

	<p>प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा</p> <p><b>OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS,</b>  <b>CUSTOM HOUSE: MUNDRA, KUTCH</b>  <b>MUNDRA PORT &amp; SPL ECONOMIC ZONE, MUNDRA-370421</b></p> <p>ई-मेल/ E-Mail: group5-mundra@gov.in</p>	
A	फा./सं. FILE NO.	CUS/APR/3497/2025-Gr 5-6-O/o Pr Commr-Cus-Mundra
B	मूल आदेश सं. ORDER-IN- ORIGINAL NO.	MCH/ADC/ZDC/373/2025-26
C	द्वारा पारित किया गया PASSED BY	<b>Dipak Zala,</b> Additional Commissioner of Customs, Custom House, Mundra
D	आदेश की तिथि DATE OF ORDER	11-11-2025
E	जारी करने की तिथि DATE OF ISSUE	12-11-2025
F	कारण बताओ नोटिस संख्या तिथि . SCN NO. & DATE	Importer requested for SCH & PH Waiver
G	नोटिसीपार्टी / आयातक/ NOTICEE/PARTY/ IMPORTER	M/s Empiric Trading Co, First Floor, 118, Building No.-10/54, BD Chamber, Karol Bagh, New Delhi - 110 005
H	दिन DIN	20251171MO000042474B

1. यह अपील आदेश संबन्धित को निःशुल्क 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 129A(1) के अंतर्गत प्रपत्र सीए3-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 A 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, नवरांगपुरा, अहमदाबाद 380009”

“The Commissioner of Customs (Appeals), Mundra, 4<sup>TH</sup> Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009.”

3. उक्त अपील यह आदेश भेजने की दिनांक से तीन माह के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within three months from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपये 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/- रुपये 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 ड्यूटी/ 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.

#### BRIEF FACTS OF THE CASE

DZU unit of DRI has hold 10 import consignments at M/s Shoolin Tradelink Pvt. Ltd., APSEZ, Mundra for examination of the goods. They have examined 08 import consignments and requested to this office to examine Bills of Entry Nos. 8120077 dated 31.01.2025 & 7973915 dated 24.01.2025. The Bill of Entry No. 7973915 dated 24.01.2025 is T type BE and was filed against the Z Type Bill of Entry No. 7931358 dated 22.01.2025. The goods covered under Bill of Entry No. 7931358 dated 22.01.2025 (Bill of Lading No. MEDUGS626711 dated 01.04.2025) filed by M/s Empiric Trading Co, First Floor, 118, Building No.-10/54, BD Chamber, Karol Bagh, New Delhi-110005 (hereinafter referred as 'the said importer') may have potential mis-declaration/concealment. The details of the Bill of Entry are as below:

Table-I

Sr. No.	Z-BE No./ Date	Container No.	BL No./ Date	Goods Declared		Quantity
				HSN	Description	
1	7931358 dated 22.01.2025	MEDU7451204 and MSMU7732210	MEDUGS626711 dated 01.04.2025	85022090	Gasoline Generator 1.1 KW	50
					Gasoline Generator 3 KW	190
					Gasoline Generator 5.5 KW	140
					Gasoline Generator 7.5 KW	45
Total						425

The importer has declared the total quantity of 425 pieces in the Part-II of the above said Z Type BE and Invoice. However, In First Part of the BE and packing list the declared packages are 764.

## 2. Examination of the Goods:

The goods were examined by the Officer of SIIB, Mundra under Panchnama dated 19.03.2025 at the premises of M/s Shoolin Trade Link LLP (AEIFS9629D), Plot No. 11A, Bock No. 11B, Sector 12S, Light Eng, Adani Port & SEZ, Mundra in the presence of 02 individual panchas and Shri Siddharth Chand Kaushik authorized representative of M/s Shoolin Trade Link LLP. Seal cutting of the containers was already done by the SEZ Unit. On perusal, it was found that container was de-stuffed in front of Gate of Warehouse No. 2, shutter No. 1. The goods were packed in cartons/boxes and same was placed in open area as one upon the other. Prima facie the goods appear as Generators. The details of the goods found on examination is as below:

**Table-II**

Sr. No.	Description of Goods	Quantity in Pieces
1	Gasoline Generator 1.5 KW	50
2	Gasoline Generator 3 KW	214
3	Gasoline Generator 5.5 KW	140
4	Gasoline Generator 7.5 KW	45
Total		

During the course of examination, the goods declared in the said BE at Sr. No. 1 as Gasoline Generator 1.1 KW was found as Gasoline Generator 1.5 KW. However, the quantity found as declared against the said description. Further, the quantity of the goods mentioned at Sr. No. 2 of the said BE was found as 214 instead of the declared quantity i.e. 190 in BE.

## 3. Classification of the Goods:

The importer has declared the goods as Gasoline Generator of different capacity as mentioned above. The declared CTH of the goods is 85022090. The CTH 850220 covers the goods "Generating sets with spark-ignition internal combustion piston engines". The relevant extract of CTH 850220 is as below:

8502 20 - Generating sets with spark-ignition internal combustion piston engines:

8502 20 10 --- Electric portable generators of an output not exceeding 3.5 kVA

8502 20 90--- Other

From the above it clearly appears that the importer has declared correct CTH for the goods mentioned at Sr. No. 2, 3 and 4 of Table-II. However, the correct CTH for the goods mentioned at Sr. No. 1 of Table-II is 85022010 as the output of the goods is below 3.5 kva. The details of re-determined CTH of the all goods is as below:

**Table-III**

Sr. No.	Description of Goods	Declared CTH	Re-determined CTH
1	Gasoline Generator 1.5 KW	85022090	85022010
2	Gasoline Generator 3 KW	85022090	85022090
3	Gasoline Generator 5.5 KW	85022090	85022090
4	Gasoline Generator 7.5 KW	85022090	85022090

#### **4. Rejection and Re-Determination of Valuation:**

**4.1.** The inconsistency observed in filing the Bill of Entry suggests deliberate mis-declaration. In the Bill of Entry No. 7931358 (Z-type) dated 22.01.2025, submitted by the importer, the quantities declared, as detailed in Table I above, however, during examination, mis-declaration w.r.t quantity and goods not declared found, as listed in Table II above.

**4.2.** As there is mis-declaration in the Bill of Entry No. 7931358 (Z-type) dated 22.01.2025, in terms of quantity/classification of the goods imported and thus they were liable to be re-assessed under section 17(4) of the Customs Act, 1962. Since, mis-declaration of the goods, which have relevance to value, was noticed, the declared value of the undeclared goods is liable to be determined in terms of Rule 12, explanation 1 (i), of the Customs Valuation Rules (CVR), 2007, by going sequentially from Rule 2 to 9 thereof. Determination of valuation:

- a) Efforts were made to find out the correct assessable value of the imported goods found undeclared. It was observed that the imported goods were found in different variety, description, specification and quality, so, it was not possible to find and compare the same with other goods having identical/similar description, brand, make, model, quantity and Country of Origin. As the import data extracted with respect to contemporaneous imports was general in nature and contemporaneous data for imports of identical/similar goods was not available/found, therefore, the value could not be determined under Rules 4 and 5 of CVR, 2007.
- b) As per Rule 6 ibid, if the value cannot be determined under Rules 3, 4 and 5 same shall be determined under the provisions of Rule 7 or when same cannot be determined under that rule then under Rule 8.
- c) As the imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore, determination of transaction value under Rule 7 of CVR, 2007 was not possible.
- d) As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available. Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007.
- e) Hence, valuation of the goods is to be determined under residual method of valuation provided under Rule 9 of the CV Rules ibid.

Accordingly, A Chartered Engineer was appointed for the valuation of the goods. The Chartered Engineer vide his report ref no. ABJ:INSP:CE:MUN:SIIB:SH:EMP:25-26:05 dated 13.10.2025 has suggested the valuation of the imported goods as under:

**Table-IV**

Sr. No.	Item	Total Quantity	Unit	Total Suggestive Average C.I.F. Value by C.E. - Bulk Quantity - in USD (Approx.)	Total Suggestive Average C.I.F. Value by C.E. - Bulk Quantity - in USD (Approx.)	Total Suggestive C.I.F. Value by C.E. (in INR), \$=87.10
1	Gasoline Generator 1.5 KW	50	PCS	60	3000	261300

2	Gasoline Generator 3 KW	214	PCS	115	24610	2143531
3	Gasoline Generator 5.5 KW	140	PCS	126	17640	1536444
4	Gasoline Generator 7.5 KW	45	PCS	140	6300	548730
			51550			44,90,005/-

**4.3.** As per inspection report valuation opinion of Govt Approved Emplaned Chartered Engineer provided vide Ref: - ABJ:INSP:CE:MUN:SIIB:SH:EMP:25-26:05 dated 13.10.2025, it appears that goods imported vide Bill of Entry No. 7931358 dated 22.01.2025 filed by M/s Empiric Trading Co, First Floor, 118, Building No.-10/54, BD Chamber, Karol Bagh, New Delhi-110005 have been under-valued. The CE re-determined the value of the goods as Rs. 44,90,005/- instead of declared value of Rs. 29,87,095/-.

**5.** Thus, the valuation of the imported items needs to be rejected under Rule 12 of the CVR, 2007 and need to be re-determined. The valuation of all the items under import is required to be re-determined under Rule 9 of the Rules, *ibid* read with Rule 47 (4) and 48 (2) of the SEZ Rules, 2006 by way of valuation report of the Chartered Engineer on the basis of market research as discussed in Para-above. As per the report submitted by the Chartered Engineer (for CIF Value), the Assessable Value of the said imported goods is liable to be re-determined to **Rs. 44,90,005/-** [51550 USD X Exchange Rate of Rs. 87.1 INR].

**5.1.** The importer M/s Empiric Trading Co, First Floor, 118, Building No.-10/54, BD Chamber, Karol Bagh, New Delhi-110005 vide letter dated 13.10.2025 has submitted that they accept the CE inspection and valuation report as determined by the Chartered Engineer Report dated 13.10.2025. The importer has further requested not to issue SCN or PH in the matter and adjudicate the matter accordingly. The importer has also submitted that they are ready to pay applicable fine and penalty as will be imposed by the adjudicating authority and requested for release of the goods.

#### **6. Re-determination of Duty:**

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

**Table-V**

Sr. no.	Item	Total Quantity	Unit	Total Suggestive Average C.I.F. Value by C.E. - Bulk Quantity - in USD (Approx.)/ per Pcs	Total Suggestive Average C.I.F. Value by C.E. - Bulk Quantity - in USD (Approx.)	Total Suggestive C.I.F. Value by C.E. (in INR), \$=87.10	BCD @ 10%	SWS @ 10% of BCD	IGST @ 18%	Total Duty (in Rs.)
1	Gasoline Generator 1.5 KW	50	PCS	60	3000	261300	26130	2613	52208	80951

Sr. no.	Item	Total Quantity	Unit	Total Suggestive Average C.I.F. Value by C.E. - Bulk Quantity - in USD (Approx.)/ per Pcs	Total Suggestive Average C.I.F. Value by C.E. - Bulk Quantity - in USD (Approx.)	Total Suggestive C.I.F. Value by C.E. (in INR), \$=87.10	BCD @ 7.5%	SWS @ 10% of BCD	IGST @ 18%	Total Duty (in Rs.)
2	Gasoline Generator 3 KW	214	PCS	115	24610	2143531	160765	16076	417667	594508
3	Gasoline Generator 5.5 KW	140	PCS	126	17640	1536444	115233	11523	299376	426133
4	Gasoline Generator 7.5 KW	45	PCS	140	6300	548730	41155	4115	106920	152190
	<b>Total</b>				51550	44,90,005/-	343283	34328	876171	12,53,782/-

From the **Table V above**, it appears that the total duty liability of the importer is Rs. 12,53,782/- (Rupees Twelve Lakh Fifty-Three Thousand Seven Hundred Eighty-Two Only).

**6.2.** The importer in the BE no. 7931358 dated 22.01.2025, has declared the value of the goods as Rs. 29,87,095/- and calculated the applicable duties and taxes on the good declared, based on the declared value and classification in the Bill of Entry as Rs. 8,28,470/-.

**6.3.** Based on the calculations from Table V, the importer is required to pay/levy a differential liability of Rs. 4,25,312/- (Rupees Four Lakh Twenty-Five Thousand Three Hundred Twelve only) on the mis-declared/unclassified/undervalued goods after adjustment. This amount represents the additional duty and tax liability that the importer must pay due to the mis-declaration, misclassification and non-declaration of goods.

**7.** As per examination remarks the goods imported vide Bill of Entry No. 7931358 dated 22.01.2025 are Gasoline Generator of different capacity. As per para 2 (B) of GENERAL NOTES REGARDING IMPORT POLICY, Import of Generator Sets will be subject to the air emission standards & noise standards of the Environment Protection Rules, 1986. Further, as per Pollution Control Acts, Rules & Notifications Issued Thereunder, Sr. No. 88 (C), the said goods need to "a separate valid certificate of type approval for all the product models for emission as well as noise norms". The relevant extract of the said rules is as below:

#### C. General Conditions

1. **Applicability.** - The stipulations in respect of emissions and noise referred to in entry A and entry B shall apply to all new generator sets using petrol and kerosene as fuel, manufactured in or, imported into India:

Provided that this provision shall not apply to, -

1. (a) genset manufactured or, imported for the purpose of exports outside India; or,

2. (b) genset intended for the purpose of Research and Development and not for sale or, captive use in India.
2. Requirement of certification. - Every manufacturer or importer (hereinafter referred to as manufacturer) of genset (hereinafter referred to as product) to which these conditions apply shall have a separate valid certificate of type approval for all the product models for emission as well as noise norms being manufactured or imported.

Hence, as per Environment Protection Rules, 1986 the imported goods is restricted & importable against a separate valid certificate of type approval for all the product models for emission as well as noise norms. In the instant case, the importer has imported the goods without proper certificate of type approval for all the models. However, the importer has produced the certificate of type approval vide Certificate No. ARAI/MoEF/PGTA/IMP/IGES4/ETC/F503/2025/32 dated 07.08.2025 issued by The Automotive Research Association of India for all 04 models.

Further, from the above tables, it also appears that the importer not only imported the restricted goods without valid certificate type approval at the time of import but also under-valued the same. The CE has evaluated the value of the goods as Rs. 44,90,005/- instead of the declared assessable value of Rs. 29,87,095/-.

## **8. LEGAL PROVISIONS:**

**8.1.** As per **Section 2 (33)** of the Customs Act, 1962 'prohibited goods' means *any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with.*

**8.2.** As per 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;*

**8.3.** **SECTION 46** of the Act, prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

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

The following goods brought from a place outside India shall be liable for confiscation:

*(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;*

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

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

**8.5.** Further, **Section 112** of the Act provides the penal provisions for improper importation of goods, etc. which read as under:

Any person, -

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

(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:

**Provided** that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined;]

(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees], whichever is the greater;

(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.

**8.6.** 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.

**8.7.** **SECTION 124** prescribes the mandatory issuance of show cause notice before confiscation of goods, which read as under:

No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person –

- a. is given a notice in writing with the prior approval of the officer of Customs not below the rank of an Assistant Commissioner of Customs, informing him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;
- b. is given an opportunity of making a representation in writing within such reasonable time

as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and

(c) is given a reasonable opportunity of being heard in the matter:

**Provided** that the notice referred to in clause (a) and the representation referred to in clause (b) may, at the request of the person concerned be oral.

**Provided** further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.

**8.8. SECTION 125** provides the Option to pay fine in lieu of confiscation as under:

(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods or, where such owner is not known, the person from whose possession or custody such goods have been seized, an option to pay in lieu of confiscation such fine as the said officer thinks fit:

**Provided** that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, 3 [no such fine shall be imposed]:

**Provided** further that, without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.

(2) Where any fine in lieu of confiscation of goods is imposed under sub-section (1), the owner of such goods or the person referred to in sub-section (1), shall, in addition, be liable to any duty and charges payable in respect of such goods.]

(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.

#### **8.9. 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<sup>1</sup> this rule on the basis of -

- (i) the selling price in India of the goods produced in India;
- (ii) a system which provides for the acceptance for customs purposes of the highest of the

two alternative values;

- (iii) the price of the goods on the domestic market of the country of exportation; (iv) the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of rule 8;
- (v) the price of the goods for the export to a country other than India;
- (vi) minimum customs values; or
- (vii) arbitrary or fictitious values.

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

## 9. Summons and Statement:

Statement of Shri Pranjal Singh, S/o Nripendra Singh (Aadhaar No. 4867 8242 0608), Aged 34 years, Authorized Representative of M/s. Empiric Trading Co. (IEC AAKFE6649R) recorded under Section 108 of the Customs Act, 1962 in Room no. 204A Special Intelligence & Investigation Branch, Customs House Mundra, 5-B, Port User Building (PUB), MP & SEZ, Port Road, Mundra before the Appraiser (SIIB), Customs House, Mundra on 11.10.2025 in respect of the Summons dated 10.10.2025 DIN no. 20251071MO0000386933. Vide the said statement he submitted the following submissions:

- On being asked he submitted that he is Operation Manager in M/s. Shoolin Trade Link LLP, and he has been authorized by M/s. Empiric Trading Co. (IEC AAKFE6649R) to tender this statement. He submitted that their firm M/s. Shoolin Trade Link LLP, had filed Z-bill of entry no. 7931358 dated 22.01.2025 in respect of cargo imported by M/s. Empiric Trading Co. (IEC AAKFE6649R). they filed the Bill of entry on the basis of the documents provided by the importer.
- On being asked he submitted that the importer M/s. Empiric Trading Co. (IEC AAKFE6649R) has imported following items and the same has been declared by them in the Bill of entry.

Sr. No.	Description of Goods	Quantity in Pieces
1	Gasoline Generator 1.1 KW	50
2	Gasoline Generator 3 KW	190
3	Gasoline Generator 5.5 KW	140
4	Gasoline Generator 7.5 KW	45
Total		

He has seen the Panchnama and I put my dated signature on the same as a token of being seen.

- On being asked he submitted that they have filed BE on the basis of the documents provided by the importer M/s. Empiric Trading Co. (IEC AAKFE6649R). The importer has informed them that the supplier has provided him wrong packing list. The actual quantity ordered was 425 pcs but by mistake he provided the wrong Packing List, accordingly the BE was filed. However, the quantity in Invoice is proper as ordered by the importer. The supplier has submitted revised packing list and same was submitted to you with his endorsement.

- On being asked he submitted that they have filed Bill of entry on the basis of the documents provided by the importer i.e. M/s. Empiric Trading Co. (IEC AAKFE6649R). The importer has informed them that excess quantity of goods found during examination were mistakenly stuffed into the container by the supplier. They accept their mistake and state that the importer is ready to pay the applicable duty/taxes, penalty and Fine on the goods found during examination as per the Customs Act 1962.
- On being asked he submitted that the value declared by them as per their contract with overseas supplier. However, the same may be verified from empanelled Chartered engineer and I also accept the valuation if any increased by the CE.
- On being asked he submitted that Sir, at the time of the import of the goods the importer has not applied for the approval as he is unaware about it. As the importer has known about the approval certificate he applied for the same and The Automotive Research Association of India has provided the Certificate dated 07.08.2025 of Type Approval for all models imported by the importer. They wish to state that M/s. Empiric Trading Co. (IEC AAKFE6649R) do not want any Show Cause Notice or personal hearing in the matter and it is requested to waive the same. Further, the valuation may be done by Chartered Engineer at the earliest and goods may be released for Home Consumption as the importer has submitted all necessary documents and the he is ready to pay duty, fine and penalty.

## **10. OUTCOME OF THE INVESTIGATION:**

**10.1.** As discussed in foregoing paras, it appears that the goods imported and covered under Bill of Entry No. 7931358 dated 22.01.2025 have been mis-declared by the said importer in terms of quantity and the Item No. 1 of said BE was found of different capacity instead of the declared capacity. The importer also misclassified the said item and also under-valued all the goods.

**10.2.** During the course of examination, the goods declared in the said BE at Sr. No. 1 as Gasoline Generator 1.1 KW was found as Gasoline Generator 1.5 KW. However, the quantity found as declared against the said description. Further, the quantity of the goods mentioned at Sr. No. 2 of the said BE was found as 214 instead of the declared quantity i.e. 190 in BE.

**10.3.** The importer has declared the goods as Gasoline Generator of different capacity as mentioned above. The declared CTH of the goods is 85022090. The CTH 850220 covers the goods "Generating sets with spark-ignition internal combustion piston engines". The relevant extract of CTH 850220 is as below:

8502 20 - Generating sets with spark-ignition internal combustion piston engines:

8502 20 10 --- Electric portable generators of an output not exceeding 3.5 kVA

8502 20 90--- Other

From the above it clearly appears that the importer has declared correct CTH for the goods mentioned at Sr. No. 2, 3 and 4 of Table-II. However, the correct CTH for the goods mentioned at Sr. No. 1 of Table-II is 85022010 as the output of the goods is below 3.5 kva. The details of re-determined CTH of the all goods is as below:

**10.4.** Here, it is pertinent to mention that the importer has declared assessable value of these items as **Rs. 29,87,095/-** in the Bill of Entry No. 7931358 dated 22.01.2025 filed by them, which is otherwise re-determined to the tune of **Rs. 44,90,005/-** in terms of Rule 9 of CVR, 2007 as per the inspection conducted by the Chartered Engineer as discussed in foregoing paras. Thus, the valuation of the imported item shown at B.E needs to be rejected under Rule 12 of the CVR, 2007 and needs to be re-determined as **Rs. 44,90,005/-** in terms of Rule 9 of CVR, 2007. Accordingly, 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 they failed to declare correct value of the goods in the Customs document filed by them.

**10.5.** The importer in the BE no. 7931358 dated 22.01.2025, has declared the value of the goods as Rs. 29,87,095/- and calculated the applicable duties and taxes on the good declared, based on the declared value and classification in the Bill of Entry as Rs. 8,28,470/-. Based on the calculations from Table V, the importer is required to pay/levy a differential liability of Rs. 4,25,312/- (Rupees Four Lakh Twenty-Five Thousand Three Hundred Twelve only) on the mis-declared/unclassified/undervalued goods after adjustment. This amount represents the additional duty and tax liability that the importer must pay due to the mis-declaration, misclassification and non-declaration of goods.

**10.6.** As per examination remarks the goods imported vide Bill of Entry No. 7931358 dated 22.01.2025 are Gasoline Generator of different capacity. As per para 2 (B) of GENERAL NOTES REGARDING IMPORT POLICY, Import of Generator Sets will be subject to the air emission standards & noise standards of the Environment Protection Rules, 1986. Further, as per Pollution Control Acts, Rules & Notifications Issued Thereunder, Sr. No. 88 (C), the said goods needs to "a separate valid certificate of type approval for all the product models for emission as well as noise norms". The relevant extract of the said rules is as below:

#### C. General Conditions

1. **Applicability.** - The stipulations in respect of emissions and noise referred to in entry A and entry B shall apply to all new generator sets using petrol and kerosene as fuel, manufactured in or, imported into India:

Provided that this provision shall not apply to, -

1. (a) genset manufactured or, imported for the purpose of exports outside India; or,
2. (b) genset intended for the purpose of Research and Development and not for sale or, captive use in India.

2. **Requirement of certification.** - Every manufacturer or importer (hereinafter referred to as manufacturer) of genset (hereinafter referred to as product) to which these conditions apply shall have a separate valid certificate of type approval for all the product models for emission as well as noise norms being manufactured or imported.

Hence, as per Environment Protection Rules, 1986 the imported goods is restricted & importable against a separate valid certificate of type approval for all the product models for emission as well as noise norms. In the instant case, the importer has imported the goods without proper certificate of type approval for all the models.

**10.7.** Further, it is also found that the goods "Gasoline Generator of different Models" re-determined valued at total **Rs. 44,90,005/-** imported by the said importer are covered under the restricted category of items for import as per Environment Protection Rules, 1986, which are importable only against a certificate type of approval for all models. However, the same have been imported by the said importer from the foreign manufacturer without valid certificate type approval at the time of import in violation and contrary to the provisions of Environment Protection Rules, 1986. In view of the above, it appears that the said goods have become prohibited for import and accordingly, are liable for confiscation under the provisions of Section 111 (d), 111(l) & 111(m) of the Customs Act, 1962 and thus has also rendered themselves liable for penal action under Section 112 (a) (i), 112(a)(ii) and 114AA of the Customs Act, 1962. However, the importer has produced the certificate of type approval vide Certificate No. ARAI/MoEF/PGTA/IMP/IGES4/ETC/F503/2025/32 dated 07.08.2025 issued by The Automotive Research Association of India for all 04 models.

11. The importer vide letter dated 13.10.2025 has submitted that they are agreed with the valuation opined by the Chartered Engineer in his report and requested to decide the matter on merit and they do not want any SCN and PH in the matter and ready to pay fine and penalty in the matter & further requested for permission to release of the goods at the earliest.

#### PERSONAL HEARING AND SUBMISSIONS

12. The importer M/s. Empiric Trading Co vide letter dated 28.10.2025 has submitted the following:

*“.....we would like to inform you that the subject Bill of Entry filed by us which was held for further investigation purposes. The investigation has now been completed, and the file has been put up for adjudication.*

*In this regard, we respectfully request your good office to kindly waive the issuance of a Show Cause Notice and Personal Hearing and decide the matter on merits. We hereby undertake to abide by the decision taken by your good office in this matter.*

*Your kind and lenient consideration in this regard will be highly appreciated.”*

#### DISCUSSION AND FINDINGS

13. I have carefully gone through the records of the case, investigation report dated 16.10.2025, valuation report by empanelled Chartered Engineer dated 13.10.2025 and the applicable provisions of law. The importer vide their letter dated 28.10.2025 has requested for waiver of show cause notice and personal hearing. Thus, the principles of natural justice as provided in Section 122A of the Customs Act, 1962 have been complied with and I proceed to decide the case on the basis of documentary evidence available on records. The issues to be decided by me are:

- (i) Whether the declared description and classification of the goods mentioned at Sr. No. 1 of the Bill of Entry No. 7931358 dated 22.01.2025 is liable to be rejected and same needs to be re-determined;
- (ii) Whether the declared quantity of the goods mentioned at Sr. No. 2 of the said BE is liable to be rejected and same needs to be re-determined;
- (iii) Whether the declared value of the goods imported under Bill of Entry No. 7931358 dated 22.01.2025, i.e. **Rs. 29,87,095/-** (Rupees Twenty Nine Lakh Eighty-Seven Thousand Ninety-Five) is liable to be rejected under Rule 12 of the CVR, 2007 and required to be re-determined as **Rs. 44,90,005/-** in terms of Rule 9 of CVR, 2007;
- (iv) Whether the self-assessment done by the importer is liable to be rejected and the Bill of Entry No. 7931358 dated 22.01.2025 needs to be re-assessed with the differential duty of **Rs. 4,25,312/-** under Section 17(4) of the Customs Act, 1962;
- (v) Whether the imported goods covered under Bill of Entry No. 7931358 dated 22.01.2025 having re-determined value of **Rs. 44,90,005/-** is liable for confiscation under Section 111(d), Section 111(l) & Section 111(m) of the Customs Act, 1962;

**(vi)** Whether penalty under Section 112(a)(i), 112(a)(ii) and 114AA of the Customs Act, 1962 is imposable upon the importer.

**14.1** Regarding the first issue, I find that the importer had declared "Gasoline Generator 1.1 KW" with quantity 50 pieces at Sr. No. 1 of Bill of Entry No. 7931358 dated 22.01.2025 under CTH 85022090.

**14.2** I find that the examination conducted under Panchnama dated 19.03.2025 revealed that the goods declared as "Gasoline Generator 1.1 KW" were actually "Gasoline Generator 1.5 KW". The quantity found was 50 pieces as declared, however the description and capacity were mis-declared.

**14.3** I find that the importer has declared the goods under CTH 85022090. However, CTH 850220 covers "Generating sets with spark-ignition internal combustion piston engines" and has two sub-headings: CTH 85022010 for "Electric portable generators of an output not exceeding 3.5 kVA" and CTH 85022090 for "Other". The 1.5 KW generator has output of 1.5 kVA which is below 3.5 kVA, therefore the correct classification is CTH 85022010, not CTH 85022090 as declared by the importer.

**14.4** I find that the mis-declaration in description (1.1 KW instead of 1.5 KW) and mis-classification (CTH 85022090 instead of CTH 85022010) are established from the physical examination. The importer has accepted these findings through their authorized representative's statement dated 11.10.2025 and letter dated 13.10.2025. Therefore, I find that the declared description and classification of the goods mentioned at Sr. No. 1 of the Bill of Entry No. 7931358 dated 22.01.2025 is liable to be rejected and same needs to be re-determined as Description - "Gasoline Generator 1.5 KW" and Classification - CTH 85022010.

**15.1** Regarding the second issue, I find that the importer declared "Gasoline Generator 3 KW" with quantity 190 pieces at Sr. No. 2 of Bill of Entry No. 7931358 dated 22.01.2025.

**15.2** I find that the examination conducted under Panchnama dated 19.03.2025 revealed 214 pieces of "Gasoline Generator 3 KW" instead of declared 190 pieces, resulting in 24 pieces being in excess of the declared quantity. Therefore, I find that the declared quantity of the goods mentioned at Sr. No. 2 of the said BE is liable to be rejected and same needs to be re-determined as 214 pieces instead of declared 190 pieces.

**16.1** Regarding the third issue, I find that the importer declared assessable value of Rs. 29,87,095/- for total 425 pieces of generators in Bill of Entry No. 7931358 dated 22.01.2025.

**16.2** I find that Rule 12 of the Customs Valuation Rules, 2007 provides that when the proper officer has reason to doubt the truth or accuracy of the value declared, he may ask the importer to furnish further information and if the proper officer still has reasonable doubt, it shall be deemed that the transaction value cannot be determined under Rule 3. In the present case, there are multiple grounds for doubting the declared value, including mis-declaration of description, quantity, and classification of goods, all of which have direct relevance to the value.

**16.3** I find that since the imported goods were found in different capacities with mis-declarations and were found to be of different variety, description, specification and

quality, it was not possible to find contemporaneous data for imports of identical/similar goods of same brand, make, model and country of origin. Therefore, valuation could not be determined under Rules 4 and 5 of CVR, 2007. Similarly, the sale price of identical or similar goods was not available in the domestic market, therefore determination under Rule 7 was not possible. Substantial data related to cost or value of materials and fabrication was also not available, therefore valuation could not be ascertained under Rule 8 of CVR, 2007.

**16.4** Therefore, I find that valuation of the goods is determined under the residual method of valuation provided under Rule 9 of the Customs Valuation Rules, 2007. A Government Approved Empanelled Chartered Engineer was appointed who examined the goods and determined the CIF value as **Rs. 44,90,005/-** vide report ref no. ABJ:INSP:CE:MUN:SIIB:SH:EMP:25-26:05 dated 13.10.2025. The importer has accepted this valuation vide letter dated 13.10.2025.

**16.5** In view of the above, I find that the declared value of **Rs. 29,87,095/-** (Rupees Twenty Nine Lakh Eighty-Seven Thousand Ninety-Five) is liable to be rejected under Rule 12 of CVR, 2007 and required to be re-determined as **Rs. 44,90,005/-** (Rupees Forty-Four Lakh Ninety Thousand Five) in terms of Rule 9 of CVR, 2007 read with Rule 47(4) and Rule 48(2) of the SEZ Rules, 2006.

**17.1** Regarding the fourth issue, I find that the importer in the BE No. 7931358 dated 22.01.2025 had declared the value of the goods as **Rs. 29,87,095/-** and calculated the applicable duties as **Rs. 8,28,470/-**. Based on the re-determined value of **Rs. 44,90,005/-**, re-determined classification and quantity, the total duty liability is ascertained as **Rs. 12,53,782/-** as detailed in the **Table-V**, supra. Hence, the differential duty payable is **Rs. 4,25,312/-**.

**17.2** I find that as per Section 17(4) of the Customs Act, 1962, if the proper officer is satisfied that the self-assessment has not been done correctly, he shall reassess the duty leviable on such goods. In the present case, the self-assessment is clearly incorrect due to mis-declaration in description, under-declaration of quantity, mis-classification and under-valuation. Therefore, I find that the self-assessment done by the importer is liable to be rejected and the Bill of Entry No. 7931358 dated 22.01.2025 needs to be re-assessed with the differential duty of **Rs. 4,25,312/-** under Section 17(4) of the Customs Act, 1962.

**18.1** Regarding the fifth issue of confiscation, I need to examine the applicable provisions of Section 111 of the Customs Act, 1962 and their applicability to the present case.

**18.2** I find that as per Para 2(B) of General Notes Regarding Import Policy, ITC (HS) 2022, Import of Generator Sets will be subject to the air emission standards & noise standards of the Environment Protection Rules, 1986. Further, as per Environment (Protection) Rules, 1986, Schedule - Pollution Control Acts, Rules & Notifications Issued Thereunder, Sr. No. 88(C), General Conditions, Clause 2, every manufacturer or importer of genset shall have a separate valid certificate of type approval for all the product models for emission as well as noise norms being manufactured or imported.

**18.3** In the present case, it is an undisputed fact that at the time of import i.e. 22.01.2025, the importer did not have any type approval certificate from ARAI/ICAT or any other

notified agency. This is admitted by the importer in their authorized representative's statement recorded under Section 108 on 11.10.2025. The importer subsequently obtained type approval Certificate No. ARAI/MoEF/PGTA/IMP/IGES4/ETC/F503/2025/32 dated 07.08.2025.

**18.4** Section 111(d) of the Customs Act, 1962 provides for confiscation of "*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*". At the time of import, the goods were imported in violation of the mandatory requirement of type approval certificate under Environment Protection Rules, 1986, making them "prohibited goods" within the meaning of Section 2(33), rendering the goods liable for confiscation.

**18.5** Section 111(l) provides for confiscation of "*any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act*". In the present case, 24 pieces of 3 KW generators (214 found instead of 190 declared) are in excess of the declared quantity and were not included in the Bill of Entry, rendering the goods liable for confiscation.

**18.6** Section 111(m) provides for confiscation of "*any goods which do not correspond in respect of value or in any other particular with the entry made under this Act*". The goods do not correspond with the Bill of Entry in respect of value, description, classification, and quantity, which are substantial mis-declarations having a direct bearing on duty calculation, rendering the goods liable for confiscation.

**18.7** Therefore, I find that the imported goods covered under Bill of Entry No. 7931358 dated 22.01.2025 having re-determined value of **Rs. 44,90,005/-** is liable for confiscation under Section 111(d), Section 111(l) and Section 111(m) of the Customs Act, 1962.

However, I find that as per Section 125(1) of the Customs Act, 1962, whenever confiscation of any goods is authorized, the officer adjudging it may, in the case of any goods, the importation whereof is prohibited, 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. In the present case, the goods imported without Type Approval Certificate at the time of import, the importer has subsequently obtained Type Approval Certificate No. ARAI/MoEF/PGTA/IMP/IGES4/ETC/F503/2025/32 dated 07.08.2025 from The Automotive Research Association of India. Considering that the Type Approval Certificate has now been obtained, the goods meet environmental norms as certified by ARAI, and considering the importer's cooperation in accepting the Chartered Engineer valuation and expressing willingness to pay all dues, I find it appropriate to give the importer an option to redeem the confiscated goods on payment of appropriate redemption fine under Section 125 of the Customs Act, 1962 for clearance for home consumption.

**19.1** Regarding the sixth issue of penalty, I need to examine the provisions of Section 112(a)(i), Section 112(a)(ii) and Section 114AA of the Customs Act, 1962 and their applicability.

**19.2** Section 112(a)(i) provides for penalty on any person "*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".* In the present case, I find that the importer imported goods without mandatory Type Approval Certificate in violation of Environment Protection Rules, 1986, rendering them prohibited at time of import and liable for confiscation under Section 111(d), thereby attracting penalty under this section.

**19.3** Section 112(a)(ii) provides for penalty in the case of dutiable goods, other than prohibited goods. However, in the present case, since the goods are prohibited goods at the time of import due to absence of mandatory Type Approval Certificate under Environment Protection Rules, 1986, and penalty under Section 112(a)(i) for import of prohibited goods has already been imposed, I find that Section 112(a)(ii) is not invokable in this case as it specifically applies only to dutiable goods "other than prohibited goods". Imposing penalty under both provisions would amount to double penalty for the same violation, which is not legally sustainable.

**19.4** Section 114AA provides for penalty for use of false and incorrect material. If a person knowingly or intentionally makes, signs or uses any declaration, statement or document which is false or incorrect in any material particular. In the present case, I find that the importer knowingly suppressed the fact that goods were being imported without Type Approval Certificate, mis-declared the description and quantity, mis-classification and under-valued the goods. These false declarations in material particulars were made with intent to evade duty and circumvent import restrictions.

**19.5** Therefore, I find that penalty under **Section 112(a)(i)** and **114AA** of the Customs Act, 1962 is imposable upon the importer M/s Empiric Trading Co.

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

**ORDER**

**(i)** I order to reject the declared description and classification of the goods mentioned at Sr. No. 1 of the Bill of Entry No. 7931358 dated 22.01.2025 and order to re-determine the same as Description: "Gasoline Generator 1.5 KW" (50 pieces) and Classification: CTH 85022010;

**(ii)** I order to reject the declared quantity of the goods mentioned at Sr. No. 2 of the Bill of Entry No. 7931358 dated 22.01.2025 and order to re-determine the same as 214 pieces of "Gasoline Generator 3 KW" instead of declared 190 pieces;

**(iii)** I order to reject the declared value of **Rs. 29,87,095/-** (Rupees Twenty Nine Lakh Eighty-Seven Thousand Ninety-Five) in respect of goods imported under Bill of Entry No. 7931358 dated 22.01.2025 under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and order to re-determine the assessable value at **Rs. 44,90,005/-** (Rupees Forty-Four Lakh Ninety Thousand Five Only) under Rule 9 of the CVR, 2007;

**(iv)** I order to reject the self-assessment done by the importer and order to re-assess the Bill of Entry No. 7931358 dated 22.01.2025 under Section 17(4) of the Customs Act, 1962 with re-determined value of **Rs. 44,90,005/-**, total re-assessed duty of **Rs. 12,53,782/-** and differential duty payable of **Rs. 4,25,312/-** (Rupees Four Lakh Twenty-Five Thousand Three Hundred Twelve Only);

(v) I order confiscation of goods covered under Bill of Entry No. 7931358 dated 22.01.2025 having re-determined value of **Rs. 44,90,005/-** (Rupees Forty-Four Lakh Ninety Thousand Five Only) under Section 111(d), Section 111(l) and Section 111(m) of the Customs Act, 1962. However, I give an option to the importer to redeem the goods on payment of Redemption Fine of **Rs. 5,00,000/-** (Rupees Five Lakh Only) in lieu of confiscation under Section 125 of the Customs Act, 1962;

(vi) I order to impose penalty of **Rs. 2,50,000/-** (Rupees Two Lakh Fifty Thousand Only) on the importer M/s Empiric Trading Co under Section 112(a)(i) of the Customs Act, 1962;

(vii) I refrain from imposing penalty under Section 112(a)(ii) of the Customs Act, 1962 as discussed in **para 19.3, supra**;

(viii) I order to impose penalty of **Rs. 1,00,000/-** (Rupees One Lakh Only) on the importer M/s Empiric Trading Co under Section 114AA of the Customs Act, 1962;

**21.** This order is issued without prejudice to any other action that may be taken against the importer or any other person(s) under the 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.

(Dipak Zala)  
Additional Commissioner (Import)  
Custom House, Mundra

**To,**

M/s Empiric Trading Co,  
First Floor, 118, Building No.-10/54,  
BD Chamber, Karol Bagh, New Delhi – 110 005

**Copy to:**

1. The Deputy Commissioner, SIIB, Customs House, Mundra
2. The Deputy Commissioner, Review, Customs House, Mundra
3. The Deputy Commissioner, TRC, Custom House, Mundra
4. The Deputy Commissioner, EDI, Custom House, Mundra
5. The Deputy Commissioner, APSEZ, Mundra
6. Guard File