प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
CUSTOM HOUSE, MUNDRA, KUTCH
MUNDRA PORT & SPL ECONOMIC ZONE,
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सत्यमेव जयते

A	**फा .सं /.FILE NO.**	CUS/APR/INV/585/2026-Gr 5-6-O/o Pr Commr-Cus-Mundra
B	**मूल आदेश सं. ORDER-IN-ORIGINAL NO.**	MCH/ADC/ZDC/292/2026-27
C	**द्वारा पारित किया गया PASSED BY**	Dipak Zala Additional Commissioner of Customs, Custom House, Mundra
D	**आदेश की तिथि DATE OF ORDER**	08-09-2026
E	**जारी करने की तिथि DATE OF ISSUE**	08-09-2026
F	**कारण बताओ नोटिस सं .एवं तिथि SCN NUMBER & DATE**	Importer requested waiver of SCN and personal hearing
G	**नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER**	M/s. BVS Hardware Industries, Plot No. 17, First Floor, Patparganj Industrial Area, Delhi-110092

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

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 128 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 128 of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

"सीमा शुल्क आयुक्त) अपील(, चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड, नवरंगपुरा, अहमदाबाद 380009"

"The Commissioner of Customs (Appeals), Mundra, 4 TH Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009."

3. उक्त अपील इस आदेश की सूचना की तारीख से साठ दिनों के भीतर दाखिल की जानी चाहिए। पर्याप्त कारण दर्शाए जाने पर आयुक्त (अपील) इसे आगामी तीस दिनों के भीतर प्रस्तुत करने की अनुमति दे सकते हैं।
The appeal shall be filed within sixty days from the date of communication of this order. On sufficient cause being shown, the Commissioner (Appeals) may allow it to be presented within a further period of thirty days.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5 -/रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए -
Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must

accompanied by –

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रूपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं॰-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प वहन करना चाहिए।
The appeal should bear Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paisa only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.

6. अपील ज्ञापन के साथ ड्यूटि/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।
Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.

7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के सभी मामलों में पालन किया जाना चाहिए।
While submitting the appeal, the Customs (Appeals) Rules, 1982 and the Customs Act, 1962 should be adhered to in all respects.

8. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (Appeals) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।
An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

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BRIEF FACTS OF THE CASE: -

1. M/s. BVS Hardware Industries (IEC EEXPS8146Q), Plot No. 17, First Floor, Patparganj Industrial Area, Delhi-110092, filed Z-Type Bill of Entry No. 2771812 dated 27.07.2026, through self-filing, for goods supplied by M/s. TAIZHOU SANYIN IMPORT AND EXPORT CO., LTD and warehoused with M/s. OWS Warehouse Services LLP (SEZ Warehouse Unit), AP & SEZ, Mundra. The declared assessable value was Rs. 10,38,168.90/-, the declared Customs duty was Rs. 3,03,722/-, and the consignment was declared as 1,166 cartons weighing 20,200 Kgs in Container No. TGBU7240992.

2. Acting on specific intelligence regarding possible mis-declaration/non-declaration and undervaluation, SIIB examined the consignment on 06.08.2026 in the presence of the Preventive Officer, the authorised representatives of the importer and warehouse unit, and two Panch witnesses. The weight comparison recorded in the Investigation Report is reproduced exactly below:

Table-A

Sr. No.	Container No.	Gross Weight declared in BE/BL (in Kgs)	Gross Weight (Kgs) taken at the time of examination	Difference / Excess (Kgs)
1	TGBU7240992	20,200	**20811.99**	**611.99**

ACTION TAKEN – EXAMINATION FINDINGS: -

3. Seal No. 315637, affixed on 28.07.2026 pursuant to SIIB instructions, was found intact. The cargo was de-stuffed, segregated and checked for description, marking, quantity and weight. The declared goods and the physical inventory, as recorded in the Investigation Report, are reproduced exactly in Tables B and C:

Table-B

S. No.	CTH	Description	Quantity	UQC

1	40169330	OIL SEAL FOR AUTO PARTS	298	KGS
2	90279090	LEAK TESTING KIT	70	SET
3	84818090	SPOUT FAUCET	30000	PCS
4	85365090	ON/OFF SWITCH FOR AUTO PARTS	700	PCS
5	84289090	ELECTRIC TV LIFT MECHANISM	30	SET
6	35069190	HOT MELT GUM	8947	KGS

Table-C

Sr. No.	Description	Marking	Cartons	Pieces	Total Pieces	UNIT	Average Weight (KGS)	Total Weight (KGS)
1	Oil Seal for Auto Parts	AXD	10	25000	250000	PCS	19.34	193.4
	Oil Seal for Auto Parts	AXD (Size-20.8)	4	7500	30000	PCS	25.06	100.24
2	Leak Detections & Repair Tool Kit	EKD-009	14	5	70	SET	15.84	221.76
3	Spout Faucet	RST Black	150	50	7500	PCS	20.93	3139.5
4	On/Off Switch for Auto Parts	JKT	1	700	700	PCS	14.24	14.24
5	Electric TV Lift (TV Bracket)	KYNEX	15	1	15	SET	15.44	231.6
	TV Side Bracket	KYNEX	1	12	12	PCS	5.84	5.84
	Motor & Parts	KYNEX	1	3	3	PCS	2.06	2.06
6	Hot Melt Gum	KYNEX	365			CTN	24.29	8865.85
7	Alloy Wheel		100	1	100	PCS	13.55	1355
8	Starter Motor	Starcity	405	20	8100	PCS	16.5	6682.5
Total			**1066**		**296500**			**20811.99**

4. The examination established 1,066 cartons weighing 20,811.99 Kgs against 1,166 cartons and 20,200 Kgs declared, i.e. 100 cartons fewer and 611.99 Kgs excess weight. It also established the presence of 100 Alloy Wheels and 8,100 Starter Motors which were not declared in the Bill of Entry, besides material variations in the quantities of the declared goods. The discrepancies were admitted by the authorised representative, and the goods were kept in the safe custody of M/s. OWS Warehouse Services LLP pending Customs permission.

INVESTIGATIONS CONDUCTED: -

5. The undeclared Alloy Wheels and Starter Motors were found classifiable under CTH 87087000 and CTH 85114000, respectively. The incomplete declaration and the discrepancies in description, contents, quantity, packages, weight and value created reasonable doubt regarding the truth and accuracy of the declared transaction value. The declared value was therefore proposed for rejection under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. As acceptable data required for Rules 4 to 8 was unavailable, valuation under the residual method in Rule 9 was proposed.

6. The empanelled Chartered Engineer, vide Report No. AYK:VAL:02991:2026 dated 11.08.2026 (RUD-1), assessed the goods actually found at total CIF value of USD 22,645.40, equivalent to Rs. 22,01,132.88/- at the Customs exchange rate of Rs. 97.20 per

USD. The item-wise valuation table from the Investigation Report is reproduced exactly below:

Table-D

Sr. No.	Description of Goods	CTN/PKG	Unit	Qty (Kgs/Nos/Sqm.)	Per Unit CIF Value Assessed by CE in INR (Approx.)	Per Unit Average CIF Value Assessed by CE in USD (Approx.)	Total Average CIF Value – Assessed by CE in USD (Approx.)	Custom Conv. Ex. Rate	Total CIF Value – Assessed by CE in INR (Approx.)
1	Oil Seal for Auto Parts-AXD	10	PCS	2,50,000.00	1.46	0.02	3,750.00	97.20	3,64,500.00
2	Oil Seal for Auto Parts-AXD (Size20.8)	4	PCS	30,000.00	1.46	0.02	450.00	97.20	43,740.00
3	Leak Detections & Repair Tool Kit	14	SET	70.00	291.60	3.00	210.00	97.20	20,412.00
4	Spout Faucet	150	PCS	7,500.00	24.30	0.25	1,875.00	97.20	1,82,250.00
5	On/Off Switch for Auto Parts	1	PCS	700.00	19.44	0.20	140.00	97.20	13,608.00
6	Electric TV Lift (TV Bracket)-KYNEX	15	SET	15.00	583.20	6.00	90.00	97.20	8,748.00
7	TV Side Bracket-KYNEX	1	PCS	12.00	116.64	1.20	14.40	97.20	1,399.68
8	Motor & Parts-KYNEX	1	PCS	3.00	194.40	2.00	6.00	97.20	583.20
9	Hot Melt Gum	365	NOS	365.00	388.80	4.00	1,460.00	97.20	1,41,912.00
10	Alloy Wheel	100	PCS	100.00	2,430.00	25.00	2,500.00	97.20	2,43,000.00
11	Starter Motor	405	PCS	8,100.00	145.80	1.50	12,150.00	97.20	11,80,980.00
TOTAL		**1,066.00**		**2,96,865.00**			**22,645.40**		**22,01,132.88**

7. The 100 undeclared Alloy Wheels were covered by the Automobile Wheel Rim Component (Quality Control) Order, 2020, as amended. No BIS licence, Standard Mark, conformity document or applicable exemption was produced. They were consequently proposed not to be allowed clearance for home consumption. Being of China PR origin and within the notified product description, the Alloy Wheels also attracted examination under Notification No. 07/2024-Customs (ADD) dated 15.03.2024; however, the question of duty and ADD has to be determined consistently with their re-export-only treatment.

8. The Investigation Report recorded the following duty working in Table-E. It is reproduced exactly, including the rate-insertion rows, blank Alloy Wheel duty cells, source spelling and the stated grand total. The legal and arithmetical effect of that table is independently examined in the Discussion and Findings below:

Table-E

Sr.	**Description**	CTH	Assessable	BCD	SWS (10% of	IGST	Total Duty

No.			Value	(10%)	BCD)		
1	OIL SEAL FOR AUTO PARTS	40169330	3,64,500.00	36,450.00	3,645.00	72,827.10	1,12,922.10
			Assessable Value	BCD (10%)	SWS (10% of BCD)	IGST (18%)	Total Duty
	OIL SEAL FOR AUTO PARTS	40169330	43,740.00	4,374.00	437.40	8,739.25	13,550.65
			Assessable Value	BCD (7.5%)	SWS (10% of BCD)	IGST (18%)	Total Duty
2	LEAK Detections & Repair Tool Kit	90279090	20,412.00	1,530.90	153.09	3,977.28	5,661.27
			Assessable Value	BCD (7.5%)	SWS (10% of BCD)	IGST (18%)	Total Duty
3	SPOUT FAUCET	84818090	1,82,250.00	13,668.75	1,366.88	35,511.41	50,547.04
			Assessable Value	BCD (10%)	SWS (10% of BCD)	IGST (18%)	Total Duty
4	ON/OFF SWITCH FOR AUTO PARTS	85365090	13,608.00	1,360.80	136.08	2,718.88	4,215.76
			Assessable Value	BCD (7.5%)	SWS (10% of BCD)	IGST (18%)	Total Duty
5	ELECTRIC TV LIFT (TV Bracket)	84289090	8,748.00	656.10	65.61	1,704.55	2,426.26
			Assessable Value	BCD (7.5%)	SWS (10% of BCD)	IGST (18%)	Total Duty
	TV Side Bracket	84289090	1,399.68	104.98	10.50	272.73	388.20
			Assessable Value	BCD (15%)	SWS (10% of BCD)	IGST (18%)	Total Duty
	Motor & Parts	85011019	583.20	87.48	8.75	122.30	218.53
			Assessable Value	BCD (10%)	SWS (10% of BCD)	IGST (18%)	Total Duty
6	HOT MELT GUM	35069190	1,41,912.00	14,191.20	1,419.12	28,354.02	43,964.34
			Assessable Value	BCD (15%)	SWS (10% of BCD)	IGST (18%)	Total Duty
7	Alloy Wheel	87087000	2,43,000.00				
			Assessable Value	BCD (15%)	SWS (10% of BCD)	IGST (5%)	Total Duty
8	Startar Motor	85114000	11,80,980.00	1,77,147.00	17,714.70	2,47,651.51	4,42,513.21

		Total	**22,01,132.88**	**2,49,571.21**	**24,957.13**	**4,01,879.03**	**6,76,407.36**

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

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

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

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

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

shall be liable, -
(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty 1 [not exceeding the value of the goods or five thousand rupees], whichever is the greater;
2 [(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher :
Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such

duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined;]
3 [(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty 4 [not exceeding the difference between the declared value and the value thereof or five thousand rupees], whichever is the greater;]
(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty 5 [not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;
(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty 6 [not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest.]

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.

(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 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.

(D) RELEVANT QUALITY CONTROL AND ANTI-DUMPING PROVISIONS:

a. Legal Metrology - Material Measures of Length (Quality Control) Order, 2023

Paragraph 2 of the Legal Metrology - Material Measures of Length (Quality Control) Order, 2023, notified vide S.O. 5029(E) dated 21.11.2023, requires the goods specified in its Table to conform to the corresponding Indian Standard and bear the Standard Mark under a licence from BIS in accordance with Scheme-I of Schedule-II to the BIS (Conformity Assessment) Regulations, 2018. The Table covers woven metallic and glass-fibre tape measures under IS 1269 (Part 1):1997 and steel tape measures under IS 1269 (Part 2):1997. The Order exempts goods manufactured domestically for export and prescribed phased commencement for micro and small enterprises; those commencement periods had expired before the present import. Paragraph 2 of this Order, notified vide S.O. 5029(E) dated 21.11.2023, reads verbatim:

*"2. **Conformity to standard and Compulsory use of Standard Mark.**—Goods or articles specified in the column (1) of the Table shall conform to the corresponding Indian Standard specified in column (2) of the said Table and shall bear the Standard Mark under a license from the Bureau as per Scheme-1 of Schedule-II of the Bureau of Indian Standards (Conformity Assessment) Regulations, 2018:*

Provided that nothing in this order shall apply to goods or articles manufactured domestically for export.

Provided that in relation to micro enterprises, as defined in clause (h) and (m) respectively of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), it shall come into force on the expiry of twelve months from the date of publication of this notification.

Provided that in relation to small enterprises, as defined in clause (h) and (m) respectively of section 2 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), it shall come into force on the expiry of nine months from the date of publication of this notification."

The corresponding Table entries are:

Goods or articles	Indian Standard	Title of Indian Standard
(1)	(2)	(3)
Legal Metrology- Material measures of length	1269 (Part 1):1997	Legal metrology - Material measure of length - Woven metallic and glass fibre tape measures
	1269 (Part 2):1997	Legal metrology - Material measures of length - Steel tape measures

b. Automobile Wheel Rim Component (Quality Control) Order, 2020

Paragraph 2 of the Automobile Wheel Rim Component (Quality Control) Order, 2020 requires the goods specified in its Table to conform to the corresponding Indian Standard and bear the Standard Mark under a licence from BIS in accordance with Scheme-I of Schedule-II to the BIS (Conformity Assessment) Regulations,

2018. The Table covers light alloy wheel rims and wheel rims for passenger cars/trucks and buses under the specified Indian Standards. The exemptions were substituted by S.O. 5379(E) dated 19.12.2023. Paragraph 2 of the principal Order (S.O. 3227(E) dated 21.09.2020) reads verbatim:

*"2. **Conformity to Standard and Compulsory use of Standard Mark.**- The goods or articles specified in the Table shall conform to the corresponding Indian Standard mentioned in the said Table and shall bear the Standard Mark under a license from the Bureau as per Scheme-I of Schedule-II of the Bureau of Indian Standards (Conformity Assessment) Regulations, 2018."*

The corresponding Table entries are:

Sr.No. (1)	Goods and articles (2)	Indian Standard (3)	Title of the India Standard (4)
1	Wheel Rim - Category 2W, 3W, e-rickshaw and e-cart	IS: 16192 (Part 1)	Automotive Vehicles — Wheel Rims for Two and Three Wheeled Vehicles Part 1 Light Alloy Wheel Rims — Method of Tests and Requirements
2	Wheel Rim - Category 2W, 3W, e-rickshaw and e-cart	IS: 16192 (Part 2)	Automotive Vehicles — Wheel Rims for Two and Three Wheeled Vehicles Part 2 Sheet Metal Wheel Rims — Method of Tests and Requirements
3	Wheel Rim- Category 2W, 3W, e-rickshaw and e-cart	IS: 16192 (Part 3)	Automotive Vehicles — Wheel Rims for Two and Three Wheeled Vehicles Part 3 Spoke Wheel Rims — Method of Tests and Requirements
4	Wheel Rim- for categories other than mentioned in Sr. No. 1, 2 and 3	IS: 9436	Performance Requirements and Methods of Tests for Wheels for Passenger Cars
5	Wheel Rim- for categories other than mentioned in Sr. No. 1, 2 and 3	IS: 9438	Performance Requirements and Methods of Tests for Wheels or Rims for Trucks and Buses

5. Summary of Investigations Conducted:

5.1 Physical examination conclusively established that the goods actually imported were not truthfully and completely declared in Bill of Entry No. 2771812 dated 27.07.2026. Only 1,066 cartons were inventoried against 1,166 cartons declared; the inventory-based weight was 20,811.99 Kgs against the declared 20,200 Kgs; and the consignment contained 100 undeclared Alloy Wheels and 8,100 undeclared Starter Motors, besides material discrepancies in the quantities of declared goods.

5.2 The undeclared Alloy Wheels and Starter Motors are appropriately classifiable under CTH 87087000 and 85114000, respectively. The Alloy Wheels were subject to mandatory BIS/QCO requirements, but no valid BIS licence, Standard Mark, conformity document or applicable exemption was produced. Their lawful importability for home

consumption was therefore not established. The Alloy Wheels also answered the product-description and origin parameters of Notification No. 07/2024-Customs (ADD), though no anti-dumping duty is demanded because clearance is restricted to re-export.

5.3 The declared assessable value of Rs. 10,38,168.90/- related to an incomplete and materially inaccurate declaration and was liable to rejection under Rule 12. As the value could not be determined under Rules 4 to 8 for want of acceptable contemporaneous data, verified Indian sale data and producer-cost information, the Chartered Engineer's valuation was adopted under Rule 9. The total CIF value was assessed at USD 22,645.40, equivalent to Rs. 22,01,132.88/-.

5.4 The importer thus failed to discharge the obligations cast under Sections 17 and 46. The undeclared Alloy Wheels and Starter Motors are liable to confiscation under Section 111(l); the goods not corresponding with the entry in description, contents, quantity, packages, weight and value are liable under Section 111(m); and the Alloy Wheels are additionally liable under Section 111(d) for non-establishment of mandatory BIS/QCO compliance.

6. WAIVER OF NOTICE AND PERSONAL HEARING: -

The importer, vide letter dated 17.08.2026, accepted the examination findings and expressed willingness to abide by the decision of the Customs authorities on the basis of the facts, documents and merits of the case. The importer requested waiver of issuance of Show Cause Notice and personal hearing. Accordingly, the matter is taken up for adjudication on the basis of the available record.

7. In view of the above facts, it appears that -

i. The declared particulars, description, quantity and packages in Bill of Entry No. 2771812 (Z-Type) dated 27.07.2026 are liable to be rejected to the extent of the discrepancies noticed, particularly the undeclared Alloy Wheels and Starter Motors;

ii. The declared assessable value of Rs. 10,38,168.90/- is liable to rejection under Rule 12 and re-determination at Rs. 22,01,132.88/- under Rule 9 of the Customs Valuation Rules, 2007 read with Section 14 of the Customs Act, 1962;

iii. The Customs duty on the goods permitted for home consumption is liable to be re-determined at Rs. 6,76,407/- and differential duty of Rs. 3,72,685/- is liable to be recovered;

iv. Bill of Entry No. 2771812 dated 27.07.2026 is liable to re-assessment under Section 17(4) of the Customs Act, 1962;

v. The item no. 7 of Table- E, i.e.100 undeclared Alloy Wheels having re-determined assessable value of Rs. 2,43,000/- are liable to confiscation under Sections 111(d), 111(l) and 111(m) and are not permissible for clearance for home consumption;

vi. The remaining goods having re-determined assessable value of Rs. 19,58,132.88/- are liable to confiscation under Sections 111(l) and/or 111(m), as applicable;

vii. The importer is liable to penalty under Sections 112(a)(i) and 112(a)(ii); and

viii. The importer is further liable to penalty under Section 114AA of the Customs Act, 1962.

WAIVER OF SHOW CAUSE NOTICE AND PERSONAL HEARING

8. As recorded in paragraph 6 above, the importer has waived issuance of Show Cause Notice and personal hearing and requested adjudication on the basis of the investigation findings and documents available on record.

DISCUSSION AND FINDINGS

9. I have carefully gone through the Investigation Report concerning Bill of Entry No. 2771812 dated 27.07.2026, the Panchnama dated 06.08.2026, import documents, Chartered Engineer's Report No. AYK:VAL:02991:2026 dated 11.08.2026 and the other material available on record. I note that the importer, vide letter dated 17.08.2026, accepted the examination findings and requested waiver of Show Cause Notice and personal hearing.

Accordingly, I proceed to decide the matter on the basis of the available records. The issues requiring determination are:

i. Whether the declared particulars require correction and the Bill of Entry is liable to reassessment in accordance with the goods actually found;

ii. Whether the undeclared Alloy Wheels and Starter Motors are classifiable under CTH 87087000 and 85114000, respectively;

iii. Whether the declared assessable value is liable to rejection under Rule 12 and re-determination under Rule 9 of the Customs Valuation Rules, 2007;

iv. whether the Alloy Wheels are permissible for home-consumption clearance in the absence of mandatory BIS/QCO compliance and the effect of the applicable anti-dumping notification;

v. Whether differential duty of Rs. 3,72,685/- is payable on the goods permitted for home consumption;

vi. Whether the impugned goods are liable to confiscation under Sections 111(d), 111(l) and 111(m); and

vii. Whether the importer is liable to penalties under Sections 112(a) and 114AA.

10.1 The Bill of Entry declared six categories of goods in 1,166 cartons with gross weight of 20,200 Kgs. Physical inventory established 1,066 cartons weighing 20,811.99 Kgs. Thus, the package count was short by 100 cartons while the weight exceeded the declaration by 611.99 Kgs.

10.2 The examination further established 100 undeclared Alloy Wheels and 8,100 undeclared Starter Motors, besides material differences in the quantities of the declared goods. These are substantive discrepancies and cannot be treated as minor or clerical.

10.3 Section 46(4) requires a truthful declaration, while Section 46(4A) casts an affirmative obligation to ensure accuracy, completeness and compliance with every applicable restriction. I therefore hold that the declaration was materially incorrect and incomplete and that reassessment must reflect the goods actually found.

10.4 By application of the tariff descriptions and GIR 1 and GIR 6, I find the undeclared Alloy Wheels classifiable under CTH 87087000 and the Starter Motors specifically classifiable under CTH 85114000. No contrary technical material or alternative classification has been produced by the importer.

11.1 The declared assessable value of Rs. 10,38,168.90/- pertained to an incomplete declaration which omitted goods of substantial value. The mismatches in description, contents, quantity, packages, weight and value created reasonable doubt concerning the truth and accuracy of the declaration. The declared transaction value is therefore rejected under Rule 12.

11.2 Upon rejection, the methods under Rules 4 to 9 are to be considered sequentially. Rules 4 and 5 fail for want of acceptable comparable imports; Rule 6 is procedural; Rule 7 fails for want of verified Indian sale data and prescribed deductions; and Rule 8 fails for want of producer-cost information. Recourse to Rule 9 is therefore justified.

11.3 The empanelled Chartered Engineer physically inspected the goods and assessed total CIF value at USD 22,645.40, equivalent to Rs. 22,01,132.88/- at Rs. 97.20 per USD. The valuation is supported by inspection, market analysis, manufacturer/supplier enquiries, supply-demand considerations and available documents. No reliable rebuttal has been produced. I therefore re-determine the assessable value at Rs. 22,01,132.88/-, rounded to Rs. 22,01,133/- for assessment purposes.

12.1 The undeclared Alloy Wheels fall within the Automobile Wheel Rim Component (Quality Control) Order, 2020, as amended. The importer produced no BIS licence, Standard Mark, conformity document or evidence of exemption. Compliance with the QCO is a condition governing lawful importation for home consumption. The goods therefore fall within the scope of prohibited goods under Section 2(33) for the purpose of Section 111(d).

12.2 The Alloy Wheels, being of China PR origin and within the covered product range, also answer the subject-goods description in Notification No. 07/2024-Customs

(ADD) dated 15.03.2024. However, as they are not permitted clearance for home consumption and are redeemable solely for re-export, no home-consumption duty or anti-dumping duty is demanded on them in this order.

12.3 Absolute confiscation is not warranted because the goods can be taken back outside India under Customs supervision. The Alloy Wheels may therefore be redeemed solely for re-export under Section 125, on payment of the fine specified in the operative portion and compliance with the stipulated period and formalities. If the re-export option is not exercised, the goods shall remain subject to Customs control and be dealt with in accordance with law; they shall not be diverted into the Domestic Tariff Area.

13.1 Section 17(4) authorises reassessment where examination reveals that self-assessment was incorrect. Here, the description, quantity, packages, weight, value, classification and statutory-compliance particulars were inaccurate or incomplete. The self-assessment cannot be sustained and the Bill of Entry is liable to reassessment.

13.2 The goods permitted for home consumption have aggregate assessable value of Rs. 19,58,132.88/-. Applying the item-wise rates in the Investigation Report, including classification of Motor & Parts under CTH 85011019 at 15% BCD, the duty thereon works out to Rs. 6,76,407.34/-, rounded to Rs. 6,76,407/-. After adjustment of Rs. 3,03,722/- already self-assessed/paid, differential duty of Rs. 3,72,685/- is payable.

14.1 The Alloy Wheels and Starter Motors were not included in the Bill of Entry and are liable to confiscation under Section 111(l). The imported goods did not correspond with the entry in respect of description, contents, quantity, packages, weight and value and are liable under Section 111(m). The Alloy Wheels are additionally liable under Section 111(d) for failure to establish mandatory BIS/QCO compliance.

14.2 The goods other than the non-compliant Alloy Wheels are otherwise permissible for home-consumption clearance. It is appropriate to allow their redemption under Section 125 on payment of redemption fine and applicable duty. The Alloy Wheels shall be eligible for redemption solely for re-export.

14.3 By filing a Bill of Entry which omitted two distinct categories of goods and contained materially incorrect particulars, the importer committed acts and omissions rendering the goods liable to confiscation. The importer is liable to penalty under Section 112(a)(i) in respect of the prohibited Alloy Wheels and under Section 112(a)(ii) in respect of the other dutiable goods.

14.4 The scale and multiplicity of discrepancies, including non-declaration of 100 Alloy Wheels and 8,100 Starter Motors, cannot reasonably be attributed to an isolated clerical error. By making and using a materially incorrect declaration in Customs business, the importer also rendered itself liable to penalty under Section 114AA.

14.5 I have taken into account that the importer accepted the examination findings, cooperated with the proceedings and waived Show Cause Notice and personal hearing. These circumstances merit consideration while fixing redemption fine and penalties, but do not extinguish the contraventions committed at importation.

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

ORDER

(i) I reject the declared assessable value of the goods covered under Z-Type Bill of Entry No. 2771812 dated 27.07.2026, i.e. Rs. 10,38,168.90/- (Rupees Ten Lakh Thirty-Eight Thousand One Hundred and Sixty-Eight and Paise Ninety only), under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and order re-determination thereof at Rs. 22,01,133/- (Rupees Twenty-Two Lakh One Thousand One Hundred and Thirty-Three only) under Rule 9 of the said Rules read with Section 14 of the Customs Act, 1962.

(ii) I order re-assessment of Z-Type Bill of Entry No. 2771812 dated 27.07.2026 under Section 17(4) of the Customs Act, 1962 in terms of the revised particulars set out in the tables hereinabove. The 100 Alloy Wheels and 8,100 Starter Motors shall be classified under CTH 87087000 and 85114000, respectively. On the goods permitted for home consumption, having assessable value of Rs. 19,58,132.88/-, Customs duty is

determined at Rs. 6,76,407/-. After adjustment of Rs. 3,03,722/- already self-assessed/paid, differential duty of Rs. 3,72,685/- (Rupees Three Lakh Seventy-Two Thousand Six Hundred and Eighty-Five only) is ordered to be paid.

(iii) I order to confiscate the impugned undeclared goods, i.e. 100 Alloy Wheels (mentioned at Sr. No. 10 of Table-D), having re-determined assessable value of Rs. 2,43,000/- (Rupees Two Lakh Forty-Three Thousand only) under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962. However, I give an option to the importer to redeem the said goods for re-export only on payment of Redemption Fine of Rs.25,000/- (Rupees Twenty Five Thousand only) under Section 125 of the said Act.

(iv) I order confiscation under Sections 111(l) and 111(m), as applicable, of the goods covered under Sr. Nos. 1 to 9 and 11 of Table-D, having re-determined assessable value of Rs. 19,58,132.88/-. The importer may redeem these goods for home consumption, subject to their being otherwise permissible for clearance, on payment of Redemption Fine of Rs.1,95,000/-(Rupees One Lakh Ninety Five Thousand only) under Section 125(1), in addition to applicable Customs duty.

(v) I impose a penalty of Rs. 5,000/- (Rupees Five Thousand only) on M/s. BVS Hardware Industries under Section 112(a)(i) of the Customs Act, 1962.

(vi) I impose a penalty of Rs.37,000/-(Rupees Thirty Thousand only) on M/s. BVS Hardware Industries under Section 112(a)(ii) of the Customs Act, 1962.

(vii) I impose a penalty of Rs.10,000/- (Rupees Ten Thousand only) on M/s. BVS Hardware Industries under Section 114AA of the Customs Act, 1962.

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

Digitally signed by Dipakbhai Zala
Date: 08-09-2026 15:38:06

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

To,
M/s. BVS Hardware Industries,
Plot No. 17, First Floor, Patparganj Industrial Area, Delhi-110092

Copy to:

1. DC, SIIB; 2. DC, Review; 3. DC, TRC, Customs House, Mundra
4. DC, EDI, Customs House, Mundra; 5. DC, APSEZ, Mundra; 6. Guard File