प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
CUSTOM HOUSE, MUNDRA, KUTCH
MUNDRA PORT & SPL ECONOMIC ZONE, MUNDRA-370421
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सत्यमेव जयते

A	**फा .सं /.FILE NO.**	CUS/APR/INV/584/2026-Gr 5-6-O/o Pr Commr-Cus-Mundra
B	**मूल आदेश सं. ORDER-IN-ORIGINAL NO.**	MCH/ADC/ZDC/291/2026-27
C	**द्वारा पारित किया गया PASSED BY**	Dipak Zala Additional Commissioner of Customs, Custom House, Mundra
D	**आदेश की तिथि DATE OF ORDER**	08-09-2026
E	**जारी करने की तिथि DATE OF ISSUE**	08-09-2026
F	**कारण बताओ नोटिस सं .एवं तिथि SCN NUMBER & DATE**	Importer requested for waiver of SCN and PH
G	**नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER**	M/s. BVS Hardware Industries, Plot No. 17, First Floor, Patparganj Industrial Area, Delhi-110092
H	**डिन /DIN**	

1. यह अपील आदेश संबंधित को निःशुल्क प्रदान किया जाता है।
   This Order in Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 128 के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-
   Any person aggrieved by this Order, in Original, may file an appeal under Section 128 of the Customs Act, 1962, read with Rule 3 of the Customs (Appeals) Rules, 1982, in quadruplicate in Form C. A. -1 to:

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

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

3. उक्त अपील यह आदेश भेजने की दिनांक से 3 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 -/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 the Court Fees Act; it must be accompanied by –

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रूपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं°-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प वहन करना चाहिए।
The appeal should bear a 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 paise 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 चाहिए। Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.
7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के सभी मामलों में पालन किया जाना चाहिए।
While submitting the appeal, the Customs (Appeals) Rules, 1982 and the Customs Act, 1962 should be adhered to in all respects.

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

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BRIEF FACTS OF THE CASE: -

1.1 Based on specific intelligence received by SIIB, Mundra Customs, regarding possible mis-declaration/non-declaration and undervaluation of goods imported by M/s. BVS Hardware Industries (IEC No. EEXPS8146Q) under Z-Type Bill of Entry No. 2765434 dated 27.07.2026, covering Container No. ZCSU6677468, the consignment was taken up for detailed examination. The goods were lying at the premises of M/s. OWS Warehouse Services LLP (SEZ Warehouse Unit), Survey No. 169, Sector-8, Village-Dhruve, AP & SEZ, Mundra, Gujarat-370421.

1.2 The Bill of Entry declared Plastic Bristles, one Button Making Machine and Tap Handles, packed in 1,399 packages with declared gross weight of 22,900 Kgs. The declared assessable value was Rs. 11,58,885/- and the self-assessed Customs duty was Rs. 3,40,887/-.

1.3 The examination was conducted on 30.07.2026 in the presence of the officers of SIIB, Shri Mansukh R. Vayalu, representative of M/s. OWS Warehouse Services LLP, and Shri Maheshkumar Bharmal Gadhvi, Authorised Representative of the importer. The comparison of declared weight and weighbridge weight is as follows:

Table-A

Sr. No.	Container No.	Gross Weight declared in BE/BL (Kgs)	Gross Weight found during examination (Kgs)	Difference/Excess (Kgs)
1	ZCSU6677468	22,900	24,080	1,180

2. Action taken - Examination findings:

2.1 Container No. ZCSU6677468 was identified, and Seal No. 315636, affixed on 28.07.2026 pursuant to SIIB instructions, was found intact. The seal was opened in the presence of the authorised representatives; the cargo was de-stuffed, systematically arranged, and random packages were opened and checked for description, markings, quantity and weight. A total of 1,399 packages were found, tallying with the package count declared in the Bill of Entry.

2.2 The goods declared in the Bill of Entry were as follows:

Table-B

Sr. No.	CTH	Description	Quantity	UQC	Total packages as per BE	Gross weight as per BE (Kgs)
1	39269099	Plastic Bristles	3,741	KGS	1,399 Pkgs	22,900
2	84798999	Button Making Machine	1	SET		
3	84819090	Tap Handle	18,267	PCS		

2.3 The item-wise inventory recorded during examination on 30.07.2026 was as follows:

Table-C

Sr. No.	Description	Marking	Cartons	Pieces/ carton	Total pieces	Unit	Avg. weight/ carton (Kgs)	To we (K
1	Bristles	-	197	20	3,940	PCS	25.15	4,95
2	Button Making Machine	-	1	1	1	PCS	-	
3	Tap Handle	-	50	208	10,400	PCS	14.94	74
4	Tap Handle	-	240	320	76,800	PCS	11.21	2,69
5	Tap Handle	-	155	400	62,000	PCS	14.15	2,19
6	Measuring Tape	Trickle/Gold/Autolock/Luxe/Super	55	240	13,200	PCS	19.08	1,04
7	Measuring Tape	Trickle/Gold/Autolock/Luxe/Super	100	180	18,000	PCS	27.55	2,75
8	Measuring Tape	Trickle/Gold/Autolock/Luxe/Super	50	240	12,000	PCS	31.29	1,56
9	Measuring Tape	Trickle Star Glass Body	35	240	8,400	PCS	31.98	1,11
10	Alloy Wheel 17 inch	OD1017	86	1	86	PCS	10.22	87
11	Iron Pins	-	288	-	5,212.8	KGS	18.10	5,21
12	Car Wiper	-	142	100	14,200	PCS	4.30	61
	TOTAL		1,399		2,04,827			23,7

2.4 Although the package count of 1,399 tallied, the physical contents did not correspond with the declaration. The inventory weight was approximately 23,776 Kgs and the weighbridge-derived cargo weight was 24,080 Kgs, against the declared 22,900 Kgs. The consignment contained 51,600 undeclared Measuring Tapes, 86 undeclared 17-inch Alloy Wheels, 5,212.8 Kgs of undeclared Iron Pins and 14,200 undeclared Car Wipers. The quantities and unit particulars of the declared Bristles and Tap Handles also materially differed from the Bill of Entry.

2.5 The discrepancies were brought to the notice of the authorised representative of the importer. The goods were thereafter kept in the safe custody of M/s. OWS Warehouse Services LLP with directions that they should not be removed, delivered, transferred or otherwise dealt with without prior permission of the competent Customs authority.

3. Investigations Conducted: -

3.1 Classification of undeclared goods:

Based on their description, composition and intended use as ascertained during physical examination, the undeclared Measuring Tapes, 17-inch Alloy Wheels, Iron Pins and Car Wipers are appropriately classifiable under CTH 90178010, 87087000, 73199000 and 85124000, respectively. Measuring tapes are instruments for linear measurement; alloy wheels are parts/accessories of motor vehicles; iron pins are articles of iron or steel; and car wipers are electrical equipment used for cleaning vehicle windscreens. Their non-declaration resulted in incorrect assessment and prevented verification of the applicable duty, import-policy conditions and other statutory requirements.

3.2 Verification of declared value and re-determination of assessable value:

Rule 3(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 provides that, subject to Rule 12, imported goods shall be valued on the basis of transaction value adjusted under Rule 10. The material mismatch in description, contents, packages, quantity and weight, coupled with the presence of substantial undeclared goods, created reasonable doubt regarding the truth and accuracy of the declared value. The declared value was therefore liable to rejection under Rule 12.

After rejection of the transaction value, valuation must proceed sequentially through Rules 4 to 9. Rules 4 and 5 could not be applied because the record contained no acceptable contemporaneous imports of identical or similar goods with matching brand, model, specification, commercial level and quantity. Rule 7 was inapplicable for want of verified Indian sale/resale data and the deductions prescribed thereunder. Rule 8 could not be applied because no producer's cost of materials, fabrication, overheads, profit and general expenses was available. Consequently, Rules 4 to 8 did not yield a determinable value and recourse to the residual method under Rule 9 was warranted.

The empanelled Chartered Engineer inspected the goods and, by Report No. AYK: VAL:02992:2026 dated 11.08.2026, assessed the total CIF value of the goods actually found at USD 23,644.92, equivalent to Rs. 22,98,286.22/- at the exchange rate of Rs. 97.20 per USD. The valuation was based on physical inspection, market analysis, enquiries with manufacturers/suppliers, supply-demand considerations and the documents made available. The item-wise valuation is reproduced below:

Table-D
VALUATION TABLE (1 USD = Rs. 97.20)

Sr. No.	Description of goods	CTN/ PKG	Unit	Qty	Per-unit CIF value	Per-unit CIF value (USD)	Total CIF value (USD)	Ex. rate	Total CIF value (INR)

					(INR)				
1	Bristles - PP (0.18 MM)	197	PCS	3,940	0.19	0.002	7.88	97.20	765.94
2	Button Making Machine	1	PCS	1	18,468.00	190.000	190.00	97.20	18,468.00
3	Tap Handle - Trickle (208)	50	PCS	10,400	4.86	0.050	520.00	97.20	50,544.00
4	Tap Handle (320)	240	PCS	76,800	4.86	0.050	3,840.00	97.20	3,73,248.00
5	Tap Handle (400)	155	PCS	62,000	4.86	0.050	3,100.00	97.20	3,01,320.00
6	Measuring Tape - various (3m/16)	55	PCS	13,200	7.29	0.075	990.00	97.20	96,228.00
7	Measuring Tape (5m/19)	100	PCS	18,000	7.29	0.075	1,350.00	97.20	1,31,220.00
8	Measuring Tape (5m/19)	50	PCS	12,000	7.29	0.075	900.00	97.20	87,480.00
9	Measuring Tape - Glass Body (5m/19)	35	PCS	8,400	7.29	0.075	630.00	97.20	61,236.00
10	Alloy Wheel 17 - OD1017	86	PCS	86	2,430.00	25.000	2,150.00	97.20	2,08,980.00
11	Iron Pin	288	KGS	5,212.8	53.46	0.550	2,867.04	97.20	2,78,676.29
12	Car Wiper	142	PCS	14,200	48.60	0.500	7,100.00	97.20	6,90,120.00
	TOTAL	1,399		2,19,027 PCS and 5,212.8 KGS			23,644.92		22,98,286.22

3.3 BIS/Quality Control compliance and Importability:

During examination, Measuring Tapes and Alloy Wheels were found physically present but were not declared in the Bill of Entry. The Measuring Tapes are covered under the Legal Metrology – Material Measures of Length (Quality Control) Order, 2023 issued under the Bureau of Indian Standards Act, 2016. The specified material measures of length are required to conform to the prescribed Indian Standards and bear the BIS Standard Mark under a licence in accordance with Scheme-I of Schedule-II of the BIS (Conformity Assessment) Regulations, 2018. Woven metallic/glass fibre tape measures are covered under IS 1269 (Part 1):1997 and steel tape measures under IS 1269 (Part 2):1997.

Similarly, the Alloy Wheels/Automobile Wheel Rims are covered by the Automobile Wheel Rim Component (Quality Control) Order, 2020, as amended. The importer did not produce the requisite BIS licence, Standard Mark, conformity documentation or evidence establishing applicability of any exemption. Therefore, lawful importability of the Measuring Tapes and Alloy Wheels has not been established. Their non-declaration also prevented verification of mandatory BIS/QCO compliance at the time of import.

Accordingly, the Measuring Tapes and Alloy Wheels, being goods imported without establishing compliance with mandatory BIS/QCO requirements, fall within the ambit of prohibited goods for the purpose of Section 111(d) of the Customs Act, 1962. The undeclared goods are also liable for consideration under Section 111(l), while the material mismatch in description, quantity and value attracts Section 111(m) of the Customs Act, 1962.

3.4 Duty Calculation – Goods permitted for Home Consumption:

The Measuring Tapes and Alloy Wheels are not being permitted clearance for home consumption. Accordingly, duty for home consumption is calculated only in respect of Plastic Bristles, Button Making Machine, Tap Handles, Iron Pins and Car Wipers, on the assessable values and rates appearing in the duty-calculation working, as under:

TABLE-E

Sr. No.	Description	CTH	Assessable Value (Rs.)	BCD (Rs.)	SWS (Rs.)	IGST (Rs.)	Total Duty (Rs.)
1	Plastic Bristles – PP (0.18 MM)	39269099	765.94	114.89	11.49	160.62	287
2	Button Making Machine	84798999	18,468.00	2,770.20	277.02	3,872.74	6,919.96
3	Tap Handle – Trickle (208 pcs.)	84819090	50,544.00	3,790.80	379.08	9,848.50	14,018.38
4	Tap Handle – Trickle (320 pcs.)	84819090	3,73,248.00	27,993.60	2,799.36	72,727.37	1,03,520.33
5	Tap Handle – Trickle (400 pcs.)	84819090	3,01,320.00	22,599.00	2,259.90	58,712.20	83,571.10
6	Iron Pins	73199000	2,78,676.29	41,801.44	4,180.14	58,438.42	1,04,420.01
7	Car Wipers	85124000	6,90,120.00	1,03,518.00	10,351.80	1,44,718.16	2,58,587.96
	TOTAL		**17,13,142.23**	**2,02,587.93**	**20,258.79**	**3,48,478.01**	**5,71,324.74**

Thus, the reassessed Customs duty on the goods permitted for home consumption works out to **Rs. 5,71,324.74**. After adjustment of duty amounting to **Rs. 3,40,887/-** already self-assessed/paid under the Bill of Entry, the **differential duty payable works out to Rs. 2,30,437.74**.

3.5 Goods not permitted clearance for Home Consumption:

The following undeclared goods are not being permitted clearance for home consumption due to non-compliance with the applicable mandatory BIS/Quality Control requirements:

TABLE-F

Sr. No.	Description	CTH	Assessable Value (Rs.)
1	Measuring Tape – various models, 3M/16MM	90178010	96,228.00
2	Measuring Tape – various models, 5M/19MM	90178010	1,31,220.00
3	Measuring Tape – various models, 5M/19MM	90178010	87,480.00
4	Measuring Tape – Trickle Star Glass Body, 5M/19MM	90178010	61,236.00
5	Alloy Wheel, 17-inch, Model OD1017	87087000	2,08,980.00
	TOTAL		**5,85,144.00**

The aggregate assessable value of the goods not permitted clearance for home consumption is **Rs. 5,85,144/-**. These goods shall not be permitted clearance into the Domestic Tariff Area/home consumption.

4. RELEVANT LEGAL PROVISIONS:

(A) RELEVANT PROVISIONS OF SEZ ACT, 2005:

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

……..

(o) "**import"** means—

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

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

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

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

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

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

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

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

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

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

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

(B) RELEVANT PROVISIONS OF CUSTOMS ACT, 1962:

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

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

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

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

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

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

Section 17. Assessment of duty. *–*

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

..

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

Section 46. Entry of goods on importation:

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

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

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

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

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

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

--

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

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

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

Any person,-

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

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

shall be liable, -

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty 1 [not exceeding the value of the goods or five thousand rupees], whichever is the greater;

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

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

3 [(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty 4 [not exceeding the difference between the declared value and the value thereof or five thousand rupees], whichever is the greater;]

(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty 5 [not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty 6 [not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest.]

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

If a person knowingly or intentionally makes, signs or uses, or causes to be

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

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

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

……..

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

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

Provided that …….

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

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

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

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

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

and small enterprises; those commencement periods had expired before the present import. Paragraph 2 of this Order, notified vide S.O. 5029(E) dated 21.11.2023, reads verbatim:

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

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

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

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

The corresponding Table entries are:

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

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

Paragraph 2 of the Automobile Wheel Rim Component (Quality Control) Order, 2020 requires the goods specified in its Table to conform to the corresponding Indian Standard and bear the Standard Mark under a licence from BIS in accordance with Scheme-I of Schedule-II to the BIS (Conformity Assessment) Regulations, 2018. The Table covers light alloy wheel rims and wheel rims for passenger cars/trucks and buses under the specified Indian Standards. S.O. 5379(E) dated 19.12.2023 substituted the exemptions. Paragraph 2 of the principal Order (S.O. 3227(E) dated 21.09.2020) reads verbatim:

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

Standards (Conformity Assessment) Regulations, 2018."

The corresponding Table entries are:

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

5. Summary of Investigations Conducted:

5.1 Physical examination conclusively established that the goods actually imported were not truthfully and completely declared in Bill of Entry No. 2765434 dated 27.07.2026. Although the declared package count of 1,399 tallied, the inventory weight was approximately 23,776 Kgs, and the weighbridge-derived cargo weight was 24,080 Kgs, as against the declared gross weight of 22,900 Kgs. The consignment contained 51,600 undeclared Measuring Tapes, 86 undeclared 17-inch Alloy Wheels, 5,212.8 Kgs of Iron Pins and 14,200 undeclared Car Wipers, besides material discrepancies in the quantities and units of the declared Bristles and Tap Handles.

5.2 The undeclared Measuring Tapes, Alloy Wheels, Iron Pins and Car Wipers are appropriately classifiable under CTH 90178010, 87087000, 73199000 and 85124000, respectively. The Measuring Tapes and Alloy Wheels were subject to mandatory BIS/Quality Control requirements. However, the importer neither declared these goods nor produced any valid BIS licence, Standard Mark, conformity document or evidence of an applicable exemption. Accordingly, their

importability for clearance into the Domestic Tariff Area/home consumption was not established, and they are liable to be dealt with only for re-export in accordance with law.

5.3 The declared assessable value of Rs. 11,58,885/- pertained to a materially incorrect and incomplete declaration and was, therefore, liable to rejection under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. As the value could not be determined under Rules 4 to 8 for want of acceptable contemporaneous import data, verified Indian sale data and producer-cost information, the Chartered Engineer's valuation was adopted under the residual method prescribed under Rule 9. The Chartered Engineer assessed the total CIF value at USD 23,644.92, equivalent to Rs. 22,98,286.22/-.

5.4 The importer thus failed to discharge the obligations cast upon it under Sections 17 and 46 of the Customs Act, 1962. The undeclared Measuring Tapes, Alloy Wheels, Iron Pins and Car Wipers are liable to confiscation under Section 111(l); the goods not corresponding with the entry in respect of description, contents, quantity, weight and value are liable to confiscation under Section 111(m); and the Measuring Tapes and Alloy Wheels, for which mandatory BIS/QCO compliance was not established, are additionally liable to confiscation under Section 111(d) of the Customs Act, 1962.

6. WAIVER OF NOTICE AND PERSONAL HEARING: -

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

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

i. The declared particulars, description and quantity of the imported goods in Bill of Entry No. 2765434 (Z-Type) dated 27.07.2026, filed by M/s. BVS Hardware Industries, are liable to be rejected to the extent of the discrepancies noticed during examination, particularly in respect of the Measuring Tapes, Alloy Wheels, Car Wipers and Iron Pins which were found physically present in the consignment but were not declared in the said Bill of Entry;

ii. The declared assessable value of Rs. 11,58,885/- is liable to rejection under Rule 12 and re-determination at Rs. 22,98,286.22/- under Rule 9 of the Customs Valuation Rules, 2007 read with Section 14 of the Customs Act, 1962;

iii. The Customs Duty leviable on the imported goods is liable to be re-determined on the basis of the re-determined assessable value and the applicable rates of Customs Duty;

iv. The said Bill of Entry No. 2765434 (Z-Type) dated 27.07.2026 is liable to be re-assessed under Section 17(4) of the Customs Act, 1962;

v. The goods imported vide Bill of Entry no. 2765434 dated 27.07.2026 mentioned at Sr. No. 6,7,8,9 & 10 of the Table-D having re-determined value of Rs. 5,85,144/-, being prohibited goods on account of non-establishment of compliance with the applicable BIS/QCO requirements are liable for confiscation under Sections 111(d), 111(l), and 111(m) of the Customs Act, 1962.

vi. The goods imported vide Bill of Entry no. 2765434 dated 27.07.2026 mentioned in the Table-D at Sr. No. 1,2,3,4,5,11 & 12 having re-determined value of Rs. 17,13,142/- are liable for confiscation under Sections 111(l) & 111(m) of the Customs Act, 1962.;

vii. The importer, M/s. BVS Hardware Industries, appears liable for penalty under Section 112(a)(i) and 112(a)(ii) of the Customs Act, 1962, in respect of the acts and omissions rendering the goods liable to confiscation;

viii. The importer, M/s. BVS Hardware Industries, further appears liable for penalty under Section 114AA of the Customs Act, 1962.

WAIVER OF SHOW CAUSE NOTICE AND PERSONAL HEARING

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

DISCUSSION AND FINDINGS

9. I have carefully gone through the Investigation Report pertaining to Bill of Entry No. 2765434 dated 27.07.2026, the examination proceedings and inventory dated 30.07.2026, the import documents, Chartered Engineer's Report No. AYK: VAL:02992:2026 dated 11.08.2026, the duty-calculation working, and the other material available on record. I note that the importer, vide communication dated 17.08.2026, accepted the examination findings and requested waiver of the Show Cause Notice and personal hearing. Accordingly, I proceed to decide the matter based on the available records. The issues requiring determination are:

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

ii. whether the undeclared Measuring Tapes, Alloy Wheels, Iron Pins and Car Wipers are appropriately classifiable under CTH 90178010, 87087000, 73199000 and 85124000, respectively;

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

iv. whether the Measuring Tapes and Alloy Wheels are permissible for clearance for home consumption in the absence of mandatory BIS/QCO compliance;

v. whether differential duty of Rs. 2,30,438/- is payable on the goods permitted for

home consumption;

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

vii. whether the importer is liable to penalties under Sections 112(a) and 114AA of the Customs Act, 1962.

10.1 The Bill of Entry declared Plastic Bristles, one Button Making Machine and Tap Handles, packed in 1,399 packages with a declared gross weight of 22,900 Kgs. Although the package count of 1,399 tallied during examination, the physical contents materially differed from the declaration. The inventory weight was approximately 23,776 Kgs, and the weighbridge-derived cargo weight was 24,080 Kgs, reflecting an excess of 1,180 Kgs over the declared gross weight.

10.2 The examination further established the presence of 51,600 undeclared Measuring Tapes, 86 undeclared 17-inch Alloy Wheels, 5,212.8 Kgs of Iron Pins and 14,200 undeclared Car Wipers. Material discrepancies were also noticed in the quantities and units of the declared Bristles and Tap Handles. None of the aforesaid undeclared goods was disclosed in the Bill of Entry or the supporting import documents.

10.3 Section 46(4) requires the importer to make a truthful declaration regarding the contents of the Bill of Entry, while Section 46(4A) casts an affirmative obligation to ensure the accuracy and completeness of the information furnished and compliance with every applicable restriction or prohibition. Considering the nature, quantity and value of the undeclared goods, the discrepancies cannot be treated as minor or clerical. I therefore hold that the declaration was materially incorrect and incomplete and that the particulars of the Bill of Entry require amendment/reassessment in accordance with the goods actually found.

10.4 Based on their description, composition and intended use as ascertained during physical examination, I find that the Measuring Tapes, 17-inch Alloy Wheels, Iron Pins and Car Wipers are appropriately classifiable under CTH 90178010, 87087000, 73199000 and 85124000, respectively. Measuring Tapes are instruments for linear measurement; Alloy Wheels are parts/accessories of motor vehicles; Iron Pins are articles of iron or steel; and Car Wipers are electrical equipment used for cleaning vehicle windscreens. No contrary technical material or alternative classification has been produced by the importer. The aforesaid classifications are therefore upheld.

11.1 Regarding valuation, I find that the declared assessable value of Rs. 11,58,885/- related to an incomplete and materially inaccurate declaration which omitted substantial quantities of goods. The mismatch in description, contents, quantity, weight and value created reasonable doubt regarding the truth and accuracy of the declared value. The declared transaction value is therefore liable to rejection under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

11.2 Upon rejection of the declared value, the valuation methods prescribed under Rules 4 to 9 are required to be considered sequentially. Rules 4 and 5 could not be applied because no acceptable contemporaneous imports of identical or similar goods having comparable brand, model, specification, quantity and commercial level were available. Rule 6 does not provide an independent valuation method but governs recourse to Rules 7 and 8. Rule 7 could not be applied for want of verified Indian sale or resale data and the prescribed deductions, while Rule 8 could not be applied in the absence of the producer's cost of materials, fabrication, overheads, profit and general expenses. Consequently, the value could not be determined under Rules 4 to 8, warranting recourse to the residual method under Rule 9.

11.3 The empanelled Chartered Engineer physically inspected the goods and, based on market analysis, enquiries with manufacturers/suppliers, supply-demand considerations and the documents made available, assessed the total CIF value at USD 23,644.92, equivalent to Rs. 22,98,286.22/- at the exchange rate of Rs. 97.20 per USD. The importer has not produced any reliable evidence rebutting the Chartered Engineer's valuation. I therefore find the valuation reasonable and consistent with the principles of Rule 9 and re-determine the assessable value at Rs. 22,98,286.22/-, rounded off to Rs. 22,98,286/- for assessment purposes.

12.1 The Measuring Tapes are covered by the Legal Metrology–Material Measures of Length (Quality Control) Order, 2023. Woven metallic and glass-fibre tape measures are required to conform to IS 1269 (Part 1):1997 and steel tape measures to IS 1269 (Part 2):1997 and to bear the BIS Standard Mark under a valid licence, unless an applicable exemption is established. The importer did not produce any BIS licence, Standard Mark, conformity documentation or evidence of exemption.

12.2 Similarly, the 17-inch Alloy Wheels are covered by the Automobile Wheel Rim Component (Quality Control) Order, 2020, as amended, which requires the specified wheel rims to conform to the applicable Indian Standard and bear the BIS Standard Mark under a valid licence. No BIS licence, conformity document, Standard Mark or evidence of an applicable exemption was produced in respect of these goods.

12.3 Compliance with the applicable QCO is a condition governing lawful importation for home consumption. Goods imported without fulfilling such mandatory conditions fall within the scope of "prohibited goods" under Section 2(33) of the Customs Act, 1962. I therefore hold that the Measuring Tapes and Alloy Wheels, having an aggregate assessable value of Rs. 5,85,144/-, are not permissible for clearance into the Domestic Tariff Area/home consumption and are liable to confiscation under Section 111(d).

12.4 However, considering that the non-compliant goods can be taken back outside India under Customs control, absolute confiscation is not warranted. It would be appropriate to permit redemption of the Measuring Tapes and Alloy

Wheels solely for re-export under Section 125 of the Customs Act, 1962, subject to payment of the redemption fine specified in the operative portion of this order, re-export within the stipulated period and fulfilment of all applicable Customs and statutory formalities.

13.1 Section 17(4) authorises the proper officer to reassess the duty where verification or examination establishes that the self-assessment was not correctly made. In the present case, the declaration, classification, quantity, weight, value and statutory compliance particulars were found incorrect or incomplete. The self-assessment under Section 17(1) therefore cannot be sustained, and Bill of Entry No. 2765434 dated 27.07.2026 is liable to reassessment under Section 17(4).

13.2 The goods permitted for home consumption, namely Plastic Bristles, Button Making Machine, Tap Handles, Iron Pins and Car Wipers, have an aggregate assessable value of Rs. 17,13,142.23/-. The Customs duty leviable thereon works out to Rs. 5,71,324.74, rounded off to Rs. 5,71,325/-. After adjustment of Rs. 3,40,887/- already self-assessed/paid under the Bill of Entry, the differential duty payable works out to Rs. 2,30,437.74, rounded off to Rs. 2,30,438/-. I therefore hold that the differential duty of Rs. 2,30,438/- is payable upon reassessment, subject to verification of the duty already paid.

14.1 The Measuring Tapes, Alloy Wheels, Iron Pins and Car Wipers were physically found in the consignment but were not included in the Bill of Entry. These undeclared dutiable/prohibited goods are therefore liable to confiscation under Section 111(l). Further, the imported goods did not correspond with the entry in respect of description, contents, quantity, unit, weight and value and are consequently liable to confiscation under Section 111(m). The Measuring Tapes and Alloy Wheels are additionally liable to confiscation under Section 111(d) for failure to establish mandatory BIS/QCO compliance.

14.2 The goods other than the non-compliant Measuring Tapes and Alloy Wheels are otherwise permissible for clearance for home consumption. I therefore consider it appropriate to allow their redemption for home consumption under Section 125 of the Customs Act, 1962, on payment of the redemption fine specified in the operative portion of this order and applicable duty. The Measuring Tapes and Alloy Wheels shall, however, be eligible for redemption solely for re-export on the conditions recorded above.

14.3 By filing a Bill of Entry which omitted substantial quantities of goods and contained incorrect particulars relating to description, quantity, unit, weight and value, the importer committed acts and omissions which rendered the goods liable to confiscation under Section 111. The importer is therefore liable to penalty under Section 112(a)(i) in respect of the prohibited Measuring Tapes and Alloy Wheels and under Section 112(a)(ii) in respect of the other dutiable goods, as applicable.

14.4 The nature, scale and multiplicity of the discrepancies, including the non-declaration of four distinct categories of goods and the corresponding inaccuracies

in the supporting import documents, cannot reasonably be attributed to an isolated clerical or inadvertent error. By making and using a materially incorrect declaration in the course of Customs business, the importer also rendered itself liable to penalty under Section 114AA of the Customs Act, 1962.

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

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

ORDER

(i) I reject the declared assessable value of the goods covered under Z-Type Bill of Entry No. 2765434 dated 27.07.2026, i.e. **Rs. 11,58,885/- (Rupees Eleven Lakh Fifty-Eight Thousand Eight Hundred and Eighty-Five only)**, under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and order re-determination thereof at **Rs. 22,98,286/- (Rupees Twenty-Two Lakh Ninety-Eight Thousand Two Hundred and Eighty-Six only)** under Rule 9 of the said Rules read with Section 14 of the Customs Act, 1962.

(ii) I order re-assessment of Z-Type Bill of Entry No. 2765434 dated 27.07.2026 under Section 17(4) of the Customs Act, 1962, in terms of the revised particulars set out in the tables hereinabove. The 51,600 Measuring Tapes, 86 Alloy Wheels, 5,212.8 Kgs of Iron Pins and 14,200 Car Wipers shall be classified under CTH 90178010, 87087000, 73199000 and 85124000, respectively. On the goods permitted for home consumption, having an assessable value of **Rs. 17,13,142.23/-**, Customs duty is determined at **Rs. 5,71,325/-**. After adjustment of **Rs. 3,40,887/-** already self-assessed/paid, differential duty of **Rs. 2,30,438/- (Rupees Two Lakh Thirty Thousand Four Hundred and Thirty-Eight only)** is ordered to be recovered.

(iii) I order confiscation under Sections 111(d), 111(l) and 111(m) of the Customs Act, 1962 of the undeclared Measuring Tapes and Alloy Wheels covered under Sr. Nos. 6 to 10 of Table-D, having re-determined assessable value of **Rs. 5,85,144/-**. The importer may redeem these goods for **re-export only** on payment of a Redemption Fine of **Rs.55,000/-(Rupees Fifty Five Thousand only)** under Section 125 of the Act. Re-export shall be completed under Customs supervision within 90 days from communication of this order, or within such further period as may be permitted, failing which the option shall lapse.

(iv) I order confiscation under Section 111(l) and 111(m) of the Customs Act,

1962 of the goods covered under Sr. Nos. 1 to 5, 11 and 12 of Table-D, having re-determined assessable value of **Rs. 17,13,142.23/-**. The importer may redeem the goods for home consumption, subject to their being otherwise permissible for clearance, on payment of a Redemption Fine of **Rs.1,71,000/- (Rupees One Lakh Seventy One Thousand only)** under Section 125(1), in addition to applicable Customs duty.

(v) I impose a penalty of **Rs.25,000_/- (Rupees Twenty Five Thousand only)** on the importer, M/s BVS Hardware Industries, under Section 112(a)(i) of the Customs Act, 1962.

(vi) I impose a penalty of **Rs.20,000/(Rupees Twenty Thousand only)** on the importer, M/s BVS Hardware Industries, under Section 112(a)(ii) of the Customs Act, 1962.

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

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

Digitally signed by Dipakbhai Zala
Date: 08-09-2026 15:56:36

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

To,

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

Copy to:

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