

	<p style="text-align: center;"> <b>कार्यालय: प्रधान आयुक्त, सीमाशुल्क, मुन्द्रा,</b>  <b>सीमाशुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370 421</b>  <b>OFFICE OF THE PRINCIPAL COMMISSIONER OF</b>  <b>CUSTOMS:</b>  <b>CUSTOMS HOUSE, MUNDRA PORT, KUTCH,</b>  <b>GUJARAT- 370421</b>  <b>E-mail: group5-mundra@gov.in</b> </p>	
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**Date: 25-03-2026**

**DIN: 20260371MO0000222C45**

**Corrigendum to the OIO No. MCH/ADC/ZDC/ 720 /2025-26dated 25.03.2026**

In the **OIO No. MCH/ADC/ZDC/ 720 /2025-26dated 25.03.2026** issued vide F.No. CUS/ICFS/MISC/230/2026-Docks Examn-O/o Pr Commr-Cus-Mundra in respect of M/s. Kanha Packwell (IEC : AAVFK9761F), the following corrections are made to rectify the clerical errors:-

**1. Para 19(iv) mentioned as:**

*“(iv) I order to confiscate the imported goods covered under Bill of Entry No. 7839996 dated 02.03.2026, mentioned at Sr. No. 2 on Table-D, having assessable value of **Rs. 31,06,220/-** (Rupees Thirty one lakh Six Thousand Two Hundred and Twenty Only), under Section 119 of the Customs Act, 1962. However, I give option to the importer to redeem the said goods for **home consumption** under Section 125 of the Customs Act, 1962 on payment of Redemption Fine of **Rs. 4,00,000/- (Rupees Two Lakh Only);”***

**May be read as:**

*“(iv) I order to confiscate the imported goods covered under Bill of Entry No. 7839996 dated 02.03.2026, mentioned at Sr. No. 2 on Table-D, having assessable value of **Rs. 31,06,220/-** (Rupees Thirty one lakh Six Thousand Two Hundred and Twenty Only), under Section 119 of the Customs Act, 1962. However, I give option to the importer to redeem the said goods for **home consumption** under Section 125 of the Customs Act, 1962 on payment of Redemption Fine of **Rs. 4,00,000/- (Rupees Four Lakh Only)”***

**2. Para 19(v) mentioned as:**

*“(vi) I impose penalty of **Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only)** on the importer M/s. Hindustan Overseas under **Section 114AA** of the Customs Act, 1962.”*

**May be read as:**


- (vi) I impose penalty of **Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only)** on the importer M/s. Kanha Packwell under **Section 114AA** of the Customs Act, 1962.
2. Rest of the contents of the OIO No. MCH/ADC/ZDC/ 720 /2025-26dated 25.03.2026 remains unchanged.
3. This corrigendum is being issued under Section 154 of the Customs Act, 1962.

**Digitally signed by  
Dipakbhai Zala  
Date: 25-03-2026  
18:18:39 (Dipak Zala)  
Additional Commissioner  
Custom House, Mundra**

To,  
M/s. Kanha Packwell  
Plot No. 39, Nand Nagar Industrial Area,  
Kashipur – 244713

**Copy to:**

1. The Deputy Commissioner, Review, Customs House, Mundra
2. The Deputy Commissioner, TRC, Custom House, Mundra
3. The Deputy Commissioner, EDI, Customs House, Mundra
4. The Deputy Commissioner, Docks Examination, Mundra
5. Guard File

	<b>प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, मुन्द्रा</b> <b>OFFICE OF THE PRINCIPAL COMMISSIONER,</b> <b>CUSTOM HOUSE, MUNDRA</b> Port User Building (PUB), Mundra (Gujarat - 370421) ई-मेल/ E-Mail: group5-mundra@gov.in	
	A	फा. सं./ FILE NO.
B	मूल आदेश सं. ORDER-IN-ORIGINAL NO.	MCH/ADC/ZDC/720/2025-26
C	द्वारा पारित किया गया PASSED BY	Dipak Zala Additional Commissioner of Customs, Custom House, Mundra
D	आदेश की तिथि DATE OF ORDER	25-03-2026
E	जारी करने की तिथि DATE OF ISSUE	25-03-2026
F	कारण बताओ नोटिस सं. एवं तिथि SCN NUMBER & DATE	Importer requested for SCN and PH Waiver
G	नोटिसी/पार्टी / आयातक NOTICEE/ PARTY/ IMPORTER	M/s. Kanha Packwell, Plot No. 39, Nand Nagar Industrial Area, Kashipur - 244713
H	डिन/ DIN	20260371MO000000E9D2

- यह अपील आदेश संबन्धित को निःशुल्क प्रदान किया जाता है।  
This Order - in - Original is granted to the concerned free of charge.
- यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 129A(1) के अंतर्गत प्रपत्र सीए3-में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-  
Any person aggrieved by this Order - in - Original may file an appeal under Section 128 A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:  
"सीमा शुल्क आयुक्त) अपील, चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड, नवरंगपुरा, अहमदाबाद 380009"  
"The Commissioner of Customs (Appeals), Mundra, 4<sup>TH</sup> Floor, Hudco Building, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009."
- उक्त अपील यह आदेश भेजने की दिनांक से तीन माह के भीतर दाखिल की जानी चाहिए।  
Appeal shall be filed within three months from the date of communication of this order.
- उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5 -रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए -

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

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मदसं-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प वहन करना चाहिए।

The appeal should bear Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty 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 चाहिये। Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.

7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के सभी मामलों में पालन किया जाना चाहिए।

While submitting the appeal, the Customs (Appeals) Rules, 1982 and the Customs Act, 1962 should be adhered to in all respects.

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

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

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### **BRIEF FACTS OF THE CASE**

M/s. Kanha Packwell (IEC : AAVFK9761F) (hereinafter referred to as 'the Importer') having address Plot No. 39, Nand Nagar Industrial Area, Kashipur – 244713 has filed a Bill of Entry No. 7839996 dated 02.03.2026 for import of the following goods through their authorized Customs Broker M/s. Baylor Sealift Shipping and Logistics at Mundra Port. The brief details are as under:

**TABLE-A**

Sl. No.	Item No.	Item Description	Declared HSN	Quantity Declared	Assessable Value
1	1	Stretch Film Machine (Model XHD-55/75-1250)	84772000	1 Set	31,06,220/-

2. The impugned bill of entry was selected for examination by RMS with order “*check seal no. of all container. de-stuff all cargo and open and examine 100% of cargo located in all areas (1,2,3,4,5) for all container(other than iso liquid/gas container, dangerous cargo and bulk cargo).*”

3. During examination, it was observed that contrary to declared 1 set of machines, 2 sets were found in the cargo. Further, as per declaration made in the aforementioned bill of entry and Commercial Invoice No. XHD-J20250829, the importer has declared the goods as Stretch Film Machine – 1 Set with an invoice value of USD 33,800/- (33800\*91.9 = INR 31,06,220/-). However, further scrutiny of the documents revealed that the Proforma Invoice issued by the supplier mentions the following items:



Sr. No.	of Goods (New Goods with Standard Accessories / Capital Goods)	Model No. / Identification No.	Qty (Set/Pcs)	Unit CIF Invoice Value (USD)	Total CIF Invoice Value (USD)	Unit Avg. CIF Value Assessed by CE (USD)	Total Avg. CIF Value Assessed by CE (USD)	Total Avg. CIF Value Assessed by CE (INR)
1	Stretch Film Machine (Model No. XHD-55/75X1250)	Model: XHD55/75-1250; Sr. No.: 2026013005	1 Set	33,800.00	33,800.00	33,800.00	33,800.00	31,06,220/-
2	XHD-1000B Semi-Auto Slitting and Rewinding Machine (Model No. XHD-1000B)	Model: XHD-1000B; Sr. No.: 202601308	1 Set	5,500.00	5,500.00	5,500.00	5,500.00	5,05,450/-
<b>TOTAL</b>								<b>36,11,670/-</b>

## 7. Duty Calculation:

7.1 In view of the foregoing paras, duty in respect of the said consignment is worked out as under mentioning mis-declaration noticed in terms of description/quantity/valuation mentioned against the respective items:

**TABLE-D**

Amount in INR

Sr. No.	Description of Goods (New Goods with Standard Accessories / Capital Goods)	HSN	Assessable Value (INR)	BCD @ 7.5% of D	SWS @ 10% of E	IGST @ 18% of (D+E+F)	Total Duty (E+F+G)
A	B	C	D	E	F	G	H
1	Stretch Film Machine (Model No. XHD-55/75X1250)	84772000	3106220	232966.5	23296.7	605247.0	8,61,511/-
2	XHD-1000B Semi-Auto Slitting and Rewinding Machine						

(Model No. XHD-1000B)	84778090	505450	37908.8	3790.9	98486.9	1,40,187/-
<b>TOTAL</b>		<b>3611670</b>	<b>270875.25</b>	<b>27087.53</b>	<b>703733.8995</b>	<b>10,0</b>

7.2. The declared/assessed value of the subject consignment is Rs. 31,06,220/-, on which the duty payable has been assessed at Rs. 8,61,511/-. However, in view of the Chartered Engineer's Opinion Certificate dated 17.03.2026, it is observed that Item No. 2 in Table-D is not a part of Item No. 1 and was, therefore, not correctly declared in the impugned consignment. Consequently, the Chartered Engineer has re-determined the assessable value of the subject consignment at Rs. 36,11,670/-, on which the applicable duty works out to Rs. 10,01,698/-, resulting in a differential duty of Rs. 1,40,187/-.

8 . In view of the foregoing paragraphs, it prima facie appears that the 'XHD-1000B Semi-Auto Slitting and Rewinding Machine (Model No. XHD-1000B)' was not declared and was concealed within the impugned consignment. Accordingly, it appears that the importer has contravened the provisions of Sections 17 and 46 of the Customs Act, 1962, inasmuch as they failed to make a true and correct declaration in the subject Bill of Entry. Such acts of omission and commission have rendered the impugned goods, having a re-determined assessable value of Rs. 36,11,670/-, liable for confiscation under Section 111(m) of the Customs Act, 1962. Consequently, the importer is also liable for penal action under Section 112(a)(ii) of the said Act.

9. Since the importer failed to declare Item No. 2 mentioned in Table-D in Bill of Entry No. 7839996 dated 02.03.2026, it appears that there was an intention to conceal the said item with a view to evade duty amounting to Rs. 1,40,187/-. It is further observed that, in the said consignment, Item No. 1 (as mentioned in Table-D above) was used as a means to conceal Item No. 2. Accordingly, Item No. 1, having an assessable value of Rs. 31,06,220/-, is also rendered liable for confiscation under Section 119 of the Customs Act, 1962.

#### 10. RELEVANT PROVISIONS OF THE CUSTOMS ACT, 1962:

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

(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;

#### 10.2 **Section 11A. Definitions-**

In this Act, unless the context otherwise requires,

- a. "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.

#### 10.3 **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.

#### 10.4 Section 46. Entry of goods on importation. -

(1) The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed:

....

(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, and other such documents relating to the imported goods as may be prescribed.

(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.

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

.....

(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;

#### 10.6 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. ....
- 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:

**10.7 Section 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 for a penalty not exceeding five times the value of goods.

**10.8 Section 119: Confiscation of goods used for concealing smuggled goods.**

Any goods used for concealing smuggled goods shall also be liable to confiscation.

**WAIVER OF PERSONAL HEARING & SCN**

11. The importer vide letter dated 20.03.2026 has requested for waiver of Show Cause Notice and Personal Hearing in the subject matter and made the following submission:

*“We are writing with reference to the above-mentioned Bill of Entry for the clearance of 6.920 MT of "Stretch Film Machine." In this regard, we would like to submit that we not require any Personal Hearing (PH) notice or Show Cause Notices. We therefore kindly request you to adjudicate the said file as per the available evidence with applicable customs norms at the earliest.*

*We further request your good office to kindly expedite the adjudication process and arrange for the release of the shipment at the earliest, as we are incurring heavy line detention and CFS demurrage charges.*

*We shall be highly obliged for your kind consideration and prompt action in this matter.”*

**DISCUSSION AND FINDINGS**

12. I have carefully gone through the records of the case. The importer, vide letter dated 20.03.2026, has requested for waiver of Show Cause Notice and personal hearing. Thus, I find that the principles of natural justice as provided in Section 122A of the Customs Act 1962 have been complied with, and therefore, I proceed to decide the case on the basis of the documentary evidence available on records. The main issues to be decided are:

- (i) Whether the **Semi-Auto Slitting and Rewinding Machine (Model XHD-1000B)** is an integral part of the declared Stretch Film Machine or constitutes a separate machine

requiring independent classification and valuation;

(ii) Whether the declared assessable value of **Rs. 31,06,220/-** for the goods under the Bill of Entry No. 7839996 dated 02.03.2026 is liable to be rejected and re-determined as **Rs. 36,11,670/-** as per the Chartered Engineer's valuation report;

(iii) Whether the Bill of Entry No. 7839996 dated 02.03.2026 requires re-assessment under Section 17(4) of the Customs Act, 1962 to levy the re-determined duty;

(iv) Whether item no. 2 as detailed in Table-D having assessable value of Rs. 5,05,450/- is liable for confiscation under section 111(m) of the Customs Act, 1962;

(v) Whether item no. 1 as detailed in Table-D having assessable value of Rs. 31,06,220/- is liable for confiscation under section 119 of the Customs Act, 1962;

(vi) Whether penalties under Sections 112(a)(ii) and 114AA of the Customs Act, 1962 are imposable on the importer.

13.1 Regarding the first issue, I find that the importer has declared the goods as "Stretch Film Machine (Model XHD-55/75-1250)" - 1 Set with assessable value of Rs. 31,06,220/- in the Bill of Entry No. 7839996 dated 02.03.2026. However, on physical examination of the goods, it was found that two distinct machines were present in the consignment, namely:

- Stretch Film Machine (Model XHD-55/75-1250)
- Semi-Auto Slitting and Rewinding Machine (Model XHD-1000B)

13.2 I find that the importer has contended that the rewinding unit is an integral part of the Stretch Film Machine and forms a single machine set. However, I find that the Chartered Engineer, after conducting physical inspection of the goods, has clearly opined that the Semi-Auto Slitting and Rewinding Machine is not an integral part but a separate machine having an independent function. The CE has further elaborated that the rewinding machine performs a distinct industrial process of slitting and rewinding jumbo rolls into smaller usable rolls, thereby establishing its independent commercial identity.

13.3 I further find that the Proforma Invoice issued by the supplier itself reflects two separate machines, which contradicts the declaration made in the Bill of Entry and Commercial Invoice. This clearly indicates that the importer was aware of the presence of two separate machines but chose to declare only one machine.

13.4 I also note that the importer has failed to produce any documentary evidence such as technical literature, manufacturer's certificate, or catalogue to substantiate the claim that the rewinding machine is an integral part of the Stretch Film Machine. In contrast, the CE report is based on physical verification and technical evaluation, and hence carries significant evidentiary value.

13.5 In view of the above, I hold that the Semi-Auto Slitting and Rewinding Machine (Model XHD-1000B) is a separate machine and not an integral part of the Stretch Film Machine, and therefore requires independent classification and valuation.

14.1 Regarding the second issue, I find that the importer has declared the assessable

value of the consignment as Rs. 31,06,220/- corresponding to one machine only. However, since an additional machine was found during examination, the declared value does not represent the total value of the imported goods.

14.2 I find that the non-declaration of the second machine gives rise to reasonable doubt regarding the truth and accuracy of the declared value, and therefore the declared transaction value is liable to be rejected in terms of Section 14 of the Customs Act, 1962 read with Rule 12 of the Customs Valuation Rules, 2007.

14.3 I find that the value of the additional machine has been determined based on the Chartered Engineer's report, which assessed the CIF value of the Semi-Auto Slitting and Rewinding Machine at USD 5,500 (Rs. 5,05,450/-). The valuation appears reasonable and has been determined using accepted valuation principles.

14.4 Accordingly, I find that the total assessable value of the consignment is correctly re-determined as Rs. 36,11,670/-, as against the declared value of Rs. 31,06,220/-. Thus, I hold that the declared assessable value is liable to be rejected and re-determined under the provisions of the Customs Valuation Rules, 2007.

15.1 Regarding the third issue, I find that Section 17(4) of the Customs Act, 1962 provides that *"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."* In the present case, I find that the importer has failed to declare one complete machine and its value, thereby rendering the self-assessment incorrect and incomplete.

15.2 I find that based on the re-determined assessable value of Rs. 36,11,670/-, the total duty liability works out to Rs. 10,01,698/- as against the declared duty of Rs. 8,61,511/-. Accordingly, I hold that the Bill of Entry No. 7839996 dated 02.03.2026 is liable to be re-assessed under Section 17(4) of the Customs Act, 1962 and the differential duty of Rs. 1,40,187/- is recoverable.

16.1 Regarding the fourth issue, I find that Section 111(m) of the Customs Act, 1962 provides for confiscation of goods which do not correspond in respect of value or in any other particular with the entry made under the Act. In the present case, I find that the importer has declared only one machine in the Bill of Entry, whereas during examination, two distinct machines were found physically present in the consignment. Thus, there is a clear mismatch in respect of quantity as well as description of the goods declared vis-à-vis goods actually imported.

16.2 I further find that the importer has not declared the Semi-Auto Slitting and Rewinding Machine (Model XHD-1000B) in the Bill of Entry at all. The said machine has a distinct function, separate identity, and independent valuation, as established by the Chartered Engineer's report. Therefore, its complete non-declaration amounts to suppression of material facts relating to the imported goods.

16.3 I also find that the non-declaration of a complete machine has resulted in short payment of applicable customs duty, thereby affecting proper assessment.

Such omission cannot be treated as a mere clerical or procedural lapse, but constitutes a substantive misdeclaration going to the root of assessment. I further observe that the importer was in possession of the Proforma Invoice, which clearly mentioned both machines separately, indicating prior knowledge of the nature and composition of the consignment. Despite this, the importer chose to declare only one machine in the Bill of Entry, which establishes intentional misdeclaration.

16.4 In view of the above facts, I hold that the imported goods do not correspond with the declaration made in the Bill of Entry in terms of **quantity, description and value**, and hence, the goods are liable for confiscation under Section 111(m) of the Customs Act, 1962. Accordingly, I hold that the Semi-Auto Slitting and Rewinding Machine (Model XHD-1000B) having assessable value of Rs. 5,05,450/- is liable for confiscation under Section 111(m) of the Customs Act, 1962.

17.1 Regarding the fifth issue, I find that Section 119 of the Customs Act, 1962 provides that any goods used for concealing smuggled goods shall also be liable to confiscation. The essence of this provision is that where one set of goods is used as a means to conceal another set of goods, both are liable for confiscation.

17.2 In the present case, I find that the importer has declared only one machine, whereas another machine was found in the same consignment without declaration. The undeclared machine was not separately disclosed in any import document forming part of the Bill of Entry and was physically packed along with the declared machine. Hence, I find that the non-declaration of the second machine, despite its clear mention in the Performa Invoice, and its physical presence along with the declared goods, establishes that the importer used the declared goods as a cover to import the undeclared goods without payment of appropriate duty.

17.3 Therefore, I hold that the Stretch Film Machine (Model XHD-55/75-1250) having assessable value of Rs. 31,06,220/- has been used as a means for concealing the undeclared rewinding machine and is thus liable for confiscation under Section 119 of the Customs Act, 1962.

18.1 Regarding sixth issue, I find that Section 112(a)(ii) of the Customs Act, 1962 provides for imposition of penalty on any person who, by any act or omission, renders goods liable to confiscation under Section 111. In the present case, I find that the importer has failed to declare one complete machine in the Bill of Entry, which has rendered the goods liable for confiscation under Section 111(m). Accordingly, I hold that the importer is liable for penalty under Section 112(a)(ii) of the Customs Act, 1962.

18.2 I further find that Section 114AA of the Customs Act, 1962 provides for penalty where a person knowingly or intentionally makes or uses any declaration, statement or document which is false or incorrect in any material particular.

18.3 In the present case, I find that the importer has filed a Bill of Entry declaring only one machine, whereas the actual import consisted of two machines. This constitutes a false declaration in respect of quantity and description, which are material particulars for assessment. I find that the suppression of the rewinding

machine from the declaration, despite its clear mention in the Performa Invoice and its physical presence in the consignment, amounts to knowingly furnishing incorrect information to Customs authorities.

18.4 I further find that the misdeclaration has directly impacted the assessment of duty and resulted in short payment of duty, thereby establishing the materiality of the incorrect declaration. Accordingly, I hold that the importer has knowingly used incorrect declaration and suppressed material facts, thereby attracting penalty under **Section 114AA** of the Customs Act, 1962.

### ORDER

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

(i) I order to reject the declared assessable value of **Rs. 31,06,220/-** in respect of Bill of Entry No. 7839996 dated 02.03.2026 and order re-determination of assessable value at **Rs. 36,11,670/-** (Rupees Thirty Six Lakh Eleven Thousand Six Hundred and Seventy Only), based on the Chartered Engineer's valuation report dated 17.03.2026;

(ii) I reject the self-assessment of Bill of Entry No. 7839996 dated 02.03.2026 and order to re-assess the same under Section 17(4) of the Customs Act, 1962. The total re-determined duty liability is **Rs. 10,01,698/-**. The differential duty on the imported goods comes out to **Rs. 1,40,187/-** (Rupees One Lakh Forty Thousand One Hundred and Eighty Seven Only);

(iii) I order to confiscate the imported goods covered under Bill of Entry No. 7839996 dated 02.03.2026, mentioned at Sr. No. 2 on Table-D, having assessable value of **Rs. 5,05,450/-** (Rupees Five lakh Five Thousand Four Hundred and Fifty Only), under Section 111(m) of the Customs Act, 1962. However, I give option to the importer to redeem the said goods for **home consumption** under Section 125 of the Customs Act, 1962 on payment of Redemption Fine of **Rs. 2,00,000/- (Rupees Two Lakh Only)**;

(iv) I order to confiscate the imported goods covered under Bill of Entry No. 7839996 dated 02.03.2026, mentioned at Sr. No. 2 on Table-D, having assessable value of **Rs. 31,06,220/-** (Rupees Thirty one lakh Six Thousand Two Hundred and Twenty Only), under Section 119 of the Customs Act, 1962. However, I give option to the importer to redeem the said goods for **home consumption** under Section 125 of the Customs Act, 1962 on payment of Redemption Fine of **Rs. 4,00,000/- (Rupees Two Lakh Only)**;

(v) I impose penalty of **Rs. 14,000/- (Rupees Fourteen Thousand Only)** on the importer M/s. Kanha Packwell under **Section 112(a)(ii)** of the Customs Act, 1962.

(vi) I impose penalty of **Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only)** on the importer M/s. Hindustan Overseas under **Section 114AA** of the Customs Act, 1962.

20. This order is issued without prejudice to any other action that may be taken

against the importer or any other person under the provisions of 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: 25-03-2026  
12:00:18  
(Dipak Zala)**

Additional Commissioner of Customs  
Custom House, Mundra

To,  
M/s. Kanha Packwell  
Plot No. 39, Nand Nagar Industrial Area,  
Kashipur – 244713

**Copy to:**

1. The Deputy Commissioner, Review, Customs House, Mundra
2. The Deputy Commissioner, TRC, Custom House, Mundra
3. The Deputy Commissioner, EDI, Customs House, Mundra
4. The Deputy Commissioner, Docks Examination, Mundra
5. Guard File