OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS

CUSTOMS HOUSE, MP & SEZ

MUNDRA, KUTCH-GUJARAT -370421

Email: Group4-mundra@gov.in

सत्यमेव जयते

A	**FILE NO.** फ़ाइल संख्या	**CUS/APR/INV/554/2026-Gr-4-O/o Pr. Commr-Cus-Mundra**
B	**OIO NO.** आदेश संख्या	MCH/ZDC/ADC/330/2026-27
C	**PASSED BY** जारीकर्ता	**Dipak Zala,** Additional Commissioner of Customs/अपर आयुक्त सीमा शुल्क, Custom House, Mundra/कस्टम हाउस, मुंद्रा।
D	**DATE OF ORDER** आदेश की तारीख	24.09.2026
E	**DATE OF ISSUE** जारी करने की तिथि	24.09.2026
F	**SCN No. & Date** कारण बताओ नोटिस क्रमांक	**Waived.**
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/ आयातक	**M/s. Kasthbhanjan Enterprise (AEFPV3691B)**

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

2. यदि कोई व्यक्ति इस आदेश से असंतुष्ट है तो वह सीमाशुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमाशुल्क अधिनियम 1962 की धारा 128 के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते परअपील कर सकताहै-

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

"सीमाशुल्कआयुक्त (अपील),

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,

नवरंगपुरा,अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS)

HAVING HIS OFFICE AT 4TH FLOOR, HUDCO BUILDING, ISHWAR BHUVAN ROAD,

NAVRANGPURA, AHMEDABAD-380 009."

3. उक्तअपील यहआदेश भेजने की दिनांक से 60 दिन के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within sixty days from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए-

Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must be accompanied by –

(i) उक्त अपील की एक प्रति और A copy of the appeal, and

(ii) इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची-1 के अनुसार न्यायालय शुल्क अधिनियम-1870 के मद सं°-6 में निर्धारित 5/- रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।

This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.

5. अपील ज्ञापन के साथ ड्यूटि/ ब्याज/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।

Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.

6. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमाशुल्क अधिनियम, 1962 के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।
While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respects.

7. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (A) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

BRIEF FACTS OF THE CASE

The importer M/s Kasthbhanjan Enterprise (IEC-AEFPV3691B) (hereinafter referred to as the 'Importer' for the sake of brevity) having address at 3th 319 The Nikol Trade Centre Virat Nagar Road, Anjana Chowk New Nikol Ahmedabad, Gujarat-382350 has imported the goods vide IGM No. 1187155 dated 06.04.2026. The said goods were put on hold by DRI/AZU vide their E-mail/Letter dated 04.04.2026 for examination. Thereafter, the DRI/AZU has transferred the case to SIIB/Mundra for further examination and investigation. The importer has filed Bill of Entry No. 2251759 dated 02.07.2026 (hereinafter referred to as the 'said BE' for the sake of brevity) for import of the goods "Cold Rolled Stainless Circles 201 & Stainless Steel Melting Scrap 201 Grade (PSIC No. PSICCWMSIB689585AM27) Other details as per INV/PL & BL" (hereinafter referred to as the 'said goods' for the sake of brevity) at Mundra Port. The said BE was filed by the Custom Broker M/s V R Logistics. The details of said BE are as under: -

Table-I

Sr. No.	BE No. & Date	Declared CTH	Description of Goods	Gross Weight
1	2251759 dated 02.07.2026	72209090	Cold Rolled Stainless Circles 201	20615
2		72042190	Stainless Steel Melting Scrap 201 Grade (PSIC No. PSICCWMSIB689585AM2	6324

			7) Other details as per INV/PL & BL	

2. **Examination of the Goods:**

Whereas, the examination of the Bill of Entry No. 2251759 dated 02.07.2026 was conducted on 03.07.2026 under Panchnama by the Officers of SIIB in the presence of proprietor of the importer and representative holder of CB firm. The proprietor of importer has provided the import documents to the officer. During the inspection, the container's seal was found intact and matched the details present in the Bill of Lading. The container was checked for external damage and found to be in good condition. The seal was then cut one by one, and upon opening the container doors, it was observed that the container was loaded with goods packed in pressed & baled form of scrap. The goods were than de-stuffed from the containers and after de-stuffing of front 2-3 rows it is noticed that the rear part of container was loaded with the goods packed in PP Jumbo bags. The PP bags than cut and it was noticed that the bags contain round shape Cold Rolled Stainless Circles 201. Now, the weightment of containers loaded with jumbo bags was done at the premises of CFS. The details of the goods are as follows:

Table-II

Sr. No.	Bill of entry no. and Date	Container No.	Weight of the Cold Rolled Stainless Circles 201
1	2251759 dated 02.07.2026	ECNU2012043	20550

Than the goods were examined by the officer. The details of the goods found during the course of examination is as below:

Table-III

Sr. No.	Container No.	Item Found during examination	No. of PP Bags found during the examination	Weight of the Goods in Kgs
1.	ECNU2012043	Cold Rolled Stainless Circles 201	10	20550
2.		Stainless	-	6460

		Steel Scrap		

Thereafter, the PMI of the goods was also done with the help of the PMI machine. The details of the PMI are as follows:

Table-IV

Element	ECNU2012043
	%
Fe	74.90
Si	0.83
Cr	13.40
Mn	8.76
Ni	1.16
Cu	0.55
V	0.12
P	-
Co	0.15
Mo	-

3. **Classification of the Goods:**

The goods were found declared during the course of examination. On verification the declared CTH of the goods found correct. The details of CTH is as below:

Table-V

Sr. No.	**Description of goods found in examination**	**Declared CTH**
1	Cold Rolled Stainless Circles 201	72209090
2	Stainless Steel Scrap	72042190

4. **Re-determination of Quantity of Goods:**

Table-VI

Sr. No.	**Description of goods found in examination**	**Declared Quantity in Kgs**	**Re-determined Quantity in Kgs**

1	Cold Rolled Stainless Circles 201	20615	20550
2	Stainless Steel Scrap	6324	6460

5. **Rejection and Determination of Valuation:**

5.1. The inconsistency observed in filing of the Bill of Entry suggests deliberate mis-declaration and mis-classification. In the Bill of Entry No. 2251759 dated 02.07.2026, submitted by the importer consist of 02 item were listed for import as detailed in above Table.

5.2. As imported items were found to be undervalued in the Bill of Entry No. 2251759 dated 02.07.2026, hence they were liable to be re-assessed under section 17(4) of the Customs Act, 1962. Since, mis-declaration of the goods, in parameters such as mis-declaration and mis-classification, was noticed, the declared value of the goods is liable to be determined in terms of Rule 12, explanation 1 (i), of the said Rules, 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, the Chartered Engineer was appointed for valuation of the goods by DRI/AZU. The Chartered Engineer vide his CE Report No. AYK:VAL:02961:2026 dated 27.07.2026 has suggested the valuation of the imported goods as under:

Table-VII

Sr. No.	**Description**	**Total Quantity found on the examination**	**Measure Unit**	***Unit Suggestive Average C.I.F. Value by C.E. (in USD)***	***Total Suggestive Average C.I.F. Value by C.E. (in USD)***	***Total Suggestive Average C.I.F. Value by C.E. (in INR) $=95.3***
1	Cold Rolled Stainless Circles 201	20550	KGS	1.35	27742.5	2643860
2	Stainless Steel Scrap	6460	KGS	0.71	4586.6	437103
Total					32329.1	30,80,963/-

The chartered engineer, empanelled by the government, determined the fair value of the goods to be **Rs. 30,80,963/-** in contrast to the declared assessable value as **Rs. 28,81,252/-.**

5.3. With the introduction of self-assessment under Section 17(1) of the Customs Act, 1962, the responsibility lies squarely on the importer to accurately self-assess the Bill of Entry and declare the correct amount of leviable duty. By failing to declare dutiable goods correctly in the Bill of Entry, the importer's actions indicate an intent to evade payment of the correct duties on the imported goods. This deliberate omission raises reasonable grounds to believe that the importer wilfully

and intentionally concealed dutiable goods, thereby causing a loss to government revenue.

6. **Importability and Policy Condition:**

The importer has declared their goods as "Cold Rolled Stainless Circles 201 & Stainless Steel Melting Scrap Grade 201". The goods Cold Rolled Stainless Circles 201 falls under mandatory compliance of BIS as per IS 6911 under Steel and Steel Products Quality Control Order, 2024 dated 05.02.2024. Accordingly, the goods Cold Rolled Stainless Circles 201 were falls under mandatory compliance of BIS as per IS 6911. So the goods imported by the importer are now within the purview of mandatory compliance of BIS as per Steel and Steel Products Quality Control Order, 2024. But the importer has not produced any BIS Authorisation for the goods imported by him. Accordingly, the goods become restricted for non-compliance of Steel and Steel Products Quality Control Order, 2024.

6.1. As per Policy Condition 4 of Chapter 72, the goods imported under all HS codes of Chapter 72 needs compulsory registration of the goods under SIMS (Steel Import Monitoring System). The importer has declared the goods as Cold Rolled Stainless Circles 201 & Stainless Steel Melting Scrap Grade 201 and obtained SIMS Registration dated 30.06.2026 for the goods. The importer has produced the SIMS after more than 02 months of IGM inward, which falls under non-compliance of SIMS policy. Accordingly, the mis-declared goods become prohibited for import.

6.2. In view of above facts and discussions, it appears that importer has tried to clear the goods by bypass Steel and Steel Products Quality Control Order, 2024. The importer has also not obtained the SIMS prior to IGM inward for both of the goods. The SECTION 46 of the Customs Act, 1962 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. The said act of omission and commission on the part of the importer has made the both imported goods vide above said BE's liable for confiscation under Section 111 (d),111(l) and 111(m) of

the Customs Act, 1962 ibid and has also rendered themselves liable for penal action under Section 112 (a)(i) of the Customs Act, 1962.

7. **Summons and Record of Statement:**

A summon dated 24.07.2026 was issued to the importer for record of statement under section 108 of Customs Act, 1962. Accordingly, the statement of proprietor was recorded on 24.07.2026. In his statement he submitted the following details:

- On being asked he submitted that they came in contact with the overseas supplier through my friend Mr. Bhanwar Pal Parihar and ordered Stainless Steel Melting Scrap. However, when the container was kept on hold, they telephonically contacted with the supplier about the goods and they supplier submitted that they have inadvertently loaded Stainless Steel Circles along with Stainless Steel Melting Scrap. Accordingly, they filed Bills of Entry for the clearance of both the goods after payment of applicable duty.
- On being asked he submitted that they import approx. 2-3 containers of Scrap every month from our overseas supplier of Saudi Arabia and Bangladesh. Till date they have imported a total of 8-9 containers and the consignment covered under said BEs are their first consignment from Indonesia.
- On being asked he submitted that they are aware about the mandatory compliance of BIS under Steel Quality Control Order, 2024. However, as per Ministry of Steel Order dated 27.04.2026, the compliance exemption has been extended till 26.10.2026 for IS 6911, IS 5522, IS 15997 and IS 14650 and their goods falls under IS 6911.
- On being asked he submitted that the goods are within the custody of Customs till date, Now, the goods are exempted as per Ministry of Steel Order dated 27.04.2026. Accordingly, they have kindly requested for clearance of the goods for Home Consumption. Further, they are ready to pay applicable fine and penalty as per the Customs Act, 1962 and do not want any Show Cause Notice and Personal Hearing in the matter.

8. **Re-determination of Duty:**

8.1. Based on the foregoing paragraphs, it is evident that the importer has undervalued the imported goods to evade payment of duties and taxes. The duty liability for the imported goods as per re-determined value is ascertained as under:

Table-VIII

Sr No	Description	Total Quantity	Measure Unit	*Total Suggestive Average C.I.F. Value by C.E. (in USD)*	*Total Suggestive Average C.I.F. Value by C.E. (in INR) $=95.3*	*BCD @ 7.5 & 0% (in Rs.)*	*SWS @ 10% of BCD(in Rs.)*	*IGST @ 18% (In rs.)*	*Total Duty (in Rs.)*
1	Cold Rolled Stainless Circles 201	20550	KGS	27742.5	2643860	198290	1982 9	515156	733275
2	Stainless Steel Scrap	6460	KGS	4586.6	437103	0	0	78679	78679
Total				32329.1	3080963	198290	1982 9	593835	8,11,953 /-

From the **Table VIII above**, it appears that the total duty liability of the importer is Rs. 8,11,953/-.

8.2. The importer in the BE no.2251759 dated 02.07.2026, has declared the value of the goods as Rs. 28,81,252/- 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. 7,57,693/-.**

8.3. Based on the calculations from Table-VIII above, the importer is need to pay/levy a differential liability of Rs. 54,260/- on the undervalued goods after adjustment. This amount represents the additional duty and tax liability that the importer must pay due to the misdeclaration/undervaluation of goods.

9. **Relevant Legal Provisions:**

(A) RELEVANT PROVISIONS OF CUSTOMS ACT, 1962:

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

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

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

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

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

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

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

Section 17. Assessment of duty. –

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

..

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

Section 46. Entry of goods on importation:

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

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

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

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

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

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

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

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

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

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

Any person,-

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

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

shall be liable,-

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

ii. *in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher:*

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

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

(B) Relevant Provisions of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

"*Rule 4. Transaction value of identical goods. -* *(1) (a) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of identical goods sold for export to India and imported at or about the same time as the goods being valued;*

……..

(3) In applying this rule, if more than one transaction value of identical goods is found, the lowest such value shall be used to determine the value of imported goods.

"Rule 5. Transaction value of similar goods . *- (1) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of similar goods sold for export to India and imported at or about the same time as the goods being valued:*

Provided that ……..

(2) The provisions of clauses (b) and (c) of sub-rule (1), sub-rule (2) and sub-rule (3), of rule 4 shall, mutatis mutandis, also apply in respect of similar goods.

Rule 7. Deductive value.-

(1) Subject to the provisions of rule 3, if the goods being valued or identical or similar imported goods are sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, the value of imported goods shall be based on the unit price at which the imported goods or identical or similar imported goods are sold in the

greatest aggregate quantity to persons who are not related to the sellers in India, subject to the following deductions : -

(i) either the commission usually paid or agreed to be paid or the additions usually made for profits and general expenses in connection with sales in India of imported goods of the same class or kind;

(ii) the usual costs of transport and insurance and associated costs incurred within India;

(iii) the customs duties and other taxes payable in India by reason of importation or sale of the goods.

(2) If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, subject otherwise to the provisions of sub-rule (1), be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry of ninety days after such importation.

(3) (a) If neither the imported goods nor identical nor similar imported goods are sold in India in the condition as imported, then, the value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons who are not related to the seller in India.

(b) In such determination, due allowance shall be made for the value added by processing and the deductions provided for in items (i) to (iii) of sub-rule (1).

Rule 8. Computed value.-

Subject to the provisions of rule 3, the value of imported goods shall be based on a computed value, which shall consist of the sum of:-

(a) the cost or value of materials and fabrication or other processing employed in producing the imported goods;

(b) an amount for profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to India;

(c) the cost or value of all other expenses under sub-rule (2) of rule 10.

Rule 9. Residual method:-

(1) Subject to the provisions of rule 3, where the value of imported goods cannot be determined under the provisions of any of the preceding rules, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules and on the basis of data available in India;

Provided that the value so determined shall not exceed the price at which such or like goods are ordinarily sold or offered for sale for delivery at the time and

place of importation in the course of international trade, when the seller or buyer has no interest in the business of other and price is the sole consideration for the sale or offer for sale.

(2) No value shall be determined under the provisions of" this rule on the basis of –

(i) the selling price in India of the goods produced in India;

(ii) a system which provides for the acceptance for customs purposes of the highest of the two alternative values;

(iii) the price of the goods on the domestic market of the country of exportation;
(iv) the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of rule 8;

(v) the price of the goods for the export to a country other than India;

(vi) minimum customs values; or

(vii) arbitrary or fictitious values.

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

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. 2251759 dated 02.07.2026 have been imported in non-compliance of BIS and SIMS. The goods Cold Rolled Stainless Circles 201 is prohibited for import for non-compliance of SIMS and BIS Compliance. The goods Stainless Steel Scrap 201 Grade is prohibited for import for non-compliance of SIMS. The importer also under-valued the declared goods.

10.2. Here, it is pertinent to mention that the importer has declared assessable value of these items as **Rs. 28,81,252/-** in the Bill of Entry No. 2251759 dated 02.07.2026 filed by them, which is otherwise re-determined to the tune of **Rs. 30,80,963/-** 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. 30,80,963/-** 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.

10.3. The importer in the BE no. 2251759 dated 02.07.2026, has declared the value of the goods as Rs. **28,81,252**/- 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. 7,57,693/-. Based on the calculations from Table VIII, the importer is required to pay/levy a differential liability of Rs. 54,260/- on the mis-declared /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.

10.4. From the above paras it clearly appears that the mis-declared goods mentioned at Sr. No. 1 of Table VI i.e. Cold Rolled Stainless Circles 201 were prohibited for non-compliance of SIMS and BIS. Further, the goods mentioned at Sr. No. 2 of Table-VI i.e. Stainless Steel Melting Scrap Grade 201 were prohibited for non-compliance of SIMS. Accordingly, the both said goods are liable for confiscation under Section 111(d), 111(l) and 111(m) of The Customs Act, 1962 and the importer is also liable for penalty under Section 112(a)(i) and 114AA.

11. The importer vide his statement dated 24.07.2026 has 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. Further, the importer has submitted that they are agreed with the valuation opined by the Chartered Engineer in his report. He also submitted that the BIS compliance was extended by the Ministry of Steel vide his order dated 27.04.2026 and requested for release of the goods.

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

(i) The declared quantity of the goods mentioned in the Bill of Entry No. 2251759 dated 02.07.2026 is liable to be rejected and same needs to be re-determined as per above discussion.

(ii) The declared value of the goods imported under Bill of Entry No. 2251759 dated 02.07.2026, i.e. **Rs. 28,81,252/-** is liable to be rejected, under Rule 12 of the CVR, 2007 and required to be re-determined as **Rs. 30,80,963/-** in terms of Rule 9 of CVR,2007**.**

(iii) The self-assessment done by the importer is liable to be rejected and the Bill of Entry No. 2251759 dated 02.07.2026 needs to be re-assessed with the differential duty under Section 17(4) of the Customs Act, 1962.

(iv) The imported goods mentioned at Sr. No. 1 of Table-VI under Bill of Entry No. 2251759 dated 02.07.2026 having re-determined value of **Rs. 26,43,860/-** is liable for confiscation under Section 111 (d), Section 111 (l) & Section 111(m) of the Customs Act, 1962 for non-compliance of BIS and SIMS.

(v) The imported goods mentioned at Sr. No. 2 of Table-VI under Bill of Entry No. 2251759 dated 02.07.2026 having re-determined value of **Rs. 4,37,103/-** is also liable for confiscation under Section 111 (d), Section 111 (l) & Section 111(m) of the Customs Act, 1962 for non-compliance valid SIMS certificate.

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

12.1 Accordingly, an Investigation Report 132/2026-27 dated 03.08.2026 has been issued by SIIB, Mundra Customs.

WRITTEN SUBMISSION AND PERSONAL HEARING

13. M/s. Kasthbhanjan Enterprises, Importer, vide their letter dated NIL, has requested for waiver of issuance of Show Cause Notice and also mentioned that they do not want Personal hearing in the subject matter. They further requested to proceed with adjudication and they are willing to pay the differential duty and penalty, if any, as determined by the proper officer in accordance with law. Further, Importer vide their letter 05.09.2026, also submitted that the goods "*Cold Rolled Stainless Circles 201* (CTH *72209090)"* are now covered by the exemption granted under Ministry of Steel, Government of India, Order No. S-20011/15/2024-TECH-Part(1), they requested to kindly extend the benefit of the applicable exemption, complete the assessment, and permit clearance and release of the goods for home consumption at the earliest.

DISCUSSION AND FINDINGS

14. I have carefully gone through the Investigation Report No. 132/2026-27 dated 03.08.2026 forwarded by SIIB, Custom House, Mundra, the relied upon documents, and all other material available on record. I note that M/s. Kasthbhanjan Enterprise vide their statement dated 24.07.2026 have specifically requested waiver of Show Cause Notice and Personal Hearing, have agreed to the valuation opined by the Chartered Engineer, have expressed willingness to pay applicable differential duty, fine and penalty, and have requested the earliest possible release of the goods. The case is accordingly being decided on the basis of the Investigation Report, the relied upon documents, and all other material evidence available on record. I am satisfied that the principles of natural justice have been duly complied with, inasmuch as M/s. Kasthbhanjan Enterprise has voluntarily waived the Show Cause Notice and Personal Hearing under the first proviso to Section 124 of the Customs Act, 1962, and the matter is accordingly being disposed of on merits.

14.1 On a careful perusal of the Investigation Report and case records, I find that the following main issues arise for consideration and determination in this case:

(i) Whether the declared quantity of the goods covered under Bill of Entry No. 2251759 dated 02.07.2026 is liable to be rejected and re-determined as per the examination findings;

(ii) Whether the declared assessable value of **Rs. 28,81,252/-** (Rupees Twenty-Eight Lakh Eighty-One Thousand Two Hundred and Fifty-Two Only) is liable to be rejected under Rule 12 of the CVR, 2007 and re-determined as **Rs. 30,80,963/-** (Rupees Thirty Lakh Eighty Thousand Nine Hundred and Sixty-Three Only) as per the Chartered Engineer's Report No. AYK:VAL:02961:2026;

(iii) Whether Bill of Entry No. 2251759 dated 02.07.2026 is liable to be re-assessed under Section 17(4) of the Customs Act, 1962 with recovery of differential duty of **Rs. 54,260/-**;

(iv) Whether the goods at Sr. No. 1 of Table-VI — **Cold Rolled Stainless Circles 201** (CTH 72209090, quantity 20,550 Kgs, re-determined value Rs. 26,43,860/-) — are liable for confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962 on account of non-compliance with mandatory BIS requirement under IS 6911 and non-compliance of SIMS, and whether such goods may be allowed for home consumption;

(v) Whether the goods at Sr. No. 2 of Table-VI — **Stainless Steel Melting Scrap 201 Grade** (CTH 72042190, quantity 6,460 Kgs, re-determined value Rs. 4,37,103/-) — are liable for confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962 on account of non-compliance of SIMS, undervaluation and quantity misdeclaration, and whether such goods may be allowed for home consumption; and

(vi) Whether penalty is imposable on M/s. Kasthbhanjan Enterprise under Sections 112(a)(i) and 114AA of the Customs Act, 1962.

15. FIRST ISSUE — RE-DETERMINATION OF QUANTITY:

15.1 I find that M/s. Kasthbhanjan Enterprise declared the quantity of goods in Bill of Entry No. 2251759 dated 02.07.2026 as 20,615 Kgs for Cold Rolled Stainless Circles 201 and 6,324 Kgs for Stainless Steel Melting Scrap 201. During physical examination under Panchnama dated 03.07.2026 of container ECNU2012043, the actual quantities found were as under:

Sr. No.	Description	Declared Quantity (Kgs)	Re-determined Quantity (Kgs)
1	Cold Rolled Stainless Circles 201	20,615	20,550
2	Stainless Steel Melting Scrap 201 Grade	6,324	6,460

15.2 I find that in respect of Item No. 1 (Cold Rolled Stainless Circles 201), the actual quantity found on examination (20,550 Kgs) is lower than the declared quantity (20,615 Kgs) by 65 Kgs. The actual quantity established during examination shall be the correct quantity for re-assessment purposes, and the declared quantity is accordingly rejected to that extent. In respect of Item No. 2 (Stainless Steel Melting Scrap 201 Grade), the actual quantity found on examination (6,460 Kgs) is in excess of the declared quantity (6,324 Kgs) by 136 Kgs, rendering the excess quantity goods not included in the entry made under Section 46 of the Customs Act, 1962. I accordingly reject the declared quantities and re-determine the quantities as **20,550 Kgs** for Cold Rolled Stainless Circles 201 and **6,460 Kgs** for Stainless Steel Melting Scrap 201 Grade, for the purposes of this Order.

16. SECOND ISSUE — REJECTION OF DECLARED VALUE AND RE-DETERMINATION OF ASSESSABLE VALUE:

16.1 I find that the declared assessable value of **Rs. 28,81,252/-** in Bill of Entry No. 2251759 dated 02.07.2026 cannot be accepted as the true and correct transaction value of the imported goods under Section 14 of the Customs Act, 1962 read with Rule 3 of the CVR, 2007. The Chartered Engineer vide Report No. AYK:VAL:02961:2026 dated 27.07.2026 has determined the fair market value of the goods at **Rs. 30,80,963/-** (at USD 1 = Rs. 95.3/-), comprising Rs. 26,43,860/- for Cold Rolled Stainless Circles 201 (20,550 Kgs × USD 1.35/Kg) and Rs. 4,37,103/- for Stainless Steel Melting Scrap (6,460 Kgs × USD 0.71/Kg), as against the declared values. Since comparable contemporaneous import data for identical/similar goods was not readily available, the value could not be determined

under Rules 4 to 8 of CVR, 2007. The assessable value is accordingly re-determined under Rule 9 (Residual Method) of the CVR, 2007, on the basis of the Chartered Engineer's Report, which is objective and based on market data available in India. M/s. Kasthbhanjan Enterprise has itself accepted the Chartered Engineer's valuation in their statement dated 24.07.2026.

16.2 I accordingly reject the declared assessable value of **Rs. 28,81,252/- (Rupees Twenty-Eight Lakh Eighty-One Thousand Two Hundred and Fifty-Two Only)** under Rule 12 of the CVR, 2007 and re-determine the assessable value at **Rs. 30,80,963/- (Rupees Thirty Lakh Eighty Thousand Nine Hundred and Sixty-Three Only)** under Rule 9 of the CVR, 2007, read with Section 14 of the Customs Act, 1962.

17. THIRD ISSUE — RE-ASSESSMENT AND DIFFERENTIAL DUTY:

17.1 I find that on the basis of the re-determined quantities and re-determined assessable value, the total duty liability on the imported goods works out to Rs. 8,11,953/- as detailed in Table-VIII of the Investigation Report, comprising BCD of Rs. 1,98,290/-, SWS of Rs. 19,829/- and IGST of Rs. 5,93,835/-. The importer had already paid duty of Rs. 7,57,693/- as per the self-assessed Bill of Entry. The differential duty accordingly works out to **Rs. 54,260/- (Rupees Fifty-Four Thousand Two Hundred and Sixty Only)**.

17.2 I accordingly order re-assessment of Bill of Entry No. 2251759 dated 02.07.2026 under Section 17(4) of the Customs Act, 1962 with differential duty of **Rs. 54,260/-**.

18. FOURTH ISSUE — CONFISCATION OF ITEM NO. 1: COLD ROLLED STAINLESS CIRCLES 201 (CTH 72209090):

18.1 I find that Cold Rolled Stainless Circles 201 (CTH 72209090) fall within the ambit of mandatory BIS certification under IS 6911 as per the Steel and Steel Products Quality Control Order, 2024 dated 05.02.2024. At the time of import of the subject consignment, this mandatory BIS compliance under the Steel Quality Control Order, 2024 was in force. The importer did not produce any BIS authorization/registration in respect of the Cold Rolled Stainless Circles 201 at the

time of import. Goods imported in contravention of mandatory quality control requirements imposed under the Bureau of Indian Standards Act, 2016 read with applicable Quality Control Orders constitute goods imported contrary to a prohibition imposed under other laws for the time being in force, and are thereby liable for confiscation under **Section 111(d)** of the Customs Act, 1962 as they stood at the time of IGM inward.

18.2 I find that as per Policy Condition No. 4 of Chapter 72 of the ITC(HS), 2022, all goods falling under HS codes of Chapter 72 require compulsory advance registration under the Steel Import Monitoring System (SIMS) prior to import. The Ministry of Steel, Government of India, vide Notice No. S-21022/9/2025-TRADE-TAX dated 19.02.2026 (effective from 20.02.2026), has prescribed the advance registration period for SIMS for imports from countries other than Nepal, Bhutan and Sri Lanka as: *"not earlier than 60th day and not later than 3rd day before the expected date of arrival of import consignment."*

18.2.1 I find that the subject consignment arrived at Mundra Port with IGM inward date of 15.04.2026. In terms of the said Ministry of Steel Notice dated 19.02.2026, the SIMS registration was required to be obtained by not later than 3 days before the expected date of arrival. However, the importer obtained SIMS registration only on 30.06.2026 — more than 03 days after the IGM inward date. This constitutes a clear and undeniable non-compliance with the mandatory SIMS advance registration requirement.

18.2.2 I find that non-compliance with the mandatory SIMS registration requirement constitutes import of goods contrary to a prohibition/condition imposed under the Customs Act, 1962 and other laws for the time being in force (including the policy conditions of Chapter 72 of ITC(HS), 2022). Accordingly, the goods at Sr. No. 1 — Cold Rolled Stainless Circles 201 (20,550 Kgs, re-determined value Rs. 26,43,860/-) — are liable for confiscation on account of SIMS non-compliance under **Section 111(d)** of the Customs Act, 1962.

18.3 I further find that the Cold Rolled Stainless Circles 201 were found in a quantity of 20,550 Kgs as against the declared quantity of 20,615 Kgs — i.e., 65 Kgs less than declared. Accordingly, the goods declared in the Bill of Entry do not correspond with the goods actually found, in terms of the quantity declared. The declared assessable value of Rs. 24,82,590/- (being the proportionate declared value for this item) also does not correspond to the re-determined value of Rs.

26,43,860/- as per the CE Report, rendering the goods additionally liable for confiscation under **Section 111(m)** of the Customs Act, 1962.

18.4 Redemption Fine Under Section 125 of the Customs Act, 1962:

18.4.1 I find that Section 125(1) of the Customs Act, 1962 reads as under:

"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 an option to pay in lieu of confiscation such fine as the said officer thinks fit."

18.4.2 A plain reading of the above provision shows that imposition of redemption fine is an option in lieu of confiscation, is a statutory discretion vested in the adjudicating authority. It is well established that the import of goods, namely Cold Rolled Stainless Circles 201 (CTH 72209090), is regulated, conditional, and subject to technical quality standards and registration compliances. The confiscation ordered herein under Sections 111(d) and 111(m) of the Customs Act, 1962 is a legal consequence arising from the initial procedural non-fulfilment of statutory requirements — specifically, the absence of BIS certification at the time of import of the subject goods, belated SIMS registration, and discrepancies in declared quantity and valuation. Further, Importer vide their letter dated 05.09.2026 has submitted that the goods are now covered by the exemption granted under Ministry of Steel, Government of India, Order vide F.No. S-20011/15/2024-TECH-Part(1) dated 27.04.2026; that therefore they requested to extend the benefit of the applicable exemption, and permit clearance and release of the goods for home consumption at the earliest.

18.4.3 I find that the question of exercise of discretion under the first part of Section 125(1) of the Customs Act, 1962, whether to give the option of payment of fine in lieu of confiscation, in respect of subject imported goods “Cold Rolled Stainless Circles 201 (CTH 72209090)”, has been authoritatively settled by the Hon'ble Supreme Court of India in **Union of India and Others v. Raj Grow Impex LLP and Others [2021 (377) ELT 145 (SC), decided on 17.06.2021]**. The Hon'ble Supreme Court, in the said judgment, at Para 79, specifically held and expounded as under:

"As noticed, the exercise of discretion is a critical and solemn exercise, to be undertaken rationally and cautiously and has to be guided by law; has to be according to the rules of reason and justice; and has to be based on relevant considerations. The quest has to be to find what is proper. Moreover, an authority acting under the Customs Act, when exercising discretion conferred by Section 125 thereof, has to ensure that such exercise is in furtherance of accomplishment of the purpose underlying conferment of such power. The purpose behind leaving such discretion with the Adjudicating Authority in relation to prohibited goods is, obviously, to ensure that all the pros and cons shall be weighed before taking a final decision for release or absolute confiscation of goods."

The Hon'ble Supreme Court further held, at Para 69.1, as follows:

"A bare reading of the provision aforesaid makes it evident that a clear distinction is made between 'prohibited goods' and 'other goods'. As has rightly been pointed out, the latter part of Section 125 obligates the release of confiscated goods (i.e., other than prohibited goods) against redemption fine but, the earlier part of this provision makes no such compulsion as regards the prohibited goods; and it is left to the discretion of the Adjudicating Authority that it may give an option for payment of fine in lieu of confiscation.…"

18.4.4 In view of the above para and considering the Importer's request for releasing the goods for home consumption, I find that the following material facts have been taken into consideration:

(i) BIS Exemption: I find that subsequent to the import of the subject consignment, the Ministry of Steel, Government of India, vide their Order dated 27.04.2026 has extended the compliance exemption for specific IS standards including IS 6911 (under which Cold Rolled Stainless Circles 201 fall) for the imports with Bill of Lading having shipped on board date on or before 26.10.2026. The said Ministry of Steel Order dated 27.04.2026 specifically provides that goods falling under IS 6911, IS 5522, IS 15997 and IS 14650 shall be exempted from mandatory BIS compliance under the Steel and Steel Products Quality Control Order, 2024 for the imports with Bill of Lading having shipped on board date on or before 26.10.2026. Since the subject goods continue to remain in Customs custody and are currently covered under the operational window of this exemption, the

statutory bar/prohibition regarding BIS mandatory compliance effectively stands lifted by executive relaxation. Consequently, their clearance into the domestic market poses no contravention of existing quality control mandates.

(ii) Nature of SIMS Non-Compliance: The requirement of prior registration under the Steel Import Monitoring System (SIMS) in terms of Policy Condition No. 4 of Chapter 72 is primarily a regulatory monitoring mechanism rather than an outright trade ban. While the importer delayed compliance, obtaining the SIMS registration on 30.06.2026 (post-IGM inward), the necessary registration has nonetheless been produced on record prior to final assessment and clearance. Such procedural lapse, while actionable under penal provisions, does not permanently taint the goods or render them unfit for domestic entry.

In view of the above circumstances, I am of the considered view that the ends of justice would be met by allowing redemption of the subject goods for home consumption rather than ordering re-export or absolute confiscation. The imposition of an appropriate redemption fine under Section 125 of the Customs Act, 1962, coupled with penalties under Sections 112(a)(i) and 114AA, is sufficient to purge the violations, safeguard government revenue, and serve as an effective deterrent.

18.4.5 In view of the above, I am of the considered view that it is appropriate and proportionate to allow the importer to redeem the goods for home consumption, on payment of redemption fine, subject to payment of all applicable customs duty, differential duty and other charges. Accordingly, I give M/s. Kasthbhanjan Enterprise an option to redeem the Cold Rolled Stainless Circles 201 for home consumption on payment of redemption fine under Section 125(1) of the Customs Act, 1962, subject to payment of all applicable customs duty, differential duty and other charges.

19. FIFTH ISSUE — CONFISCATION: ITEM NO. 2: STAINLESS STEEL MELTING SCRAP 201 GRADE (CTH 72042190):

19.1 I find that Stainless Steel Melting Scrap 201 Grade (CTH 72042190) also falls under Chapter 72 of the Customs Tariff and is accordingly subject to mandatory SIMS advance registration as per Policy Condition No. 4 of Chapter 72 of ITC(HS), 2022. As discussed in Para 18.2 above, the SIMS registration for the subject

consignment was obtained only on 30.06.2026 — more than 85 days after the IGM inward date of 06.04.2026 and far outside the mandatory window of "not later than 3 days before arrival." This constitutes a clear violation of the mandatory SIMS policy condition in respect of the Stainless Steel Melting Scrap as well. The goods are accordingly liable for confiscation under **Section 111(d)** of the Customs Act, 1962 on account of SIMS non-compliance.

19.2 I find that Stainless Steel Melting Scrap 201 Grade was found in excess of the declared quantity (6,460 Kgs found against 6,324 Kgs declared), rendering the excess goods of 136 Kgs liable for confiscation under **Section 111(l)** of the Customs Act, 1962. The goods were also undervalued — declared assessable value being lower than the re-determined value of Rs. 4,37,103/- as per the CE Report — rendering the goods additionally liable for confiscation under **Section 111(m)** of the Customs Act, 1962.

19.3 Redemption Fine Under Section 125 of the Customs Act, 1962:

19.3.1 I find that Section 125(1) of the Customs Act, 1962 reads as under:

"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 an option to pay in lieu of confiscation such fine as the said officer thinks fit."

19.3.2 I find that Stainless Steel Melting Scrap (CTH 72042190) is a freely importable item. The only prohibition applicable is the policy condition of advance SIMS registration. The SIMS has since been obtained (belatedly on 30.06.2026). In terms of Section 125(1) of the Customs Act, 1962, in the case of non-prohibited goods (goods whose importation is not per se prohibited but is subject to conditions), the adjudicating authority shall give the owner an option to pay a fine in lieu of confiscation. I find that allowing the Stainless Steel Melting Scrap to be cleared for home consumption on payment of redemption fine is the appropriate and proportionate course of action, having regard to the nature of the violation (late SIMS registration) and the otherwise freely importable nature of the goods. I accordingly give M/s. Kasthbhanjan Enterprise an option to redeem the Stainless Steel Melting Scrap 201 Grade for **home consumption** on payment of redemption fine under Section 125(1) of the Customs Act, 1962.

20. SIXTH ISSUE — PENALTIES:

20.1 Penalty under Section 112(a)(i) of the Customs Act, 1962:

I find that M/s. Kasthbhanjan Enterprise imported both the Cold Rolled Stainless Circles 201 (CTH 72209090) and Stainless Steel Melting Scrap 201 Grade (CTH 72042190) without obtaining the mandatory advance SIMS registration prior to the arrival of the consignment, in contravention of Policy Condition No. 4 of Chapter 72 of ITC(HS), 2022. Additionally, the Cold Rolled Stainless Circles 201 were imported without BIS certification at the time of import, when the mandatory BIS compliance under the Steel Quality Control Order, 2024 was in force. These acts of omission have rendered both goods liable to confiscation under Section 111(d) of the Customs Act, 1962. Both goods are thus "prohibited goods" within the meaning of Section 2(33) of the Customs Act, 1962 on account of non-compliance with applicable policy conditions at the time of import. Accordingly, M/s. Kasthbhanjan Enterprise is liable for penalty under **Section 112(a)(i)** of the Customs Act, 1962.

20.2 Penalty under Section 114AA of the Customs Act, 1962:

I find that M/s. Kasthbhanjan Enterprise declared the goods in Bill of Entry No. 2251759 dated 02.07.2026 with incorrect quantities and undervalued assessable value. The declared quantity of Cold Rolled Stainless Circles 201 was 20,615 Kgs against 20,550 Kgs actually found, and the declared quantity of Stainless Steel Melting Scrap was 6,324 Kgs against 6,460 Kgs actually found. The declared assessable value of Rs. 28,81,252/- was found to be lower than the re-determined value of Rs. 30,80,963/- as assessed by the Chartered Engineer. These declarations — made in the Bill of Entry filed under Section 46 of the Customs Act, 1962 — are false and incorrect in material particulars (quantity and value). By causing these false declarations to be made in the Bill of Entry, M/s. Kasthbhanjan Enterprise has rendered itself liable for penalty under **Section 114AA** of the Customs Act, 1962.

21. In view of the aforesaid discussions and findings, I pass the following order:

ORDER

21.1 I reject the declared quantity of goods mentioned in the Bill of Entry No. 2251759 dated 02.07.2026 and order to re-determine the same as detailed in Table-VI of Para 4 supra.

21.2 I reject the declared assessable value of **Rs. 28,81,252/- (Rupees Twenty-Eight Lakh Eighty-One Thousand Two Hundred and Fifty-Two Only)** 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. 30,80,963/- (Rupees Thirty Lakh Eighty Thousand Nine Hundred and Sixty-Three Only)** under Rule 9 of CVR, 2007 read with Section 14 of the Customs Act, 1962, as detailed in Table-VII of Para 5.2, supra.

21.3 I order re-assessment of Bill of Entry No. 2251759 dated 02.07.2026 under Section 17(4) of the Customs Act, 1962, as discussed above.

21.4 I order confiscation of item no. 1 i.e. 20,550 Kgs of Cold Rolled Stainless Circles 201 (CTH 72209090), having re-determined assessable value of **Rs. 26,43,860/- (Rupees Twenty-Six Lakh Forty-Three Thousand Eight Hundred and Sixty Only),** covered under Bill of Entry No. 2251759 dated 02.07.2026, under Sections 111(d) and 111(m) of the Customs Act, 1962, for the reasons discussed above. However, I give M/s. Kasthbhanjan Enterprise an option to redeem the said goods for home consumption on payment of Redemption Fine of **Rs. 2,60,000/- (Rupees Two Lakh Sixty Thousand Rupees Only)** under Section 125(1) of the Customs Act, 1962, as discussed above.

21.5 I order confiscation of item no. 2 i.e. 6,460 Kgs of Stainless Steel Melting Scrap 201 Grade (CTH 72042190), having re-determined assessable value of **Rs. 4,37,103/- (Rupees Four Lakh Thirty-Seven Thousand One Hundred and Three Only),** covered under Bill of Entry No. 2251759 dated 02.07.2026, under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962, for the reasons discussed above. However, I give M/s. Kasthbhanjan Enterprise an option to redeem the said goods for home consumption on payment of Redemption Fine of **Rs. 5,000/- (Rupees Five Thousand Only)** under Section 125(1) of the Customs Act, 1962, as discussed above.

21.6 I impose a penalty of **Rs. 2,000/- (Rupees Two Thousand Only)** on M/s. Kasthbhanjan Enterprise (IEC: AEFPV3691B), 3th 319 The Nikol Trade Centre,

Virat Nagar Road, Anjana Chowk, New Nikol, Ahmedabad, Gujarat – 382350, under **Section 112(a)(i)** of the Customs Act, 1962.

21.7 I impose a penalty of **Rs. 25,000/- (Rupees Twenty Five Thousand Only)** on M/s. Kasthbhanjan Enterprise (IEC: AEFPV3691B) under Section 114AA of the Customs Act, 1962.

22. This Order-in-Original is issued without prejudice to any other action that may be taken against M/s. Kasthbhanjan Enterprise or any other person under the provisions of the Customs Act, 1962, or any rules/regulations/notifications made thereunder, or under any other law for the time being in force.

Digitally signed by Dipakbhai Zala
Date: 24-09-2026 15:42:03

(DIPAK ZALA)

Additional Commissioner of Customs,

Mundra Customs

To,

M/s Kasthbhanjan Enterprise (IEC-AEFPV3691B)

3th 319 The Nikol Trade Centre Virat Nagar Road,

Anjana Chowk New Nikol Ahmedabad, Gujarat-382350

Copy to:

1. The Additional Commissioner (SIIB), Customs House, Mundra
2. The Dy./Asstt. Commissioner (RRA/TRC), Customs House, Mundra
3. The Dy./Asstt. Commissioner (EDI), Customs House, Mundra