28 and 29 of Table No. 02 having assessable value ascertained to Rs. 36,399/- are found liable for confiscation under Section 111 (d) and 111 (m) of the Customs Act 1962.

4.4 In view of the above, it is found that the importer has mis declared the items under import vide SEZ Z Type Bill of Entry No. 5469868 dated 03.11.2025 in terms of description and value thereof. Therefore, it appears that the importer has contravened Section 14 and Section 46 of the Customs Act, 1962 read with Rule 11 of the CVR, 2007 in as much as the failed to declare correct value of the goods in the Customs document filed by them. These acts of omission and commission on the part of importer have made the imported goods (as mentioned in above paras) of Table No. 02 having assessable value ascertained to Rs. 13,87,545/- liable for confiscation under Section 111(d)/111 (l) and 111 (m) of the Customs Act, 1962 and also liable for penalty under Section 112(a) of the Customs Act, 1962.

4.5 In the instant case, as mentioned in above paras, the goods imported vide the said Bill of Entry have been found mis-declared by the said importer. Further, Section 114AA of the Customs Act, 1962, prescribed that *"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"*. Accordingly, in the instant case, it also appears that the importer made themselves liable to the penalty leviable under said Section 114AA of the said Act.

4.6 Furthermore, it appears that by mis-declaring the classification and accordingly, value of the goods under import, the importer has also short levied the duty amounting to Rs. **156836/- (BCD- Rs. 90,363/-+ SWS Rs. 6,476 + IGST Rs. 59,996/-)** which is required to be added into the respective DTA Bill of Entry, likely to be filed by the importer.

5. The said importer vide their email dated 12.01.2026 also submitted that they do not want any show cause notice or personal hearing in this matter and they are ready to pay whatever duty, penalty, redemption fine or other charges as imposed by the Competent Authority under the provisions of Customs Law.

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

- i. The goods imported vide SEZ Z Type Bill of Entry No. 5469868 dated 03.11.2025 (as mentioned in above paras) are required to be correctly declared in the said B.E. and the said B.E. needs to be re-assessed accordingly under Section 17(4) of the Customs Act, 1962.
- ii. The declared value, i.e. Rs. 8,97,074/- of the consignment covered under Z Type SEZ Bill of Entry No 5469868 dated 03.11.2025 is liable to be rejected at the time of filing DTA B.E, under Rule 12 of the CVR, 2007 and required to be re-determined at Rs 13,87,545/- as opined by the CE report at the time of filling of DTA Bill of Entry in terms of Rule 9 of the Rules, ibid, read with Rule 47 (4) of the SEZ Rules, 2006;
- iii. The imported goods having re-determined value of Rs. 13,87,545/- are found liable for confiscation under Section 111(d), 111 (l) and 111 (m) of the Customs Act, 1962
- iv. The differential duty amounting Rs. **156836/- (BCD- Rs. 90,363/-+ SWS Rs. 6,476 + IGST Rs. 59,996/-)/-** as calculated at Annexure A) short levied on the imported items by the importer is required to be added (in addition to the total amount of Rs 2,82,224/- declared as duty in the Z Type SEZ Bill of Entry No. 5469868 dated 03.11.2025 into the DTA Bill of Entry, likely to be filed by the importer and to be recovered accordingly.
- v. Penalty under Section 112 (a) of the Customs Act, 1962 is imposable upon the importer, as discussed in Para 4.3 & 4.4 above.
- vi. Penalty under Section 114AA of the Customs Act, 1962 is imposable upon the importer as discussed in Para-4.5 above.

6.1 In view of the above an Investigation report no. 239/2025-26 dated 03.02.2026 has been issued by SIIB, Mundra Customs.

WAIVER OF NOTICE AND PERSONAL HEARING

7. The importer vide their letter/email dated 19.01.2026 has requested for waiver of SCN and PH in the instant case and accepted the CE valuation report. Further, they have also requested to waive the issuance of SCN and personal hearing and to decide the matter on merits based on available records. They also agreed to pay the applicable fine and penalty, if any, and assure that they shall abide by the decision taken by this office.

DISCUSSION AND FINDINGS

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

9. I find that M/s. Saavik Enterprises (IEC No. BCRPC1620C/0), had filed Bill of entry no. 5469868 (Z type) dated 03.11.2025, for import of miscellaneous goods, in container no. TRHU6115198. The details of the goods as per import documents consignment are mentioned in Table-‘1’ above.

9.2. I find that on the basis of intelligence developed by SIIB, Mundra Customs, it was found, that the consignment of goods imported by the importer M/s. Saavik Enterprises (IEC: BCRPC1620C), and covered under SEZ (Z type) Bill of Entry No. 5469868 dated 03.11.2025 which is declared to contain miscellaneous cargo appear to be risky for mis-declaration/concealment of goods. Accordingly, the said consignment was put on hold for 100% examination by SIIB, Custom House, Mundra.

9.3 I find that the officers of the SIIB Section, Customs House, Mundra

conducted examination of the said consignment imported vide SEZ (Z type) Bill of Entry No. 5469868 dated 03.11.2025, stuffed in Container No. TRHU6115198,40' on 17.11.2025 in presence of authorized representative of the importer.

9.4 I find that during examination of the goods imported, the total number of Package/bundles has been found as **635 Packages**. Further, the details of the Goods found during examination are as mentioned in Table-2 above.

9.5. I find that the goods mentioned at Sr. No. 01 to 27 and 30 to 46 are found as declared (in description) and some items are found in excess than of declared quantity; Further, goods mentioned at Sr. No. 28 of Table 2 is Straw 6 Pcs/Set (of Steel) classifiable under CTH 73239390 instead of CTH 39241090 and at Sr. No. 29 is Hanger (of steel) **classifiable under CTH 73239390 instead of CTH 39269099** in SEZ (Z type) Bill of Entry No. 5469868 dated 03.11.2025.

9.6 I find that in the present matter, DTA Bill of Entry has not been filed till date. Here, it is pertinent to mention that as per Rules 48 of SEZ rules, 2006, some of the provisions of Customs Act, 1962 come in picture only after filling of DTA bill of Entry.

The Rule 47 (4) of the SEZ Rules, 2006 read as under:

(4) Valuation and assessment of the goods cleared into Domestic Tariff Area shall be made in accordance with Customs Act and rules made thereunder.

The Rule 48(2) of the SEZ rules is reproduced below:

“(2) Valuation of the goods and/or services cleared into Domestic Tariff Area shall be determined in accordance with provisions of Customs Act and rules made thereunder as applicable to goods when imported into India”

9.7 I find that the importer has filed a SEZ WH/Z Type Bill of Entry for Home consumption without any mention of re-export, and during self-assessment. Additionally, it should be noted that when goods are imported for re-export purposes, this must be declared in the import Bill of Entry (BOE). Upon examining the submitted documents, it is clear that the invoice and packing list were issued to the buyer/consignee declared as

the importer in the Bill of Entry and the Bill of Lading listed the importer as the consignee.

9.8 Further, I find that the assessable value of the imported items declared by the importer under Rule 3 of the Customs Valuation (Determination of value of imported goods) Rules, 2007 ('CV Rules' for sake of brevity) in the SEZ- Z Type B.E as Rs. **8,97,074.54/-** [10,113.58/- USD] is appropriate to be rejected in terms of Rule 12 of the Rules, *ibid*, due to mis-declaration found during examination. To ascertain the value of cargo, attempts have been made to get the details from the previous bills of entry filed by the importer and as well as NIDB data for similar and identical during the relevant period was done. However, due to various items without specification and detail, valuation of identical or similar items cannot be ascertained. Thus, valuation of the item under import could not be determined in terms of Rule 4 to 8 of the CV Rules, *ibid*. Therefore, valuation of the goods was found appropriate to be determined under residual method of valuation provided under Rule 9 of the CV Rules *ibid* and hence, opinion of the empanelled Chartered Engineer was sought for determination of the value of the goods under import. The empanelled Chartered Engineer Shri Ajay Jhala has submitted his observations vide report ABJ:INSP:CE:MUN:SIIB:RUD:25-26:08 dated 06.01.2026. The Empanelled CE has ascertained the CIF value of the imported consignment **Rs. 13,87,545/- (15,643.125/- USD)** as item-wise details mentioned in Talbe-3 above.

9.9 The importer has declared the total assessable value of the consignment as **Rs. 8,97,074.54/-** and Total declared duty is Rs. 2,82,224/- in the SEZ Z Type Bill of Entry No. 5469868 dated 03.11.2025. However, as per the report submitted by the Chartered Engineer the suggestive value of the consignment is Rs. 13,87,545/-. Thus, it appears that the subjected consignment has been undervalued to the extent of **Rs. 4,90,471/-** on account of mis-declaration of the imported goods by the said importer.

9.10 I find that by way of mis-declaration of the items in terms of description, as discussed above, short levy of the Customs duty to the tune of **Rs. 1,56,836/- (BCD- Rs. 90,363/-+ SWS Rs. 6,476 + IGST Rs. 59,996/-)** (as calculated in Table-3 above) [Total re-calculate Duty Rs. 4,39,060 – Total Declared Duty Rs. 2,82,224/-] has been observed in the present matter.

9.11 Further, the goods mentioned at Sr No. 28 and 29 of Table No. 2 are covered under Steel Import Monitoring System (SIMS) and the Importer needs to submit SIMS Registration Certificate of the goods of 73 Chapter imported in India as per DGFT Notification No. 17/2015-20 dated 5.09.2019, as amended, *“not earlier than 60th day and not later than 7th day before the expected date of arrival of import consignment”*. The IGM inward date for this shipment is 02.11.2025. However, the Importer has not produced a SIMS certificate at the time of examination and later on the Importer has submitted SIMS registration No MOSSIMS926020923093 dated 09.02.2026, for these goods. Thus, it appears that the said goods were imported without SIMS registration, rendering the said goods as ‘prohibited’ for import into India.

10. CONFISCATION OF THE GOODS UNDER SECTION 111(d), 111(l) & 111(m) OF THE CUSTOMS ACT, 1962:

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

“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.

10.2 I find that the goods mentioned at Sr. No. 28 and 29 of Table-2, namely "Straw 6 Pcs/Set (of Steel)" and "Hanger (of Steel)" (re-determined assessable value Rs. 36,399/-), are covered under the Steel Import Monitoring System (SIMS) as per DGFT Notification No. 17/2015-20. The importer was required to apply for SIMS registration not earlier than the 60th day and not later than the 7th day before the expected date of arrival. However, the importer produced SIMS registration dated 09.02.2026, which is well after the IGM inward date of 02.11.2025. Since valid registration was not obtained prior to import, these goods have become prohibited goods and are liable to confiscation under Section 111(d) of the Customs Act, 1962. Further, these goods were mis-declared in terms of classification, rendering them also liable under Section 111(m) of the Customs Act, 1962.

10.3 I find that the remaining goods in the consignment (re-determined assessable value **Rs. 13,51,146/-**) have been mis-declared in terms of description, quantity, and value. Several items were found in excess of declared quantities. These goods do not correspond with the entry made in SEZ Z-Type Bill of Entry No. 5469868 dated 03.11.2025. Therefore, these goods are liable to confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962.

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

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

10.4.1 A plain reading of the above provision shows that imposition of

redemption fine is an option in lieu of confiscation. It provides an opportunity to the owner of the confiscated goods for release by paying redemption fine where there is no absolute prohibition on import. Accordingly, I observe that the goods at Sr. No. 28 and 29 of Table-2 have become prohibited due to non-compliance with SIMS requirements at the time of import; however, the importer later complied with the requisite import condition. Further, the remaining goods are not prohibited. Therefore, I give an option to the importer to redeem all the goods on payment of redemption fine.

11. From the above, it is evident that the importer M/s. Saavik Enterprises has done mis-declaration in terms of classification, quantity, and valuation of the goods mentioned in Bill of Entry No. 5469868 dated 03.11.2025 and also imported restricted goods without timely mandatory SIMS registration. Therefore, the goods are liable for confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962. By these acts, the importer has rendered the subject goods liable for confiscation and themselves liable for penalty under Section 112(a) of the Customs Act, 1962.

11.1 As regards penalty under Section 114AA of the Customs Act, 1962, Section 114AA mandates penal action for intentional use of false and incorrect material. From the investigation and material on record, it is observed that the importer has knowingly and intentionally made/signed/used import documents (including invoice and Bill of Entry) which were false or incorrect in material particulars such as classification, quantity, and valuation, with mala-fide intent. Therefore, the importer is liable to penalty under Section 114AA of the Customs Act, 1962.

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

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

ORDER

i. I order to reject the declared description/quantity/classification mentioned in the Z-Bill of Entry No. 5469868 dated 03.11.2025 and order to re-determine the same as detailed in Table-2 and para 2.5 above.

ii. I order to reject the declared assessable value of the items imported as mentioned in the Z-Bill of Entry No. 5469868 dated 03.11.2025 and order

to re-determine the same at **Rs. 13,87,545/-** (Rupees Thirteen Lakh Eighty-Seven Thousand Five Hundred Forty-Five only) as detailed in the Table-3 above.

iii. I order to re-assess the Z-Bill of Entry No. 5469868 dated 03.11.2025 accordingly under Section 17(4) of the Customs Act, 1962, with differential duty as calculated in para 2.11 above.

iv. I order confiscation of the goods mentioned at Sr. No. 28 and 29 of Table-2 i.e. "Straw 6 Pcs/Set (of Steel)" and "Hanger (of steel)" under Sections 111(d) and 111(m) of the Customs Act, 1962, and remaining goods under Section 111(l) & 111(m) of the Customs Act, 1962, for the reasons discussed above, having total re-determined assessable value as **Rs. 13,87,545/-**. However, I give an option to the importer to redeem the same on payment of redemption fine of **Rs.1,38,000/- (Rupees One Lakh Thirty Eight Thousand only)** under Section 125(1) of the Customs Act, 1962.

v. I impose a penalty of **Rs.5,000/- (Rupees Five Thousand only)** upon the importer M/s. Saavik Enterprises (IEC: BCRPC1620C) under Section 112(a)(i) of the Customs Act, 1962.

vi. I impose a penalty of **Rs.15,000/- (Rupees Fifteen Thousand only)** upon the importer M/s. Saavik Enterprises (IEC: BCRPC1620C) under Section 112(a)(ii) of the Customs Act, 1962.

vii. I impose a penalty of **Rs.10,000/- (Rupees Ten Thousand only)** upon the importer M/s. Saavik Enterprises (IEC: BCRPC1620C) under Section 114AA of the Customs Act, 1962.

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

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

F.No. CUS/APR/INV/91/2026-Gr5-6-O/o Pr Commr-Cus-Mundra

To:

M/s. Saavik Enterprises (IEC: BCRPC1620C),

Khasra No. 884, Village Rithala, Delhi – 110085

Copy to:

(i) The Additional Commissioner of Customs (SIIB), Customs House, Mundra.

(ii) The Dy./Asstt. Commissioner (EDI), Customs House, Mundra.

(iii) The Dy./Asstt. Commissioner (RRA/TRC), Customs House, Mundra.