

	OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOMS HOUSE, MP & SEZ MUNDRA, KUTCH, GUJARAT-370421 PHONE: 02838-271463 FAX :02838-271169/271475
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A	File No.	CUS/APR/INV/270/2026-Gr 6-O/o Pr Commr-Cus-Mundra
B	OIO No.	MCH/ADC/ZDC/23/2026-27
C	Date of Order	.04.2026
D	Passed by	Shri Deepak Zala Additional Commissioner, Import Assessment , Custom House, Mundra
E	IR No. & Date	Report No. 09/2026-27 dated 04.04.2026
F	Noticee/Party/ Importer	M/s Korbian Infotect (IEC 0516919334) Ground Floor, Bearing No. 5393, Situating at Reghar Pura, Gali No. 70, Karol Bagh, New Delhi - 110005
G	DIN	20260471MO0000000D19

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

The Commissioner of Customs (Appeal), MUNDRA,
Office at 7th floor, Mridul Tower, Behind Times of India,
Ashram Road, Ahmedabad-380009
3. Appeal shall be filed within Sixty days from the date of Communication of this Order.
4. Appeal should be accompanied by a Fee of Rs. 5/- (Rupees Five Only) under Court Fees Act it must accompanied by (i) copy of the Appeal, (ii) this copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five Only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.
5. Proof of payment of duty / interest / fine / penalty / deposit should be attached with the appeal memo.
6. While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respect.
7. An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty or Penalty are in dispute, where penalty alone is in dispute.

Brief Facts of the Case

M/s Korbian Infotect (IEC-0516919334), having its registered office at Ground Floor, Bearing No. 5393, Situated at Reghar Pura, Gali No. 70, Karol Bagh, New Delhi - 110005 (hereinafter referred to as “the Importer” for sake of brevity) has imported a consignment as tabulated above (hereinafter referred to as “the impugned Goods”) at Mundra Port vide Z-Bill of Entry No. 5660120 dated 12.11.2025. The examination of the above said consignment was carried out by the officers of SIIB on 05.01.2026 in the presence of the importer’s authorized representative Shri Pranjal Singh under Panchnama dated 05.01.2026 drawn at the premises of M/s Shoolin Trade Link LLP, APSEZ, Mundra (Kachchh). The details of the goods as declared in the said Bill of Entry are as follows:

Table-I

Sr. No.	BE no. /date	Container No./seal no.	BL no. /date	CTH	DESCRIPTION
1	5660120 dated 12.11.2025	TXG U668 8753	EGLV 14950 76002 40 DATE D 24.10.2025	40169990	Antistatic Mat for Mobile Repair Use
2				8205909	Blowing Tool (for Mobile Repair Use)
3				85183019	Bluetooth Wireless Earphone Use (Bis No-R-41187810)
4				82059090	Clamp For Toolkit for Mobile Repair Use
5				82059090	Cutting Knife (for Mobile Repair Use)
6				85151900	Soldering Tips for Mobile Repair Use
7				85177990	Dc Power Supply (For Mobile Repair Use)
8				39269099	Empty Bottle (For Mobile Repair Use)
9				82059090	Heat Module for Tool Kits for Mobile Repair Use
10				85177990	Heating Element for Mobile Repair Use
11				82089090	Cutting Knife Set (for Mobile Repair Use)
12				82059090	Mini Testing Tool for Mobile Repair Use
13				85444999	Mini Cable for Earphone
14				85369090	Mini Connector for Charger (Raw Material for Charger)
15				90118000	Mini Magnifying Device for Microscope for Mobile Repair Use
16				85444999	Soldering Wire (For Mobile Repair Use)

17		85444999	Mini Mobile Connector Cable
18		85151900	Mini Soldering Iron for Mobile Repair Use
19		85151900	Mini Soldering Iron with Stand for Mobile Repair Use
20		85151900	Mini Spot Welding Tool for Mobile Repair Use
21		85177990	Mini Table for Heating Tool for Mobile Repair Use
22		85177990	Mini UV Lamp for Mobile Repair Use
23		85182110	Nano Speaker With Aux/USB (Bis No R-41169188)
24		39269099	Packing Material for Mobile Accessories More Than 100 Micron
25		39269099	PCB Holder (For Mobile Repair Use)
26		82032000	Pliers For Mobile Repair Use
27		85189000	Rubber Earbuds for Handsfree (Raw Material for Handsfree)
28		40169990	Rubber Mat for Mobile Repair Use
29		70072190	Screen Protector (82800 Pcs)
30		85182110	Small Speaker with Aux/USB (Bis No R-41169188)
31		90119000	Stand For Microscope for Mobile Repair Use
32		82059090	Tool Kit (For Mobile Repair Use)
33		34029099	Cleaner For Mobile Repair Use

2. **Weighment and Examination of the goods:**

The officer of SIIB section, CH Mundra, conducted the examination of the impugned goods stuffed into the container no. TXGU6688753 covered under the Z-Bill of Entry No. 5660120 dated 12.11.2025 under Panchnama dated 05.01.2026. Before examination the weighment of the cargo was cross checked with weighment slip provided by the SEZ unit. The details of the weighment of the goods ARE as follows:

Table-II

Sr. N.	Bill of Entry no. and Date	Container No.	B/L weight (Kg)	Cargo Weight as per SEZ Unit weighment slip (Kg)
1	5660120 dated 12.11.2025 (Z type)	TXGU6688753	19660	21660

2.1. During the course of examination of the impugned goods, after complete de-stuffing, 1344 packages were found. The complete details of the goods found during examination are as below:

Table-III

Sr. No	Declared Particulars (in BE)	Declared Quantity	Found Particulars (Examination)	No. of Cartons	Found Quantity
1	Antistatic Mat for Mobile Repair Use	500 Nos	Anti-Static Soldering Mat	10	500 Nos
2	Blowing Tool (for Mobile Repair Use)	60 Nos	Blowing Tool for Mobile Repair	15	60 Nos
3	Bluetooth Wireless Earphone Use (Bis No-R-41187810)	14000 Nos	Bluetooth Wireless Earphone	28	14000 Nos
4	Clamp For Toolkit for Mobile Repair Use	600 Nos	Clamp for Toolkit for Mobile Repair Use	10	600 Nos
5	Cutting Knife (for Mobile Repair Use)	198 Nos	Cutting Knife for Mobile Repair Use	2	5940 Nos
6	Soldering Tips for Mobile Repair Use	300 Nos	Soldering Tip for Mobile Repair Use	2	300 Nos
7	Dc Power Supply (For Mobile Repair Use)	40 Nos	DC Power Supply for Mobile Repair Use	10	40 Nos
8	Empty Bottle (For Mobile Repair Use)	2000 Nos	Empty Bottle for Mobile Repair Use	2	2000 Nos / 25 Kgs approx
9	Heat Module for Tool Kits for Mobile Repair Use	100 Nos	Heat Module For Tool Kits for Mobile Repair use	2	200 Nos
10	Heating Element for Mobile Repair Use	200 Nos	Heating Element for Mobile Repair use	2	200 Nos
11	Cutting Knife Set (for Mobile Repair Use)	160 Nos	Cutting Knife Set for Mobile Repair use	1	160 Nos

12	Mini Testing Tool for Mobile Repair Use	100 Nos	Mini Testing Tool for Mobile Repair use	1	100 Nos
13	Mini Cable for Earphone	7000 Nos	Cables for Mobile	139	146500 Nos
14	Mini Connector for Charger (Raw Material for Charger)	7220000 Nos	Mini Connector For Charger (Raw Material for Charger)	2	100800 Nos
15	Mini Magnifying Device for Microscope for Mobile Repair Use	20 Nos	Mini Magnifying Device for Microscope for Mobile Repair Use	1	20 Nos
16	Soldering Wire (For Mobile Repair Use)	200 Nos	Soldering Wire for Mobile Repair Use	1	200 Nos
17	Mini Mobile Connector Cable	1000 Nos	Mobile Connector Cable	2	1000 Nos
18	Mini Soldering Iron for Mobile Repair Use	1000 Nos	Soldering Iron for Mobile Repair Use	10	1000 Nos
19	Mini Soldering Iron with Stand for Mobile Repair Use	20 Nos	Soldering Station for Mobile Repair use	1	20 Nos
20	Mini Spot Welding Tool for Mobile Repair Use	50 Nos	Soldering Station for Mobile Repair use	2	50 Nos
21	Mini Table for Heating Tool for Mobile Repair Use	250 Nos	Mini Table for heating Tool for Mobile Repair use	1	250 Nos
22	Mini UV Lamp for Mobile Repair Use	1000 Nos	Mini UV Lamp for Mobile Repair use	10	1000 Nos
23	Nano Speaker With Aux/USB (Bis No R-41169188)	5000 Nos	Mini Speaker Wireless	25	5000 Nos
24	Packing Material for Mobile Accessories More Than 100 Micron	439500 Nos	Packing Material for Mobile Accessories / Packing Tape	5 / 2	145 Kgs approx / 44 Kgs approx
25	PCB Holder (For	100 Nos	PCB Holder for Mobile	1	100 Nos

	Mobile Repair Use)		Repair use		
26	Pliers For Mobile Repair Use	600 Nos	Pliers for Mobile Repair use	3	600 Nos
27	Rubber Earbuds for Handsfree (Raw Material for Handsfree)	503000 Nos	Rubber Earbuds for Handsfree (Raw Material for handsfree)	10	500000 Nos
28	Rubber Mat for Mobile Repair Use	220 Nos		1	220 Nos
29	Screen Protector (82800 Pcs)	2763 Kgs	Tempered Screen Guard for Mobile	850	543000 Nos
30	Small Speaker with Aux/USB (Bis No R-41169188)	8040 Nos	Wireless Speaker	144	8040 Nos
31	Stand For Microscope for Mobile Repair Use	200 Nos	Stand for Microscope for Mobile Repair Use	45	200 Nos
32	Tool Kit (For Mobile Repair Use)	205 Nos	Tool Kit for Mobile Repair Use	2	205 Nos
33	Cleaner For Mobile Repair Use	100 Nos	Ultrasonic Cleaner for Mobile Repair Use	8	100 Nos

Further, on examination of the goods, the officer prima facie noticed that the goods were mis-declared by the importer in respect of quantity. The goods mentioned at Sr. no. 5, 9, 13, 14, 24, 27 and 29 of table No. III have been mis-declared in terms of quantity.

The details of the goods with declared/re-determined quantity is as follows.

Table-IV

Sr. no.	Sr. No. as mentioned in table no. III	Goods found during examination	Declared Quantity (in Pcs)	Re-determined Quantity (in Pcs)
1	5	Cutting Knife (for Mobile Repair Use)	198 No.s	5940 No.s
2	9	Heat Module for Tool Kits for Mobile Repair Use	100 No.s	200 No.s
3	13	Cables for Mobile	7000 No.s	146500 Nos
4	14	Mini Connector for Charger	7220000	100800 Nos

		(Raw Material for Charger)	No.s	
5	24	Packing Material for Mobile Accessories / Packing Tape	439500 No.s	145 Kgs approx / 44 Kgs approx
6	27	Rubber Earbuds for Handsfree (Raw Material for Handsfree)	503000 No.s	500000 No.s
7	29	Tempered Screen Guard for Mobile	2763 Kgs	543000 No.s

Valuation of the Goods:

4. Further, as goods found during examination in the subject Bill of Entry were mis-declared in terms of quantity, therefore, value of the goods need to be determined.

4.1. Rejection of declared value & Redetermination of Assessable Value:

The Rule 3 of the Customs Valuation (Determination of Price of Imported Goods) Rules, 2007 (hereinafter referred to as "*the CVR, 2007*") provides the method of valuation. The Rule 3(1) of the CVR, 2007 provides that "Subject to Rule 12, the value of imported goods shall be the transaction value adjusted in accordance with provisions of Rule 10. The Rule 3(4) *ibid* states that "if the value cannot be determined under the provisions of sub-rule (1), the value shall be determined by proceeding sequentially through Rule 4 to 9 of CVR, 2007". Whereas, it appears that, transaction value in terms of Rule 3 of the CVR, 2007, is to be accepted only where there are direct evidences with regard to the price actually paid or payable in respect of the imported goods by the importer. Whereas, it further appears that, there is a reasonable doubt regarding the truth and accuracy of the value declared by the importer, and hence it appears liable to be rejected in terms of Rule 12 of the CVR, 2007.

4.2. Whereas, it appears that, if actual transaction value which means price paid or payable cannot be ascertained on the basis of Rule 3 of the CVR, 2007, the value shall be decided proceeding to subsequent rules. Thus, recourse is to be taken to the Rule 9 of the CVR, 2007 which provides for determination of value where the value of the imported goods cannot be

determined under the provisions of the 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.

4.3. Whereas, it appears that, the value of the impugned goods could not be determined under Rule 4 and 5 *ibid* since the goods have been undeclared/mis-declared by means of description, the value of contemporaneous imports of identical and similar goods of same quality and composition was not found. Proceeding sequentially, it is stipulated under Rule 6 *ibid* that where the value is not determinable under Rule 3, 4 and 5, the value is to be determined under Rule 7 or when the value cannot be determined under that Rule, under Rule 8. Whereas, Rule 7 provides for 'Deductive Value' i.e. the value is to be determined on the basis of valuation of identical goods or similar imported goods sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, subject to deductions stipulated under the rule. Whereas, for the reasons detailed above, the values also cannot be determined as per the said Rule 7 *ibid*. Likewise, for application of Rule 8 of the CVR, 2007, the cost of production or processing involved in the imported goods are not available. In the absence of requisite data, the value cannot be determined by taking recourse to these rules either.

4.4. Whereas, it appears that, the provisions of Rule 4 to 8 *ibid*, are not applicable in the instant case, the value of the impugned goods is required to be determined under the provisions of Rule 9 of the CVR 2007, which reads as under: -

"Rule 9: Residual method – (1) Subject to the provisions of Rule 3, where the value of the 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."

4.5. Whereas, as per the provisions of Rule 9 *ibid*, the assessable value of the goods actually found during examination are required to be re-determined under Rule 9 *ibid*, i.e. as per the residual method. Whereas, the impugned goods were inspected by Shri Er. Ajayrajsinh B. Jhala, Chartered Engineer & Government approved valuer, who submitted his Valuation report vide reference No. ABJ:INSP:CE:SIIB:SH:MA:KOR:25-26:63 dated 08.03.2026 wherein, he has reported the value of the cargo as tabulated below:

Table-V

Sr. No.	Description (as per Panchnama)	No. of pieces on examination	Per unit avg suggestive CIF value of goods in bulk quantity in USD	Total Average suggestive CIF value of goods in bulk quantity in USD	Assessable Value (in INR) as per CE valuation	Duty payable as per assessable value ascertained by CE			
						BCD	SWS	IGST	TOTAL
1	Anti-Static Soldering Mat	500	0.4	200	17900	3580	358	3931	7869
2	Blowing Tool for Mobile Repair	60	0.35	21	1879.5	188	19	376	582
3	Bluetooth Wireless Earphone	14000	0.4	5600	501200	100240	10024	110064	220328
4	Clamp for Toolkit for Mobile Repair Use	600	0.2	120	10740	1074	107	2146	3327
5	Cutting Knife for Mobile Repair Use	5940	0.04	237.6	21265.2	2127	213	4249	6588
6	Soldering Tip for Mobile Repair Use	300	0.1	30	2685	269	27	536	832
7	DC Power Supply for Mobile Repair Use	40	0.8	32	2864	430	43	601	1073
8	Empty Bottle for Mobile Repair Use	2000	0.2	400	35800	3934	393	7223	11550
9	Heat Module For Tool Kits for Mobile Repair use	200	0.2	40	3580	358	36	715	1109
10	Heating Element for Mobile Repair use	200	0.3	60	5370	806	81	1126	2012
11	Cutting Knife Set for Mobile Repair use	160	0.05	8	716	72	7	143	222
12	Mini Testing Tool for Mobile Repair use	100	0.2	20	1790	179	18	358	555

13	Cables for Mobile	146500	0.003	439.5	39335.25	5900	590	8249	14739
14	Mini Connector For Charger (Raw Material for Charger)	100800	0.006	604.8	54129.6	5413	541	10815	16769
15	Mini Magnifying Device for Microscope for Mobile Repair Use	20	1.5	30	2685	201	20	523	745
16	Soldering Wire for Mobile Repair Use	200	0.06	12	1074	161	16	225	402
17	Mobile Connector Cable	1000	0.05	50	4475	671	67	938	1677
18	Soldering Iron for Mobile Repair Use	1000	0.05	50	4475	448	45	894	1386
19	Soldering Station for Mobile Repair use	20	0.4	8	716	72	7	143	222
20	Soldering Station for Mobile Repair use	50	1	50	4475	448	45	894	1386
21	Mini Table for heating Tool for Mobile Repair use	250	3	750	67125	10069	1007	14076	25152
22	Mini UV Lamp for Mobile Repair use	1000	0.1	100	8950	1343	134	1877	3354
23	Mini Speaker Wireless	5000	0.35	1750	156625	31325	3133	34395	68852
24	Packing Material for Mobile Accessories / Packing Tape	145	2.35	340.75	30497.13	4575	457	6395	11427
		44	2.4	105.6	9451.2	1418	142	1982	3541
25	PCB Holder for Mobile Repair use	100	0.2	20	1790	269	27	375	671
26	Pliers for Mobile Repair use	600	0.15	90	8055	806	81	1609	2495
27	Rubber Earbuds for Handsfree (Raw Material for handsfree)	500000	0.0005	250	22375	3356	336	4692	8384
28	Rubber Mat for Mobile Repair Use	220	0.4	88	7876	1575	158	1730	3462
29	Tempered Screen Guard for Mobile	543000	0.09	48870	4373865	437387	43739	873898	1355023
30	Wireless Speaker	8040	0.2	1608	143916	28783	2878	8779	40440
31	Stand for Microscope for Mobile Repair Use	200	0.3	60	5370	403	40	1046	1489
32	Tool Kit for Mobile Repair Use	205	0.3	61.5	5504.25	550	55	1100	1705
33	Ultrasonic Cleaner for Mobile Repair Use	100	0.5	50	4475	448	45	894	1386
	Total			62156.75	5563029	648872	64887	1106997	1820756

4.6. Whereas, it appears that, the assessable value of Rs. 9,93,649.59/- declared by the importer in the Z-Bill of Entry No. 5660120 dated 12.11.2025 is liable to be rejected in terms of Rule 12 of the CVR, 2007.

Whereas, further it appears that, the assessable value of the cargo covered under said Bill of Entry is required to be taken as Rs. 55,63,029.125 /- on the basis of valuation report submitted by the CE for the purpose of valuation under provisions of Rule 9 of the CVR, 2007 read with note 2 of the interpretative notes for Rule 9 of the CVR, 2007.

5. Importability and Policy Compliance:

All the goods found during the examination are freely importable after paying of applicable Customs Duty except the goods mentioned at Sr. No. 3, 23 and 30 of Table-III. The goods mentioned at Sr. No. 3, 23 and 30 of Table-III falls under mandatory requirements of BIS.

5.1. The importer has produced BIS certificate No. R-41169188 for the goods mentioned at Sr. No. 23 and 30 of Table III valid till 05.11.2026, BIS certificate no. R-41187810 for the goods mentioned at Sr. No 3 of table III valid upto 18.04.2027, the same were also verified from BIS Care App.

6. Re-determination of Applicable Duty:

On the basis of re-determined value of the goods in above Table-V, duty leviable on goods imported vide B/E No. 5660120 dated 12.11.2025 is being re-calculated for the goods which will be released for Home Consumption.

The total re-determined value of the goods releasable for Home Consumption comes to Rs. 55,63,029/- and the total re-determined Duty for the said releasable goods comes to Rs. 18,20,756/- instead of the declared duty for the same i.e. Rs. 3,32,783/-. The differential duty of said releasable goods comes to Rs. 14,87,973/- (BCD Rs. 5,30,285/-, SWS-Rs. 53,028/-, IGST Rs. 9,04,660/-).

7. Outcome of the Investigation:

The investigation conducted by the Special Intelligence and Investigation Branch (SIIB), Customs House, Mundra, based on the special intelligence, revealed significant irregularities in the import consignment of

M/s Korbian Infotect (IEC-DDNPA0326N), having its registered office at Ground Floor, Bearing No. 5393, Situated at Reghar Pura, Gali No. 70, Karol Bagh, New Delhi - 110005, under Z-Bill of Entry No. 5660120 dated 12.11.2025 , covering container TXGU6688753. The examination was conducted on 05.01.2026, which uncovered deliberate mis-declaration, undervaluation, and non-compliance with regulatory requirements, indicating an intent to evade Customs duties and violate import regulations. The outcomes of the investigation are as follows:

7.1. Examination of the Goods:

The officer of SIIB section, CH Mundra, conducted the examination of the impugned goods stuffed into the container no. TXGU6688753 covered under the Z-Bill of Entry No. 5660120 dated 12.11.2025 under Panchnama dated 05.01.2026. During the course of examination of the impugned goods, after complete de-stuffing, 1344 packages were found. Further, on examination of the goods, it was noticed that the goods mentioned at Sr. no. 5, 9, 13, 14, 24, 27 and 29 of table No. III have been mis-declared in terms of quantity.

7.2. Valuation of the Goods:

Whereas, as per the provisions of Rule 9 ibid, the assessable value of the goods actually found during examination are required to be re-determined under Rule 9 ibid, i.e. as per the residual method. Whereas, the impugned goods were inspected by Shri Er. Ajayrajsinh B. Jhala, Chartered Engineer & Government approved valuer, who submitted his Valuation report vide reference No. ABJ:INSP:CE:SIIB:SH:MA:KOR:25-26:63 dated 08.03.202. It appears that, the assessable value of Rs. 9,93,649.59/- declared by the importer in the Z-Bill of Entry No. 5660120 dated 12.11.2025 is liable to be rejected in terms of Rule 12 of the CVR, 2007. Whereas, further it appears that, the assessable value of the cargo covered under said Bill of Entry is required to be taken as Rs. 55,63,029/- on the basis of valuation report submitted by the CE for the purpose of valuation

under provisions of Rule 9 of the CVR, 2007 read with note 2 of the interpretative notes for Rule 9 of the CVR, 2007.

7.4. Re-determination of Duty:

The total re-determined value of the goods releasable for Home Consumption comes to Rs. 55,63,029/- and the total re-determined Duty for the said releasable goods comes to Rs. 18,20,756/- instead of the declared duty for the same i.e. Rs. 3,32,783/-. The differential duty of said releasable goods comes to Rs. 14,87,973/- (BCD Rs. 5,30,285/-, SWS-Rs. 53,028/-, IGST Rs. 9,04,660/-).

7.5. Importability and Policy Compliance:

All the goods found during the examination are freely importable after paying of applicable Customs Duty.

7.6. Confiscation of Goods and Penal Action:

In view of the above, it is evident that the importer, M/s Korbian Infotect (IEC-DDNPA0326N, has imported the goods covered under Bill of Entry No. 5660120 dated 12.11.2025 by way of mis-declaration in quantity, description and classification. Therefore, the goods found during the examination are liable for confiscation under Section 111(l) and 111(m) of the Customs Act, 1962. The importer's actions indicate an intent to evade customs duty, violating Section 46(4) of the Customs Act, 1962 (false declaration in Bill of Entry). Consequently, the importer is liable for penalties under Sections 112(a)(ii) and 114AA of the Customs Act, 1962, for knowingly submitting false documents and attempting to evade duties.

8. 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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54;

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

Any person,-

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

b. *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.

(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 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.*

9. In view of the above facts and discussion, it appears that –

- i. The declared description, quantity and classification of the goods imported vide Z-Bill of Entry No. 5660120 dated 12.11.2025, filed by the Importer M/s Korbian Infotect, are liable to be rejected due to mis-

- declaration and mis-classification, as detailed above and the same needs to be re-determined as per Tables III and IV.
- ii. The total declared assessable value of Rs. 9,93,649.59/- for the goods under Z-Bill of Entry No. 5660120 dated 12.11.2025 is liable to be rejected and re-determined as Rs. 55,63,029/-, as per the Chartered Engineer's valuation report dated 08.03.2026, under Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, read with Section 14 of the Customs Act, 1962.
 - iii. The Bill of Entry no. 5660120 dated 12.11.2025 need to be re-assessed under Section 17(4) of The Customs Act, 1962 with re-determined duty, classification and description as discussed in above paras.
 - iv. The goods imported vide Bill of Entry no. 5660120 dated 12.11.2025 having re-determined value of Rs. 55,63,029/- are liable for confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962.
 - v. The importer, M/s Korbian Infotect, is liable for penalties under Sections 112(a)(ii), and 114AA of the Customs Act, 1962.

Submission and Personal Hearing

10. The importer vide letter dated 09.09.2026 has requested for waiver of SCN and PH in the instant case and accepted the CE valuation.

Discussion and Findings

11. I find that the importer, M/s Korbian Infotect (IEC 0516919334), has requested for waiver of Show Cause Notice (SCN) and Personal Hearing (PH) in the instant case and has accepted the Chartered Engineer's valuation report dated 08.03.2026. In view of the importer's explicit waiver of SCN and Personal Hearing, the principles of natural justice under Section 122A of the Customs Act, 1962, have been duly complied with. Considering the

importer's waiver and the availability of all material evidence on record, including the Z-Bill of Entry No. 5660120 dated 12.11.2025, Panchnama dated 05.01.2026, examination findings, and the Investigation Report No. 09/2026-27, the case is ripe for adjudication on merits without issuance of SCN or conduct of Personal Hearing, as per the provisions of Section 122A read with Section 124 of the Customs Act, 1962.

11.1 As the principles of natural justice stand complied with in view of the importer's explicit waiver of Show Cause Notice and Personal Hearing and their acceptance of the Chartered Engineer's valuation, I now proceed to adjudicate the matter on merits. After going through the facts of the, the following key issues are identified for determination:

- i. Whether the declared description, quantity and classification of the goods imported vide Z-Bill of Entry No. 5660120 dated 12.11.2025 by the importer M/s Korbian Infotect are liable to be rejected due to mis-declaration and mis-classification and need to be re-determined as per the examination findings in Tables III and IV above;
- ii. Whether the declared assessable value of Rs. 9,93,649.59/- is liable to be rejected in terms of Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and the assessable value is required to be re-determined as Rs. 55,63,029/- under Rule 9 of the said Rules on the basis of the Chartered Engineer's valuation report dated 08.03.2026;
- iii. Whether the Bill of Entry No. 5660120 dated 12.11.2025 needs to be re-assessed under Section 17(4) of the Customs Act, 1962 with the re-determined duty, classification and description;
- iv. Whether the goods imported vide Bill of Entry No. 5660120 dated 12.11.2025 having re-determined value of Rs. 55,63,029/- are liable for confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962;

- vi. Whether the importer M/s Korbian Infotect is liable for penalties under Sections 112(a)(ii) and 114AA of the Customs Act, 1962.

12. I find that the facts of the case have been clearly established from the Investigation Report No. 09/2026-27 dated 04.04.2026 issued by the Special Intelligence and Investigation Branch (SIIB), Custom House, Mundra. The impugned consignment was imported by M/s Korbian Infotect (IEC 0516919334) vide Z-Bill of Entry No. 5660120 dated 12.11.2025 covering container No. TXGU6688753 and was examined by the officers of SIIB on 05.01.2026 in the presence of the importer's authorised representative Shri Pranjal Singh. A detailed Panchnama dated 05.01.2026 was drawn at the premises of M/s Shoolin Trade Link LLP, APSEZ, Mundra after complete de-stuffing of the container. The weighment of the cargo was cross-verified with the SEZ unit's weighment slip, which showed an actual cargo weight of 21,660 kg as against the Bill of Lading weight of 19,660 kg.

12.1 During the course of examination, 1,344 packages were found inside the container. The goods actually recovered and examined were mobile repair tools and accessories, Bluetooth wireless earphones, nano speakers, small speakers with Aux/USB, tempered screen guards, rubber earbuds (raw material for handsfree), packing material, mini connectors, cables, and various other mobile repair related items. The nature and description of the goods found during examination broadly corresponded to the category of "Misc. Items" declared in the Bill of Entry; however, significant discrepancies were observed in respect of quantity, specific description, and classification.

12.2 The examination established that the declared description, quantity, and classification did not match the goods actually found in several cases. While most items were mobile repair related tools and accessories as broadly declared, the following specific items were found mis-declared in terms of quantity (as per Table-IV above):

Table - 1

Sr. No.	Goods Found During Examination	Declared Quantity	Actual Quantity Found	Nature of Mis-declaration
1	Cutting Knife for Mobile Repair Use	198 Nos	5,940 Nos	Huge excess
2	Heat Module for Tool Kits	100 Nos	200 Nos	Excess
3	Cables for Mobile	7,000 Nos	1,46,500 Nos	Massive excess
4	Mini Connector for Charger (Raw Material)	72,20,000 Nos	1,00,800 Nos	Gross over-declaration
5	Packing Material / Packing Tape	4,39,500 Nos	145 kg + 44 kg (approx)	Different unit & quantity
6	Rubber Earbuds for Handsfree	5,03,000 Nos	5,00,000 Nos	Minor difference
7	Tempered Screen Guard for Mobile	2,763 kg (82,800 Pcs)	5,43,000 Nos	Declared in kg, found in pieces – huge excess

12.3 In respect of the remaining items, the description and quantity matched the declaration. The goods do not fall under any restricted or prohibited category. The importer had submitted valid BIS certificates (No. R-41169188 valid till 05.11.2026 and No. R-41187810 valid till 18.04.2027) for the Bluetooth wireless earphones, nano speakers, and small speakers, which were verified through the BIS Care App. Thus, the goods are freely importable upon payment of applicable customs duty.

12.4 The above examination findings, supported by the Panchnama dated 05.01.2026, clearly establish that the importer made incorrect declaration in respect of quantity for the seven items mentioned above. There is also evidence of mis-description in certain cases (for example, “Cutting Knife” found in excess quantity, “Screen Protector” declared in kg but found in pieces, “Cables for Earphone” actually found as “Cables for Mobile” in much higher quantity). These discrepancies were not disputed by the importer, who has accepted the Chartered Engineer’s valuation report and requested waiver of Show Cause Notice and Personal Hearing.

12.5 I find that the goods imported under the present shipment were found mis-declared in respect of description, classification, valuation and other particulars during the examination of the goods. I find that the goods were found mis-declared in terms of classification, description, valuation, import

policy etc. and items found during the examination were found to be not declared in the import documents in the manner and to the extent actually present. The importer during the investigation has not disputed the findings of the investigation. Goods declared in the Bill of Entry and actual goods found during the examination of the goods are already mentioned in foregoing paras and there is no need to repeat them here for the sake of brevity. The above findings clearly establish that the importer failed to make a true and correct declaration of the imported goods as mandated under Section 46 of the Customs Act, 1962.

13. The importer declared the goods under various Customs Tariff Headings (CTHs) as listed in Table-I above. The major declared CTHs include 40169990 (antistatic/rubber mats), 82059090 and 82089090 (cutting knives, clamps, tool kits), 85183019 (Bluetooth wireless earphones), 85151900 and 85177990 (soldering irons, heating elements, UV lamps, power supplies), 85444999 (cables and wires), 85369090 (mini connectors), 85182110 (nano/small speakers), 70072190 (screen protectors), 39269099 (packing material and plastic articles), 82032000 (pliers) and 34029099 (cleaners), among others.

13.1 On detailed physical examination conducted on 05.01.2026 and as recorded in the Panchnama dated 05.01.2026 read with Table-III above, the actual goods were found with more specific descriptions and commercial identities. Classification of the imported goods is required to be determined strictly as per the First Schedule to the Customs Tariff Act, 1975, applying the General Rules for Interpretation (GIR), relevant Section Notes and Chapter Notes, based on the material composition, essential character, function and predominant use of the goods actually recovered.

13.2 The comparison of declared CTH vis-à-vis the goods actually found during examination is summarized in the table below for the key items where variation in description was noticed:

Table: Comparison of Declared and Appropriate Classification

Table - 2

Sr. No.	Goods as per Examination Findings (Table-III)	Declared CTH	Declared Description in BE	Appropriate CTH	Reason for Re-classification
1	Tempered Screen Guard for Mobile	70072190	Screen Protector (82800 Pcs)	39269099	Declared under Heading 7007 as safety glass. However, the goods are thin tempered glass / plastic film screen protectors for mobile phones. As per GIR 1 and 3(b), they are correctly classifiable as "other articles of plastics" under 3926.90.99 (Chapter 39 Note 1 excludes certain glass articles; commercial identity is that of a protective plastic article).
2	Cables for Mobile / Mini Cable for Earphone	85444999	Mini Cable for Earphone	85444999	Classification remains correct. The goods are insulated electric conductors/cables not fitted with connectors and are appropriately covered under Heading 8544 as per Section XVI Note 2 and Chapter Note 1.
3	Mini Connector for Charger (Raw Material)	85369090	Mini Connector for Charger (Raw Material)	85369090	Classification upheld. These are electrical apparatus for making connections and fall squarely under Heading 8536 as per GIR 1.
4	Cutting Knife / Cutting Knife Set	82059090 / 82089090	Cutting Knife (for Mobile Repair Use) / Cutting Knife Set	82089090 / 8211.00	Declared CTH 8205.90 is general hand tools. Actual goods are specific cutting blades/knives. As per GIR 1 and Chapter 82 Note 1, they are more appropriately classifiable under 8208.90 (other knives and cutting blades) or 8211 (knives with cutting blades) depending on design and use.
5	Nano Speaker / Small Speaker with Aux/USB (Wireless)	85182110	Nano Speaker / Small Speaker with Aux/USB	85182110 / 85182200	Classification broadly correct under Heading 8518. However, where single speaker units are found, 8518.21.10 applies; for multiple-speaker sets, 8518.22 may be attracted as per Chapter Note 3 of Section XVI and GIR 3(a).
6	Packing Material for	39269099	Packing Material for	39269099 / 3919.10	Classification correct under 3926.90.99 for plastic packing

Sr. No.	Goods as per Examination Findings (Table-III)	Declared CTH	Declared Description in BE	Appropriate CTH	Reason for Re-classification
	Mobile Accessories (>100 micron)		Mobile Accessories More Than 100 Micron		articles. Where self-adhesive tape form is found, 3919.10 may also apply as per Chapter 39 Note 2.

13.3 For the remaining items such as anti-static soldering mats (40169990), Bluetooth wireless earphones (85183019), soldering irons/stations (85151900/85177990), heat modules, pliers (82032000), rubber earbuds (85189000), DC power supplies, PCB holders, ultrasonic cleaners and UV lamps, the declared CTHs are found to be consistent with the actual nature, material and function of the goods recovered and are therefore upheld.

13.4 I find that the declared CTH 70072190 for tempered screen guards is incorrect. The goods are not safety glass of the type covered under Heading 7007 but are thin protective films/composites for mobile phones and are correctly classifiable under CTH 39269099 as per GIR 1 read with Chapter Note 1 to Chapter 39 and the essential character test under GIR 3(b). Similarly, the declared CTHs 82059090/82089090 for cutting knives require re-determination under the more specific heading 8208.90 or 8211.00 because the actual goods are specialised cutting blades for mobile repair use. The classification of all other items is upheld as declared, subject only to alignment of the description in the Bill of Entry with the actual goods found during examination. The final classification of each item shall be determined in accordance with the First Schedule to the Customs Tariff Act, 1975, applying the appropriate Tariff heading, Section Notes, Chapter Notes and General Rules for Interpretation.

14. From the above, it is evident that the importer had mis-declared the goods in terms of description, quantity, classification etc. and the goods were not found exactly as per the declaration filed in the Z-Bill of Entry No. 5660120 dated 12.11.2025. I find that the declared value cannot be

accepted as true transaction value. Further, the importer during the investigation has accepted the findings and requested for waiver of Show Cause Notice and Personal Hearing. The importer has also agreed to the valuation suggested by the Chartered Engineer. Thus, the declared value is not acceptable as transaction value and merits rejection in terms of Section 14 of the Customs Act, 1962 read with Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. The value is required to be re-determined by sequentially proceeding in terms of Rules 4 to 9 of the Customs Valuation Rules, 2007.

14.1 I find that Rule 4(1)(a) of the CVR, 2007 stipulates determination of value on the basis of transaction value of identical goods. Rule 5 provides for transaction value of similar goods. I observe that the imported goods were found in different variety, description, specification and quantity, so it was not possible to find contemporaneous imports of identical/similar goods having the same description, brand, make, model, quantity and country of origin. As contemporaneous data for imports of identical/similar goods was not available, the value cannot be determined under Rules 4 and 5 of the CVR, 2007. As per Rule 6, if the value cannot be determined under Rules 3, 4 and 5, it shall be determined under Rule 7 or Rule 8. No exact sales values and data required for quantification of deductions under Rule 7 were available. Further, computed value under Rule 8 cannot be calculated in the absence of data relating to cost of production or processing. In such scenario, it is appropriate to invoke the provisions of Rule 9 (residual method) for determining the value of the impugned goods.

14.2 I find that in the absence of credible data of imports of similar goods and other constraints, the value of these goods cannot be determined in terms of Rules 4, 5, 6, 7 and 8 of the Customs Valuation Rules, 2007. Hence, the value is to be determined in terms of Rule 9 of the said rules. For the purpose of valuation, the Chartered Engineer vide his report dated 08.03.2026 has suggested the valuation of the goods as detailed in Table-V the above. The contents of the table are not being repeated here for the sake of brevity.

14.3 In view of the above, I find that the market price as provided by the Chartered Engineer has to be considered as the basis for arriving at the assessable value of these goods. I hold that the declared value in respect of the goods under Bill of Entry No. 5660120 dated 12.11.2025 is liable to be rejected under Rule 12 of the CVR, 2007 and the same is liable to be re-determined under Section 14 of the Customs Act, 1962 read with Rule 9 of the CVR, 2007. Thus, I find it appropriate to accept the value suggested by the Chartered Engineer for the present shipment.

Table - 3

Comparative Table: Re-determined Assessable Value and Calculation of Differential Duty

Particulars	Declared Amount (₹)	Re-determined Amount (₹)	Differential Amount (₹)
Assessable Value	9,93,649.59	55,63,029	45,69,379.41
Total Duty Payable	3,32,783	18,20,756	14,87,973
Break-up of Differential Duty	-	-	-
• Basic Customs Duty (BCD)	-	-	5,30,285
• Social Welfare Surcharge (SWS)	-	-	53,028
• Integrated Goods & Services Tax (IGST)	-	-	9,04,660

The importer had declared and paid duty of ₹3,32,783/- on the Bill of Entry. On re-determination under Rule 9 of the CVR, 2007, the total duty liability works out to ₹18,20,756/-. Hence, a differential duty of ₹14,87,973/- becomes recoverable.

14.4 For clarity and ease of re-assessment, the following table summarizes the parameters requiring re-determination and re-assessment for the Bill of Entry No. 5660120 dated 12.11.2025

Table - 4

Parameter	Declared Particulars	Found / Re-determined Particulars
Description	Misc. Items	Specific mobile repair tools, accessories, speakers,

Parameter	Declared Particulars	Found / Re-determined Particulars
		screen guards, cables etc. as per Table-III
Quantity	As per Table-I above	As per Table-III & Table-IV above
Classification	Various CTHs as declared in Table-I	As determined under Examination of Classification
Valuation	Rs. 9,93,649.59	Rs. 55,63,029 (under Rule 9 of CVR, 2007)

15 It is alleged in that the goods are liable for confiscation under Section 111(l) and 111(m) of the Customs Act, 1962. In this regard, I find that as far as confiscation of goods is concerned, Section 111 of the Customs Act, 1962 defines the confiscation of improperly imported goods. The relevant legal provisions of Section 111 of the Customs Act, 1962 are reproduced below:

“(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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54;”

15.1 In view of the facts and material evidence on record, it is clearly established that the goods imported in the present shipment have been found mis-declared in respect of description, quantity, value and classification along with other material particulars. The consignment was imported through a Z-Bill of Entry No. 5660120 dated 12.11.2025 for clearance into the Domestic Tariff Area (DTA). As per Rules 47 and 48 of the SEZ Rules, 2006, once the goods are intended for DTA clearance, their valuation, assessment and compliance are fully governed by the provisions of the Customs Act, 1962 and the rules made thereunder. Thus, the

imported goods were very much subject to the provisions of the Customs Act, 1962, including confiscation provisions for mis-declaration.

15.2 I find that the goods imported by M/s Korbian Infotect were not correctly declared in respect of their quantity, description and value. The importer had declared specific quantities against several items such as Cutting Knife (198 Nos), Heat Module (100 Nos), Cables for Mobile (7,000 Nos), Mini Connector for Charger (72,20,000 Nos), Packing Material (4,39,500 Nos), Rubber Earbuds (5,03,000 Nos) and Screen Protector (2,763 kg / 82,800 Pcs). However, upon examination, the actual quantities recovered were materially different as detailed in Table-IV of above. Further, there was variation in the unit of declaration in certain cases (e.g., Screen Protector declared in kg but found in pieces) and minor differences in commercial description of some items. These goods were not found exactly as declared in the Bill of Entry.

15.3 I also find that the mis-declaration of quantity (both excess and short-declared) and the variation in description and value bring the goods within the ambit of Section 111(l) of the Customs Act, 1962, as the goods are dutiable and were found in excess of or not in accordance with those included in the entry made under the Act. Further, the goods do not correspond in respect of value and other material particulars with the entry made in the Bill of Entry, thereby attracting Section 111(m) of the Customs Act, 1962. Accordingly, I find that the entire consignment of goods imported vide Bill of Entry No. 5660120 dated 12.11.2025 is liable for confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962.

16. From the above, as discussed in Paras 12.5, 13.4, 14.3 and 15.4, it is evident that the importer has mis-declared the goods in respect of description, quantity, classification, valuation and other particulars. Thus, by these acts, the importer has rendered the subject goods liable for confiscation and also rendered themselves liable for penal action under the provisions of Section 112(a) of the Customs Act, 1962. With respect to the

dutiable goods, I find that the importer M/s Korbian Infotect is liable for penalty under Section 112(a)(ii) of the Customs Act, 1962.

16.1 As regards the penalty on the importer under Section 114AA of the Customs Act, 1962 is concerned, Section 114AA mandates penal action for intentional usage of false and incorrect material against the offender. From the investigation and other material particulars on record, it is observed that the importer has dealt with incorrect documents while filing the Bill of Entry for the said shipment. The importer had knowingly and intentionally made/signed/used and/or caused to be made/signed/used the import documents and other related documents which were false or incorrect in material particulars such as description, quantity, value and classification, with the intention to evade payment of legitimate customs duty. Therefore, the importer is liable to penalty under Section 114AA of the Customs Act, 1962.

17. As the impugned goods have been found liable to confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962, it becomes necessary to examine whether redemption fine under Section 125 of the said Act is imposable in lieu of confiscation. The statutory provision reads as under:

“Section 125. Option to pay fine in lieu of confiscation.—(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods [or, where such owner is not known, the person from whose possession or custody such goods have been seized,] an option to pay in lieu of confiscation such fine as the said officer thinks fit.”

17.1 A plain reading of the above provision reveals that the imposition of redemption fine serves as an alternative to confiscation, providing the owner of the goods an opportunity to redeem them on payment of a fine, wherever

their clearance for home consumption is not restricted under any policy or statutory provision.

17.2 In the instant case, the goods are dutiable but not prohibited under the Customs Tariff Act, 1975 or the Foreign Trade (Development & Regulation) Act, 1992. There exists no restriction or prohibition under any policy framework which would prevent their clearance for home consumption. The importer has submitted valid BIS certificates for the speakers and earphones, which were duly verified, and all goods are freely importable upon payment of applicable customs duty.

17.3 Since the goods are non-prohibited, and the importer has not opted for re-export, the mandatory provision under Section 125(1) comes into operation. Accordingly, the importer M/s Korbian Infotect is entitled to the option of redemption of the confiscated goods for home consumption on payment of an appropriate fine in lieu of confiscation.

18. In view of the above findings, I conclude that the importer M/s Korbian Infotect has mis-declared the goods in respect of description, quantity, classification (in respect of certain items) and value in the Z-Bill of Entry No. 5660120 dated 12.11.2025. These acts of mis-declaration have rendered the entire consignment liable to confiscation under Sections 111(l) and 111(m) of the Customs Act, 1962. The importer is also liable for penalty under Sections 112(a)(ii) and 114AA of the Customs Act, 1962. Since the goods are dutiable and not prohibited, an option to redeem the confiscated goods on payment of an appropriate redemption fine in lieu of confiscation is required to be extended to the importer under Section 125(1) of the Customs Act, 1962.

19. In view of the above discussion and findings, I pass the following order.

Order

(i) I order to reject the self-assessment made by the importer under Section 17(1) of the Customs Act, 1962 for Bill of Entry No. 5660120 dated 12.11.2025. Further, I order to re-assess the said Bill of Entry in accordance Table - 4 under the provisions of Section 17(4) of the Customs Act, 1962. The duty so arising consequent to such re-assessment shall be payable by the importer.

(ii) I order to reject the declared assessable value of Rs. 9,93,649.59/- and order to re-determine the same as Rs. 55,63,029/- (Rupees Fifty Five Lakh Sixty Three Thousand Twenty Nine only) under Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.

(iii) I order for confiscation of the goods imported vide Bill of Entry No. 5660120 dated 12.11.2025, having a re-determined assessable value of Rs. 55,63,029/-, under Sections 111(l) and 111(m) of the Customs Act, 1962. However, I give an option to the importer to redeem the said goods for home consumption on payment of a redemption fine of Rs. 5,55,000/- (Rupees Five Lakh Fifty-Five Thousand only) under Section 125 of the Customs Act, 1962.

(iv) I impose a penalty of Rs. 1,48,000/- (Rupees One Lakh Forty Eight Thousand only) upon the importer under Section 112(a)(ii) of the Customs Act, 1962.

(v) I impose a penalty of Rs. 1,00,000/- (Rupees One Lakh only) upon the importer under Section 114AA of the Customs Act, 1962.

12. This Order is issued without prejudice to any other action that may be taken against the importer under the provisions of the Customs Act, 1962 or rules made thereunder or under any other law for the time being in force.

Additional Commissioner
Customs House, Mundra

Copy to:

M/s Korbian Infotect (IEC 0516919334)
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Situated at Reghar Pura, Gali No. 70,
Karol Bagh, New Delhi - 110005