
	OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOMS HOUSE, MP & SEZ MUNDRA, KUTCH-GUJARAT -370421 PHONE : 02838-271426/271428 FAX :02838-271425	
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A	File No.	CUS/AG/MISC/990/2025-Gr 3-O/o Pr Commr-Cus-Mundra
B	OIO No.	MCH/ADC/ZDC/92/2025-26
C	Date of Order	19.06.2025
D	Passed by	Dipak Zala Additional Commissioner, Import Assessment, Custom House, Mundra.
E	SCN No./IR No. & Date	CUS/SIIB/ALT/141/2025-SIIB dated 09.05.2025
F	Noticee / Party / Importer	M/s RAS Traders House No. 56, Block F, Near Shiv Mandir Dharamshalla, Shastri Nagar, New Delhi, North West, Delhi-110052
G	DIN	20250671MO000000D241

1. The Assessment/Speaking Order is granted to concern free of charge.
2. Any person aggrieved by this Order – in – Original may file an appeal under Section 128 A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. 1 to

The Commissioner of Customs (Appeal), MUNDRA,
Office at 7th floor, Mridul Tower, Behind Times of India,
Ashram Road, Ahmedabad-380009

3. Appeal shall be filed within Sixty days from the date of Communication of this Order.
4. Appeal should be accompanied by a Fee of Rs. 5/- (Rupees Five Only) under Court Fees Act it must accompanied by (i) copy of the Appeal, (ii) 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. Proof of payment of duty / interest / fine / penalty / deposit should be attached with the appeal memo.
6. While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respect.
7. 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 or Penalty are in dispute, where penalty alone is in dispute.

Brief facts of the case

M/s RAS Traders (IEC DTJPS8186Q), (hereinafter referred to as 'the importer' for the sake of brevity) having address at House No. 56, Block F, Near Shiv Mandir Dharamshalla, Shastri Nagar, New Delhi, North West, Delhi-110052 filed warehouse Bill of Entry No. 8698367 dated 05.03.2025 for import of various item as detailed below. The Country of origin of the goods is CHINA. The details of the B/E are as follows: -

Table-I

B/E No. & date	Bill of Lading No. & Date Container No.	Declared Goods	Declared HSN Code	Declared Quantity	Declared Unit Price (Per GRS)	Declared Assessable Value (in Rs.)	Declared Duty (in Rs.)
8698367 dated 05.03.2025	143550520661 dated 06.02.2025 EGSU1035585 TCNU2416693	Paper Thin Hand sleeves	61169990	3842.7 GRS	Rs. 148	5,75,130/-	161809/-
		Girls Paper Thin Socks	61159600	354.11 GRS	Rs. 219.3	78,557/-	22074/-
		Synthetic Hand Gloves	61169990	642 GRS	Rs. 280.8	1,82,302/-	51226/-
		Nine in one Head cover	61178090	1666 GRS	Rs. 219.375	3,69,590/-	103584/-
		Loafer Socks	61159600	2340.73 GRS	Rs. 245.7	5,81,587/-	163424/-
		Total =				17,87,166/-	5,02,117/-

02. An NCTC alert was received to the effect of possibility of mis declaration and concealment against the import consignment covered under Z type B/E No. 8698367 dated 05.03.2025 filed at APSEZ (INAJM6). As per Bill of lading No. 143550520661 dated 06.02.2025, the notify Party is Shoolin Trade Link LLP, APSEZ Mundra.

03. On the basis of NCTC alert, goods covered under Z Type B/E No. 8693867 dated 05.03.2025 was put on hold for SIIB examination purpose. The examination of the goods was carried out at Ameya Logistic Pvt. Ltd. CFS, Mundra on dated 17.03.2025 in the presence of Shri Ashok Kumar Pandey, Deputy Manager, Operations, Ameya CFS and Shri Pranjali Singh, authorized representative by the importer M/s RAS Traders vide letter dated 12.03.2025. The seal placed on the container was checked/verified

and found intact and tally with the number mentioned in the Bill of lading.

04. Further, Gate of both of containers were opened for the examination of the goods. Upon opening the gate, it was found that goods packed in PP bags was stuffed into the container. Thereafter, entire cargo was de-stuffed in the warehouse from the container for the examination with the help of labour. During the course of de-stuffing of the container, it was noticed that Goods were packed in green and white colour pp bags. Each PP bags were marked with some identification no. and the Importer representative and CFS representative was asked to segregated the goods as per marking. After that the goods were segregated as per marking with the help of labour, and details of the goods are found during the examination of are as under-

Table-II

Sr. No.	Goods Description	No. of CTN/Bags	Quantity	
			Declared Quantity in invoice/Packaging List	Quantity Found During the examination
1	Paper Thin Hand sleeves	722	3842.74 GRS	3842.7 GRS
2	Girls Paper Thin Socks	17	354.11 GRS	354.11 GRS
3	Synthetic Hand gloves	120	642 GRS	642 GRS
4	Nine In One Headcover	200	1666 GRS	1666 GRS
5	Loafer Socks	281	2340.73 GRS	2340.7 GRS

05. During Examination, goods were found as per declaration. Further, No quantity mis match was found. Further, declared CTH was found to be appropriate. However, on checking contemporary data on NIDB for similar item, valuation appears to be on lower side for some item. Hence, the value declared by the importer in the Bill of Entry No. and invoices did not appear to be the true transaction value as importer has mis declared goods, hence, value declared by importer does not appear to be true transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the provisions of the Customs Valuation (determination of Value of Imported Goods) Rules, 2007 and thus the same appear liable to be rejected in terms of Rule 12 of CVR, 2007. The value is required to be re-determined by sequentially proceeding in terms of Rules 4 to 9 of CVR, 2007. The relevant Rules of CVR, 2007 are reproduced hereunder: -

06. Rejection of transaction value of the imported goods and determination of the value of the import goods

Since, the value of goods declared by the importer in the Bill of Entry

did not appear to be the true transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the rule 3 of the Customs Valuation (determination of Value of Imported Goods) Rules, 2007 and thus the same appear liable to be rejected in terms of Rule 12 of CVR, 2007. The value is required to be re-determined by sequentially proceeding in terms of Rules 4 to 9 of CVR, 2007. The relevant Rules of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 are reproduced here under :-

Rule 3. Determination of the method of valuation-

(1) Subject to rule 12, the value of imported goods shall be the transaction value adjusted in accordance with provisions of rule 10;

(2) Value of imported goods under sub-rule (1) shall be accepted:

Provided that -

(a) there are no restrictions as to the disposition or use of the goods by the buyer other than restrictions which -

(i) are imposed or required by law or by the public authorities in India;
or

(ii) limit the geographical area in which the goods may be resold; or

i. do not substantially affect the value of the goods;

(b) the sale or price is not subject to some condition or consideration for which a value cannot be determined in respect of the goods being valued;

(c) no part of the proceeds of any subsequent resale, disposal or use of the goods by the buyer will accrue directly or indirectly to the seller, unless an appropriate adjustment can be made in accordance with the provisions of rule 10 of these rules; and

(d) the buyer and seller are not related, or where the buyer and seller are related, that transaction value is acceptable for customs purposes under the provisions of sub-rule (3) below.

(3) (a) Where the buyer and seller are related, the transaction value shall be accepted provided that the examination of the circumstances of the sale of the imported goods indicate that the relationship did not influence the price.

(b) In a sale between related persons, the transaction value shall be accepted, whenever the importer demonstrates that the declared value of the goods being valued, closely approximates to one of the following values ascertained at or about the same time.

(i) the transaction value of identical goods, or of similar goods, in sales to unrelated buyers in India;

(ii) the deductive value for identical goods or similar goods;

(iii) the computed value for identical goods or similar goods:

Provided that in applying the values used for comparison, due account shall be taken of demonstrated difference in commercial levels, quantity levels, adjustments in accordance with the provisions of rule 10 and cost incurred by the seller in sales in which he and the buyer are not related;

(c) substitute values shall not be established under the provisions of clause (b) of this sub-rule.

(4) if the value cannot be determined under the provisions of sub-rule (1), the value shall be determined by proceeding sequentially through rule 4 to 9.

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;

Provided that such transaction value shall not be the value of the goods provisionally assessed under section 18 of the Customs Act, 1962.

(b) In applying this rule, the transaction value of identical goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued shall be used to determine the value of imported goods.

(c) Where no sale referred to in clause (b) of sub-rule (1), is found, the transaction value of identical goods sold at a different commercial level or in different quantities or both, adjusted to take account of the difference attributable to commercial level or to the quantity or both, shall be used, provided that such adjustments shall be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustments, whether such adjustment leads to an increase or decrease in the value.

(2) Where the costs and charges referred to in sub-rule (2) of rule 10 of these rules are included in the transaction value of identical goods, an adjustment shall be made, if there are significant differences in such costs and charges between the goods being valued and the identical goods in question arising from differences in distances and means of transport.

(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 such transaction value shall not be the value of the goods provisionally assessed under section 18 of the Customs Act, 1962.

(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.

Further, as per Rule 6 of the CVR, 2007, if the value cannot be determined under Rule 3, 4 & 5, then the value shall be determined under Rule 7 of CVR, 2007.

Rule 7 of the CVR, 2007, stipulates that :-

(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 of the CVR, 2007, stipulates that:-

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 of the CVR, 2007, stipulates that:-

(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.

07. Since, data of data of import of identical goods i.e. brand name, supplier name etc. is not available, hence, value of the goods cannot be determined using Rule 4. Subsequently Rule 5 of Customs Valuation Rules 2007 is to be applied to arrive at the correct value of the subject consignment.

7.1 As per Rule 5 of Customs Valuation Rules, 2007, 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. As per contemporary data available for similar item, it is noticed that some importers have imported similar type of goods having similar description vide various Bills of Entry filed at various Ports/ICD. Accordingly, B/E having similar item have been taken for reference for each item and value of the goods imported vide B/E No. 8698367 dated 05.03.2025 has been redetermined which is as under :-

Table-III

Sr. No.	Item Description	Quantity Found	Declared CTH	Unit Price Declared by importer	Total Assessable Value	Unit price as per NIDB	Total Re determined Assessable Value	Reference B/E
1	Paper Thin Handsleeves	3842.7 GRS	61169990	Rs. 148	Rs. 575130	210.18	807659	7808356 dated 16.01.2025
	Girls Paper	354.11	61159600					8143335 dated

2	Thin Socks	GRS		Rs. 219.3	Rs. 78557	235.19	83283	03.02.2025
3	Synthetic Handgloves	642 GRS	61169990	Rs. 280.8	Rs.182302	Value appears to be fair	182302	8545676 dated 25.02.2025
4	Nine in One Headcover	1666 GRS	61178090	Rs. 219.375	Rs. 369590	Value appears to be fair	369590	7791494 dated 15.01.2025
5	Loafer Socks	2340.73 GRS	61159600	Rs 245.7	Rs. 581587	303.91	711371	7325282 dated 19.12.2024
Total=					Rs. 17,87,166/-		Rs. 21,54,205/-	

7 . 2 As mentioned above, the transaction value of Rs. 17,87,166/- declared by the importer while filing Bill of Entry No. 8698367 dated 05.03.2025 is liable to be rejected under Rule 12 of Customs Valuation Rules 2007. Since the declared value of the subject goods is liable to be rejected under Rule 12 of the Customs Valuation (Determination of value of imported goods) Rules, 2007, therefore the same is required to be re-determined under Section 14 of the Customs Act, 1962 under Rule 5 of Customs Valuation (Determination of value of imported goods) Rules, 2007 as Rs. 21,54,205/- (Rupees Twenty Lacs Fifty-Four Thousand Two Hundred Five).

On the basis of re determined value in above table, duty leviable on goods imported vide B/E No. 8698367 dated 05.03.2025 is being re calculated which is as under :-

Table-IV

B/E No.	Item Description	Declared CT H	Total Re determined Assessable Value	BCD @ 20 %	SW S@ 2%	IGS T@ 5%	Total redetermined duty	Duty paid by importer	Difference
8698367 dated 05.03.2025	Paper Thin Handsleeves	61169990	807659	161532	16153	49267	226952	161611	65341
	Girls Paper Thin Socks	61159600	83283	16657	1666	5080	23403	22075	1328
	Synthetic Handgloves	61169990	182302	36460	3646	11120	51227	51227	0
	Nine in One Headcover	61178090	369590	73918	7392	22545	103855	103855	0
	Loafer Socks	61159600	711371	142274	14227	43394	199895	163426	36469

Total	2154205	430	430	131	605332	502194	1031
		841	84	407			38

08. Importer M/s RAS Trade vide their letter dated 30.04.2024 stated that they do not want any Show Cause Notice and personal hearing and further requested to decide the matter on merit and they will abide by decision taken by this office.

09. In view of the above, based on investigations conducted in the matter, it is noticed that the goods imported vide B/E No. 5869651 dated 29.09.2024 has been found under valued in order to evade applicable duty on higher assessable value. Therefore, it appears that the importer has contravened Section 17 and Section 46 of the Customs Act, 1962 and Custom Valuation Rules, 2007 in as much as they 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 has made the imported goods having re-determined value of Rs. 6,05,332 /- liable for confiscation under Section 111 (m) of the Act, *ibid* and has thus rendered themselves liable for penal action under Section 112 (a) (ii) of the Customs Act, 1962. Furthermore, it appears that by mis declaring the value of the goods under import, the importer has also short-declared the duty amounting to Rs. 1,03,138/- (Rs. One Lacs Three Thousand One Hundred Thirty-Eight).

10. 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;

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 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:-*

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(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),**shall be liable,-*
 - i.
 - 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:*

11. Further, it is found that, the importer has failed to declare true and correct value of the impugned goods. Thus, by the act of omission and commission at the level of importer, it appears that, the importer has contravened the provisions of Section 46 and Section 17 of the Customs Act, 1962, in as much as, they failed to make correct and true declaration and information to the Customs Officer in the form of Bill of Entry and also failed to assess their duty liability correctly. The relevant portion of said provisions is as under:

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. –

(1) The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed:

12. In view of the above facts, it appears that –

- i. The declared value i.e. Rs. 17,87,166/-/- of the goods imported vide impugned B/E No. 8698367 dated 05.03.2025 is liable to be rejected under Rule 12 of the CVR, 2007 and required to be re-determined at Rs. 21,54,205/- (Rs. Twenty-One Lacs Fifty-Four Thousand Two Hundred Five) in terms of Rule 5 of the Customs Valuation Rules,2007.
- ii. The Bill of Entry no. 8698367 dated 05.03.2025 is liable to be re-assessed accordingly under Section 17(4) of the Customs Act, 1962.
- iii. The goods imported vide impugned Bill of Entry no. 8698367 dated 05.03.2025 by way of undervaluation liable for confiscation under Section 111(m) of the Customs Act, 1962.
- iv. The importer M/s RAS Traders (IEC No. DTJPS8186Q) is liable for Penalty under Section 112(a)(ii) of the Customs Act, 1962.

13. WAIVER OF NOTICE AND PERSONAL HEARING

The importer vide Letter dated 30.04.2024 has requested that they do not want any Show Cause Notice or Personal Hearing in the matter and necessary adjudication proceeding/action may be initiated in respect of the

said Bill of Entry as per the Customs Act, 1962.

DISCUSSION & FINDING

14. I have carefully gone through the Investigation report dated 09.05.2025 issued by the Deputy Commissioner of Customs (SIIB), Mundra and I find that Importer M/s RAS Traders vide their letter dated 30.04.2024 has requested for waiver of the show cause notice and personal hearing in the matter. Therefore I find that the principle of natural justice as provided in section 122A of the Customs Act, 1962 has been completed. Hence I proceed to decide the case on the basis of the documentary evidence available on records.

15. Ongoing through the facts of the case, I find that the following issues needed to be decided in the present proceedings:

- i. Whether the declared value of the goods is liable to be rejected and redetermined or otherwise .
- ii. Whether the Importer is liable for penalty under Section 112(a) (ii) of the Customs Act, 1962.

16. I find that based on the NCTC alert received, goods covered under Z Type B/E No. 8693867 dated 05.03.2025 was put on hold for SIIB examination purpose. The examination of the goods was carried out at Ameya Logistic Pvt. Ltd. CFS, Mundra on dated 17.03.2025 in the presence of Shri Ashok Kumar Pandey, Deputy Manager, Operations, Ameya CFS and Shri Pranjal Singh, authorized representative by the importer M/s RAS Traders vide letter dated 12.03.2025. The details of the goods are found during the examination of are as under-

Table-V

Sr. No.	Goods Description	No. of CTN/Bags	Quantity	
			Declared Quantity in invoice/Packaging List	Quantity Found During the examination
1	Paper Thin Hand sleeves	722	3842.74 GRS	3842.7 GRS
2	Girls Paper Thin Socks	17	354.11 GRS	354.11 GRS
3	Synthetic Hand gloves	120	642 GRS	642 GRS
4	Nine In One Headcover	200	1666 GRS	1666 GRS
5	Loafer Socks	281	2340.73 GRS	2340.8 GRS

17. I find that, goods were found as per declaration during the course of Examination. Further, No quantity mis match was found and declared CTH was found to be appropriate. However, SIIB has checked the contemporary data on NIDB for similar item and the valuation appears to be on lower side for some items. Hence, the value declared by the importer in the Bill of Entry No. and invoices did not appear to be the true transaction value as importer has mis declared goods, hence, value declared by importer does not appear to be true transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the provisions of the Customs Valuation (determination of Value of Imported Goods) Rules, 2007 and thus the same is liable to be rejected in terms of Rule 12 of CVR, 2007. The value is re-determined by sequentially proceeding in terms of Rules 4 to 9 of CVR, 2007.

17.1 I find that the Investigation Report has stated that the Since, data of ata of import of identical goods i.e. brand name, supplier name etc. is not available, hence, value of the goods cannot be determined using Rule 4. Subsequently valuation is arrived in accordance with the Rule 5 of Customs Valuation Rules 2007.

17.2 As per Rule 5 of Customs Valuation Rules, 2007, 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. As per contemporary data available for similar item, some importers have imported similar type of goods having similar description vide various Bills of Entry filed at various Ports/ICD. Accordingly, B/E having similar item have been taken for reference for each item and value of the goods imported vide B/E No. 8698367 dated 05.03.2025 has been redetermined in the Investigation Report is as per Table VI below. I hold that the value has been rightly re-determined by the SIIB in their Investigation Report.

Table-VI

Sr. No.	Item Description	Quantity Found	Declared CTH	Unit Price Declared by importer	Total Assessable Value	Unit price as per NIDB	Total Re determined Assessable Value	Reference B/E
1	Paper Thin Handsleeves	3842.7 GRS	61169990	Rs. 148	Rs. 575130	210.18	807659	7808356 dated 16.01.2025
2	Girls Paper Thin Socks	354.11 GRS	61159600	Rs. 219.3	Rs. 78557	235.19	83283	8143335 dated 03.02.2025
3	Synthetic Handgloves	642 GRS	61169990	Rs. 280.8	Rs.182302	Value appears to be fair	182302	8545676 dated 25.02.2025
4	Nine in One Headcover	1666 GRS	61178090	Rs. 219.375	Rs. 369590	Value appears to be fair	369590	7791494 dated 15.01.2025

5	Loafer Socks	2340.73 GRS	61159600	Rs 245.7	Rs. 581587	303.91	711371	7325282 dated 19.12.2024
Total=					Rs. 17,87,166/-		Rs. 21,54,205/-	

17.3 Accordingly, duty leviable on goods imported vide B/E No. 8698367 dated 05.03.2025 has been re-calculated as per below Table. I hold that the same has been rightly re-calculated in the Investigation Report.

Table-VII

B/E No.	Item Description	Declared CT H	Total Re determined Assessable Value	BCD@ 20%	SWS @ 2%	IGST @ 5%	Total rede terminated duty	Duty paid by importer	Difference
8698367 dated 05.03.2025	Paper Thin Handshoes	61169990	807659	161532	16153	49267	226952	161611	65341
	Girls Paper Thin Socks	61159600	83283	16657	1666	5080	23403	22075	1328
	Synthetic Handgloves	61169990	182302	36460	3646	11120	51227	51227	0
	Nine in One Headcover	61178090	369590	73918	7392	22545	103855	103855	0
	Loafer Socks	61159600	711371	142274	14227	43394	199895	163426	36469
Total			2154205	430841	43084	131407	605332	502194	103138

Accordingly, I find that the consignment is found mis-declared in respect of valuation which resulted into short-levy of duty amounting to Rs. 1,03,138/- as calculated at para supra. Hence, the consignment is liable for confiscation under Section 111(m) of the Customs Act, 1962. Furthermore, for the said act of omission and commission, the importer appears liable for the penal action under the provisions of Section 112(a)(ii) of the Customs Act, 1962.

18. With the introduction of self-assessment under Section 17(1) of Customs Act, 1962 the onus lies on the importer to correctly self-assess the bill of entry with correct amount of leviable duties. By the said act of not correctly self-assessing the applicable BCD, the importer received

undue monetary benefit and caused loss to the public exchequer to the tune of Rs. 1,03,138/-. They not only failed to declare and assess the correct duty payable on the goods but also failed to declare the appropriate value of the goods imported vide Bill of Entry 8698367 dated 05.03.2025 with an intention to evade payment of correct duty on the goods imported. Thus, there is a reason to believe that the importer deliberately and wilfully misstated the facts in terms of applicability of duty, causing loss to Govt. Revenue.

19. I find that the importer while filing the impugned Bill of Entry has subscribed to a declaration regarding correctness of the contents of Bill of Entry under Section 46(4) of the Act, *ibid.* Further, Section 46 (4A) of the Act, casts an obligation on the importer to ensure accuracy of the declaration and authenticity of the documents supporting such declaration. In the instant case, the importer failed to discharge the statutory obligation cast upon him and made wrong declaration about the valuation of imported goods.

20. Section 125 of the Customs Act, 1962 Provide that Whenever confiscation of any goods is authorized by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation where 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 an option to pay in lieu of confiscation such fine as the said officer thinks fit. I find that said provision makes it mandatory to grant an option to owner of the confiscated goods to pay fine in lieu of confiscation in case the goods are not prohibited. I find it appropriate to allow for redeem under section 125 of the Customs Act, 1962.

21. In view of the above, I pass following Order:

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ORDER

- i. I reject the declared value i.e Rs 17,87,166/- of the goods imported vide impugned B/E No. 8698367 dated 05.03.2025 and order to re-determined the same at Rs 21,54,205/-(Rs Twenty-One Lacs Fifty-four Thousand Two Hundred Five only) in terms of Rule 5 of the Customs Valuation Rules,2007.
- ii. I order to recover the differential duty amounting Rs 1,03,138/-(One Lakh Three Thousand One Hundred Thirty Eight Only) and order to re-assess the Bill of Entry No. 8698367 dated 05.03.2025 under Section 17(4) of the Customs Act,1962 .
- iii. I order to confiscate the said goods having re-determined value of Rs. 21,54,205/- (Rs Twenty-One Lacs Fifty-four Thousand Two Hundred Five only) under Section 111(m) of the Customs Act, 1962. However, considering facts of the case and provisions of the Section 125 of the

Customs Act, 1962, I give an option to the importer to re-deem the same on payment of Redemption Fine of Rs. 2,00,000/- (Rs Two Lakhs Only) in lieu of confiscation.

- iv. I impose the penalty of Rs 10,000/- (Rs Ten Thousand only) on the importer M/s RAS Traders under Section 112 (a) (ii) of Customs Act, 1962.

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

Zala Dipakbhai
Chimanbhai
ADDITIONAL COMMISSIONER
Customs House,Mundra

To
M/s RAS Traders
House No. 56, Block F, Near Shiv Mandir
Dharamshalla, Shastri Nagar, New Delhi,
North West, Delhi-110052

Copy to:

1. The Dy. Commissioner of Customs, SIIB, CH, Mundra
2. The Dy. Commissioner of Customs, RRA, CH, Mundra
3. The Dy. Commissioner of Customs, TRC, CH, Mundra
4. The Dy. Commissioner of Customs, EDI, Mundra.
5. Office Copy