

	आयुक्त, सीमा शुल्क का कार्यालय, OFFICE OF THE COMMISSIONER OF CUSTOMS न्यू कस्टम हाउस, बालाजी मंदिर के पास, न्यू कांडला-370210 NEW CUSTOMS HOUSE, NEAR BALAJI TEMPLE, NEW KANDLA-370210 E-mail : adj.kandla-customs@nic.in Landline No. +91 28362 71473	
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F. No. - GEN/ADJ/ADC/1531/2026-Adjn-O/o Commr-Cus-Kandla

30.09.2026

Show Cause Notice

M/s Baaz Enterprises (IEC- CTMPS9885A), (hereinafter referred to as 'Importer') having address Shop No-1, VPO Sandhu Chatha Kala Sanghian Road, Kapurthala -144625, had filed Z Bill of Entry No. 5133126 dated 16.10.2025 (RUD-1) for import of the goods mentioned in Table-A below:

Table-A

Sr No.	Declared Goods	Declared CTH	Declared Weight (in Kgs)	Declared Assessable Value (in Rs.)
1	Alloy Wheel (Size 14)	87087000	1950	5,01,401/-
2	Alloy Wheel (Size 15)	87087000	2150	5,69,900/-
3	Alloy Wheel (Size 16)	87087000	220	58,927/-
4	Alloy Wheel (Size 17)	87087000	340	92,031/-
5	Alloy Wheel (Size 18)	87087000	2118	5,71,882/-

2. Based upon intelligence, the consignment covered under Z bill of entry no. 5133126 dated 16.10.2025 was put on hold for SIIB examination. The examination of the consignment was carried out at M/s. Cargo Care Agency, KASEZ under Panchnama dated 12.11.2025 (RUD-2) . During the examination, it was found that the container no. EISU8260072 was stuffed with cardboard cartons. The cargo was de-stuffed in the shed by labor with the help of forklift. On opening, it was found that each carton was stuffed with one alloy wheel. A Paper slip with description of the alloy-wheel was pasted on each carton. The size and other details of the alloy wheel were verified by the officers. The officers opened each carton & examined the cargo. The cartons were then stacked as per the description on the paper slip. The weight of the goods, as per weighment slip, was found as 10,130 Kgs. The details of the cargo found during examination was as under:

Types of Alloy Wheel.	Description of Alloy Wheel	Quantity (in pcs)
1	NM089 (22*12) (5*114.3/127)	119
2	NM089 (22*12) (6*139.7)	58
3	NM089 (24*14) (5*114.3/127)	58
4	NM709A (26*12) (5*114.3)	40
5	NM115 (20*10) (5*114.3/139.7)	58
6	NM115 (22*12) (5*114.3/127)	61
7	NM141 (24*12) (5*114.3/127)	62
Total		456

2.1 In view of the above, it appears that the goods have been found as "Alloy Wheels (Size 20 inch), Alloy Wheels (Size 22 inch), Alloy Wheels (Size 24 inch) and Alloy Wheels (Size 26 inch). However, the importer had declared the goods as "Alloy Wheel (Size 14), Alloy Wheel (Size 15), Alloy Wheel (Size 16), Alloy Wheel (Size 17) and Alloy Wheel (Size 18)" in the said bill of entry. Therefore, the goods have been found mis-declared during the examination of the same.

2.2 Further, on enquiring about the BIS certificate of imported goods, the Partner of M/s. Cargo Care Agency informed that they do not have such certificate for the said goods.

3. To ascertain the correct value of the goods, the opinion of emplaned Chartered Engineer was sought. Subsequently, the Chartered Engineer Ajayrajsinh B. Jhala has submitted his valuation report vide Ref. No. ABJ:INSP:CE:MUN:SIIB:KAN:BAAZ:26-27:01 dated 12.05.2026 (RUD-3) wherein he inter-alia mentioned that:

"The following means/aids/technical reference material has been used for inspecting the goods:

- B.E. No. & Date :- 5133126 Dated: 16/10/2025*
- INV No & Date:- XHIDS20250305. Dated: 13/09/2025.*
- Physical & Visual Examination of the cargo and its present quality, condition and status.*
- Based on telephonic conversations with the various suppliers, general inspection available on the internet and the market survey of the similar / identical goods in bulk lot quantity.*
- All the Documents and proofs submitted by the party and various expenses involved.*
- Manufacturing & Production cost involved.*

- vii. Previously assessed customs data - for reference.
viii. 01 Container Nos. :- EISU8260072.

VALUATION TABLE

(1 USD = 89.70 INR)

Types of Alloy Wheel.	Description of Alloy Wheel	Quantity (in PCS)	Per Unit Suggestive Average C.I.F. Value in Bulk Quantity in USD (Approx.)	Total Suggestive Average C.I.F. Value in Bulk Quantity in USD (Approx.)
1	NM089 (22*12) (5*114.3/127)	119	82	9758
2	NM089 (22*12) (6*139.7)	58	85	4930
3	NM089 (24*14) (5*114.3/127)	58	110	6380
4	NM709A (26*12) (5*114.3)	40	92	3680
5	NM115 (20*10) (5*114.3/139.7)	58	60	3480
6	NM115 (22*12) (5*114.3/127)	61	96	5856
7	NM141 (24*12) (5*114.3/127)	62	87	5394
Total Suggestive Average C.I.F. Value in Bulk Quantity in USD (Approx.):		456 PCS		39478 USD

3.1 On the basis of CE report vide Ref. No. ABJ:INSP:CE:MUN:SIIB:KAN:BAAZ:26-27:01 dated 12.05.2026, it appears that the importer has undervalued the goods imported under the Z bill of entry no. 5133126 dated 16.10.2025, as the value declared by them are less than the value ascertained by the Chartered Engineer in his above said report. The details of the same are as under:

Table-B

Sr No.	Declared Goods	Declared Assessable Value (in Rs.)	CIF Value as per CE report (in \$)	Assessable Value as per CE report (in Rs.)
1	Alloy Wheels	17,94,140 /-	39478	35,41,177
		17,94,140 /-		35,41,177/-

3.2 In view of the above, it appears that as per CE report, the total assessable value of the imported goods comes to the tune of Rs. 35,41,177/- instead of Rs. 17,94,140/- as declared in the Z bill of entry no. 5133126 dated 16.10.2025.

4. Further, during the investigation, a Summon dated 18.11.2025 (RUD-4) was issued to the importer for recording of statement. In response, a statement of Shri Baljit Singh, Authorized representative of M/s Baaz Enterprises was recorded on 26.11.2025 (RUD-5), wherein, he, inter-alia stated that:-

- M/s Baaz Enterprises is a Proprietorship firm having GSTIN No. 03CTMPS9885AIZ7 and the firm mainly deals in motor vehicle spare parts, dairy products, woven fabrics etc.
- They have imported Alloy Wheels of different sizes from China under this consignment.
- Earlier, they did not know that BIS certification is mandatory for import but now they came to know that BIS Certification is mandatory for import of Alloy Wheels. Accordingly, they have decided to re-export the above said imported goods and requested to allow them to re-export the same.
- One of their friend Mr. Ravi, who lives in China, made this deal with the supplier on behalf of them. They communicated with the supplier telephonically and placed the order.
- They have not made any payment to supplier till date.
- He further stated that they were not aware about the BIS Certificate being mandatory for the import of Alloy Wheels. Now, as they have come to know this, they want to re-export this consignment and are ready to pay any fine/penalty for this.

4.1 Thereafter, the goods were seized vide seizure memo dated 08.01.2026 (RUD-6) and handed over to M/s Cargo Care Agency under Supratnama dated 08.01.2026 (RUD-6).

4.2 A Summon dated 05.03.2026 (RUD-7) was issued to the importer for recording of statement. In response, a statement of Shri Sukhjinder Singh, Authorised representative of M/s Baaz Enterprises was recorded on 12.03.2026 (RUD-8), wherein, he, inter-alia stated that:-

- He stated that the IEC of Baaz Enterprises is in the name of his father namely Shri Santokh Singh Sandhu.
- He stated that they have imported Alloy Wheels of different sizes from China under this consignment.

- He stated that, earlier, they did not know that BIS certification is mandatory for import. When their consignment was put on hold then they came to know that BIS Certification is mandatory for import of Alloy Wheels.
- On being enquired about freight payment details of the consignment, including the mode of payment and party who has borne the freight charge and production report (including detailed composition of materials used in the imported goods) of goods imported under bill of entry no. 5133126 dated 16.10.2025, he submitted all bills issued by Shipping Line in respect of goods imported under said bill of entry. He stated that they had paid the said bills to M/s. Sync Freight Forwarders & Logistics and M/s. Sync Freight Forwarders & Logistics had paid the said freight payments to the Shipping Line. He further stated that they have requested their supplier to provide the production report and requested 02 days time to furnish the same.
- He stated that their firm have already paid to their overseas supplier through agent in respect of goods imported under said bill of entry.
- He further stated that they were not aware about the BIS Certificate being mandatory for the import of Alloy Wheels. Now, as they have come to know this, they want to re-export this consignment. They are ready to pay any fine/penalty at the time of finalization of case by adjudicating authority and also ready to submit Bond/Bank Guarantee for this. He also stated that they do not want any Show Cause Notice and requested to adjudicate this matter on merit.

4.3 A Summon dated 05.03.2026 (RUD-9) was issued to M/s Cargo Care Agency (SEZ warehousing unit) for recording of statement. In response, a statement of Shri Goda Prabhakar, partner of M/s. Cargo Care Agency was recorded on 12.03.2026 (RUD-10), wherein, he, inter-alia stated that:-

- He stated that M/s. Cargo Care Agency is a partnership firm started in 2018. Later, they applied for SEZ Unit in KASEZ. Thereafter, they have been working in KASEZ and involved in the business of warehousing and Export-Import of goods.
- He submitted the warehousing agreement with m/s Baaz Enterprises and stated that one person (CHA) namely Shri Jatin Patel had recommended Shri Santokh Singh Sandhu to work with their firm for import-export Purpose.
- He stated that as per KASEZ circular, they have submitted all necessary KYC documents and warehousing agreement to KASEZ office for further necessary verification.
- He stated that they had received Import documents i.e., Bill of Lading and packing list from Shri Jatin Patel after that as per instruction received from Shri Jatin Patel, they filed the Bill of Entry (Z Type) as detailed above. The said consignment containing goods i.e., Alloy Wheel (CTH 87087000).
- On being enquired about whether they had informed M/s Baaz Enterprises that BIS certification is mandatory for import of Alloy Wheels, he stated that they had no

knowledge of BIS certificate requirement at the time of import of consignment containing goods i.e., Alloy Wheel (CTH 87087000).

- He perused the statement dated 26.11.2025 of Shri Baljit Singh and stated that at the time of import they had no knowledge of requirement of BIS certification in this consignment and after import they came to know this.
- He stated that permission for re-export of the consignment imported under Bill of Entry No. 5133126 dated 16.10.2025 may be granted at earliest so that the occupied space in their warehouse premises be freed.

4.4 Shri Baljit Singh, Authorised representative of M/s Baaz Enterprises stated in his statement dated 26.11.2025 that they have not made any payment to supplier till date. However, Shri Sukhjinder Singh, Authorised representative of M/s Baaz Enterprises stated in his statement dated 12.03.2026 that their firm have already paid to their overseas supplier through agent in respect of goods imported under said bill of entry. Thus, the importer had made contradictory statements regarding payments, initially stating that no payment was made and subsequently claiming that payment was routed through an intermediary. Therefore, another Summon dated 14.05.2026 (RUD-11) was issued to M/s Baaz Enterprises for recording of statement. In response, a statement of Shri Sukhjinder Singh, Authorised representative of M/s Baaz Enterprises was recorded on 18.05.2026 (RUD-12), wherein, he, inter-alia stated that:-

- He perused the valuation report dated 12.05.2026 for the consignment imported under Bill of Entry No. 5133126 dated 16.10.2025. According to the report, the total assessable value of the goods was USD 39,478 (₹35,41,177 calculated at 1 USD = ₹89.70).
- He further stated that they had paid USD 20,001.56 (equivalent to ₹17,94,140 at an exchange rate of ₹89.70 per USD) to the suppliers for the imported consignment through the agent only. Furthermore, they intend to re-export the said consignment of Alloy Wheels imported under Bill of Entry No. 5133126 dated 16.10.2025. Therefore, they accept the valuation report dated 12.05.2026 and are ready to execute the required Bond and furnish the Bank Guarantee for the purpose of re-exporting this consignment.
- On being asked to peruse the statement dated 26.11.2025 of Shri Baljit Singh, wherein he informed that no payment was made to their overseas supplier, he stated that their authorized representative namely Shri Baljit Singh was not aware about the payment made to their overseas supplier through the agent and he failed to pass on the said information to their authorized representative. He also submitted the payment details made to their overseas supplier through the agent.
- He stated that they had not made any payment to their overseas supplier for the differential assessable value of the imported consignment through any mode. He also stated that they have imported two consignments of Alloy Wheel from their overseas supplier for which they have paid a total amount of Rs. 39,01,542/-. The other

consignment was meant for re-export and is pending with KASEZ. All payment has been made through banking channel only in respect of value declared in the Bill of Entry No. 5133126 dated 16.10.2025.

- On being enquired about permission to move the cargo from KASEZ warehousing unit M/s. Cargo Care Agency to another warehouse within KASEZ was granted and communicated to them vide letter 23.04.2026. Have they moved the goods from KASEZ warehousing unit M/s. Cargo Care Agency to another warehouse within KASEZ, he stated that that he was in Punjab and could not visit KASEZ, Gandhidham during this period, which delayed the movement of the cargo. He further stated that they are now finalizing a new warehousing unit in KASEZ and inform as soon as the new warehouse in KASEZ is selected.
- He further submitted that they are ready to pay any fine/penalty at the time of finalization of case by adjudicating authority and also ready to submit Bond/Bank Guarantee for this. He requested that they do not want any Show Cause Notice and requested to adjudicate this matter on merit.

4.5 In view of the above, it appears that, the importer has failed to submit the BIS (RUD 14) certificates for the imported goods "Alloy Wheels". Therefore, the said goods have been imported without having BIS certificate and the same observation was also accepted by the authorized representative of the importer in their statement dated 26.11.2025, 12.03.2026 and 18.05.2026. The authorized representative of the importer also inter-alia stated that they were not aware about the BIS Certificate being mandatory for the import of Alloy Wheels. Now, as they have come to know this, they want to re-export this consignment. They are ready to pay any fine/penalty at the time of finalization of case by adjudicating authority and also ready to submit Bond/Bank Guarantee for this. They also stated that they do not want any Show Cause Notice and requested to adjudicate this matter on merit.

4.6 A letter dated 23.06.2026 (RUD-13) was sent to Assessment Section, Custom Kandla for provisional release of the cargo for Re-export only, pertaining to the said Bill of Entry, subject to submission of an appropriate bond equivalent to the declared value of the goods (Rs. 35,41,177) and Bank Guarantee equal to 10% of value of Goods.

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

5.1 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. Rule 3(1) of the CVRs, 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". 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, in the present case, the imported goods have been found as "Alloy Wheels (Size 20 inch), Alloy Wheels (Size 22 inch), Alloy Wheels (Size 24 inch) and Alloy Wheels (Size 26 inch)" instead of declared goods, i.e. "Alloy Wheel (Size 14), Alloy Wheel (Size 15), Alloy Wheel (Size 16), Alloy Wheel (Size 17) and Alloy Wheel (Size 18)". Therefore, it appears that, the goods have been found mis-declared. Further, the said goods have been imported without BIS certificate. Accordingly, there is reasonable doubt regarding the truth and accuracy of the declared value, and hence is liable to be rejected in terms of Rule 12 of the CVR, 2007. In view of the same, the imported goods have been found liable for confiscation under Section 111 of the Customs Act, 1962.

5.2 Therefore, the value provided by the Chartered Engineer may be considered as the assessable value of these goods. Thus, the invoice value of the goods is required to be rejected under Rule 12 of the Customs Valuation (Determination of value of imported goods) Rules, 2007 and re-determined under Rule 9 of the Customs Valuation (Determination of value of imported goods) Rules, 2007. Accordingly, the assessable value of the imported goods appears liable to be re-determined as **Rs. 35,41,177/-** instead of total assessable value of **Rs. 17,94,140/-** as declared in the said BE and the duty, as per re-determined assessable value, is calculated as under:-

TABLE-C

Sr No.	Declared Goods	CTH declared	Goods found	CIF Value Ascertained by CE (in Rs.)
1	Alloy Wheel	87087000	Alloy Wheel	3541177

In continuation of above TABLE-C

Sr No.	Declared Goods	CIF Value Ascertained by CE (in Rs.)	BCD@15 % (in Rs.)	SWS@1.5 % (in Rs.)	IGST@18 % (in Rs.)	ADD at the rate of 56.511/- per Kg (0.63 USD/KG)	Total Duty (in Rs.)
1	Alloy Wheel	3541177	531177	53118	811531	383032	17,78,858
Grand total of duty							17,78,858/-

5.3 As per notification no. 07/2024-Customs (ADD) dated 15.03.2024, the importer is liable to pay the anti-dumping duty at the rate of Rs. 56.511/- per Kg (0.63 USD/KG) on the goods imported under Z Bill of Entry No. 5133126 dated 16.10.2025. The relevant portion of notification no. 07/2024-Customs (ADD) dated 15.03.2024 is reproduced hereunder:

"

the Central Government, after considering the aforesaid final findings of the designated authority, hereby imposes on the subject goods, the description of which is specified in column (3) of the Table below, falling under sub-heading of the First Schedule to the Customs Tariff Act as specified in the corresponding entry in column (2), originating in the country as specified in the corresponding entry in column (4), exported from the country as specified in the corresponding entry in column (5), produced by the producers as specified in the corresponding entry in column (6), and imported into India, an anti-dumping duty at the rate equal to the amount as indicated in the corresponding entry in column (7), in the unit as specified in the corresponding entry in column (8) of the said Table, namely :-

TABLE

Sr. No.	Sub-heading	Description of goods	Country of origin	Country of export	Producer	Amount	Unit
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
--	--	--	--	--	--	--	--
3	870870	Cast Aluminium Alloy Wheels or Alloy Road Wheels*	China PR	Any country including China PR	Shandong Shuangwang Aluminium Industry Co., Ltd.	0.63	USD/KG

"

From the above TABLE-C, it appears that the importer was liable to pay the total duty (BCD + SWS + IGST + ADD) of Rs. 17,78,858/- on the import of goods, i.e. Alloy Wheel. Thus, the total duty on these imported goods comes to the tune of Rs. 17,78,858/- instead of Rs. 11,24,242/- as self-assessed by the importer in the said BE, thus there appears non/short levy of Customs duty amounting to Rs. 6,54,616/- [Rs. 17,78,858/- (minus) Rs. 11,24,242/-]. Thus, by the act of omission and commission at the level of importer, it appears that, these goods are liable for confiscation under section 111 (d), (f), (m) & (o) of the Customs Act, 1962.

6. Applicability of Indian Standard IS 9436:2018 on the import of "Alloy Wheel"-

In terms of Automobile Wheel Rim Component (Quality Control) Order, 2020 and Automobile Wheel Rim Component (Quality Control) Amendment Order-II, 2023, for import of Wheel Rim- for categories other than Category 2W, 3W, e-rickshaw and e-cart, Indian Standard IS 9436: 2018 has been made applicable. According to the said Order, the goods or articles specified in the Table shall conform to the corresponding Indian Standard mentioned in the said Table and shall bear the Standard Mark under a license from the Bureau as per Scheme-I of Schedule-II of the Bureau of Indian Standards (Conformity Assessment) Regulations, 2018. The relevant para of the QCO, 2020 is reproduced hereunder:

“

MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES

(Department of Heavy Industry)

ORDER

New Delhi, the 21st September, 2020

S.O. 3227(E).-

1. Short title and commencement-

(1) *This Order may be called the Automobile Wheel Rim Component (Quality Control) Order, 2020.*

(2) *It shall come into force after one year from the date of its publication in the Official Gazette.*

TABLE

Sl. No	Goods and articles	Indian Standards	Title of the India Standard
4	<i>Wheel Rim- for categories other than mentioned in Sr. No. 1,2 and 3</i>	IS: 9436	<i>Performance Requirements and Methods of Tests for Wheels for Passenger Cars</i>

”

The date of applicability of said Indian Standard had been extended vide Automobile Wheel Rim Component (Quality Control) Amendment Order-II, 2023 and it was mentioned that it shall come into force on 22.12.2023 or the date of its publication in the Official Gazette, whichever is later. The Automobile Wheel Rim Component (Quality Control) Amendment Order-II, 2023 was published in the Official Gazette vide S.O. 3947(E) dated 05.09.2023.

Therefore, the IS 9436: 2018 has been made applicable on "*Wheel Rim for Passenger Cars*" from 22.12.2023. The importer has imported 456 pieces of Alloy Wheels under the Z bill of entry no. 5133126 dated 16.10.2025. However, the authorized representatives of the importer stated in their statement dated 26.11.2025, 12.03.2026 and 18.05.2026 that "*they were not aware about the BIS Certificate being mandatory for the import of Alloy Wheels. Now, as they have come to know this, they want to re-export this consignment*". They have failed to submit the BIS certificate for the imported goods, therefore, the said imported goods become prohibited in absence of BIS certificate and appear liable for confiscation under Section 111 of the Customs Act, 1962.

7. 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.*

(B). RELEVANT PROVISIONS OF SPECIAL ECONOMIC ZONES RULES, 2006:

47(4) Valuation and assessment of the goods cleared into Domestic Tariff Area shall be made in accordance with Customs Act and rules made thereunder.

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.

(C) 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 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;*

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 to a penalty not exceeding five times the value of goods.]

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

“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.

8. Summary of Investigations Conducted:

8.1 M/s Baaz Enterprises, had filed Z Bill of Entry No. 5133126 dated 16.10.2025 for import of goods viz. 'Alloy Wheel (Size 14), Alloy Wheel (Size 15), Alloy Wheel (Size 16), Alloy Wheel (Size 17) and Alloy Wheel (Size 18). Furthermore, the said goods have also been brought into the KASEZ, Kandla i.e. a place in India from a place outside India by sea. Hence, the same falls under the definition of 'import' as provided in the SEZ Act, 2005.

8.2 Whereas, on the basis of Panchnama dated 12.11.2025 and investigation carried out in this regard, the imported goods have been found mis-declared, as the goods were found during examination were "Alloy Wheels (Size 20 inch, Size 22 inch, Size 24 inch and Size 26 inch)" in place of declared description of Alloy Wheel (Size 14, Size 15, Size 16, Size 17 and Size 18). Further, the imported goods are also found undervalued in view of the report submitted by the Chartered Engineer and hence are required to be re-assessed on the basis of CE report under Rule 9 of the CVR, 2007. The importer has imported 456 pieces of Alloy Wheel having re-determined assessable value of **Rs. 35,41,177/-**, as per CE report, under the said bill of entry. However, they have not produced BIS certificate for the said imported goods. In terms of Automobile Wheel Rim Component (Quality Control) Order, 2020 and Automobile Wheel Rim Component (Quality Control) Amendment Order-II, 2023, Indian Standard IS 9436: 2018 has been made applicable for import of Wheel Rim- for categories other than Category 2W, 3W, e-rickshaw and e-cart. However, the authorized representatives of the importer stated in their statement dated 26.11.2025, 12.03.2026 and 18.05.2026 that they were not aware about the BIS Certificate being mandatory for the import of Alloy Wheels and requested for the permission for re-export of the "Alloy Wheels" due to non-availability of BIS certificate. Therefore, the said goods become prohibited in absence of BIS certificate and appear liable for confiscation under Section 111 (d), (f), (m) & (o) of the Customs Act, 1962. Thus, by these acts of omission and commission at the level of importer, it appears that, the importer is liable for penalty under section 112(a)(i) of the Customs Act, 1962.

8.3 It appears that the importer has knowingly submitted false and incorrect declaration in the invoice and bill of entry no. 5133126 dated 16.10.2025 submitted before Customs authorities. The importer had declared the goods as Alloy Wheel (Size 14, Size 15, Size 16, Size 17 and Size 18), however the goods found during examination were "Alloy Wheels (Size 20 inch, Size 22 inch, Size 24 inch and Size 26 inch)" in place of declared goods. It appears that the imported goods have been mis-declared for under-valuation, as the re-determined assessable value comes to the tune of **Rs. 35,41,177/-**, as per CE report. Further, the said goods are prohibited in absence of BIS certificate in terms of Automobile Wheel Rim Component (Quality Control) Order, 2020 and Automobile Wheel Rim Component (Quality Control) Amendment Order-II, 2023. The importer has thereby rendered themselves liable for penalty under Section 114 AA of the Customs Act, 1962.

9. Now therefore, M/s Baaz Enterprises (IEC- CTMPS9885A), Shop No-1, VPO Sandhu Chatha Kala Sanghian Road, Kapurthala -144625 is hereby called upon to show cause to the Additional Commissioner of Customs, having office situated at Customs House, Near Balaji Temple, Kandla, District Kutch, within 30 days of receipt of this notice as to why:-

- i. The declared assessable value of the imported goods, namely "**Alloy Wheel**", covered under Z Bill of Entry No. **5133126 dated 16.10.2025**, should not be rejected and the assessable value thereof should not be **re-determined at Rs. 35,41,177/- (Rupees Thirty-Five Lakh Forty-One Thousand One Hundred Seventy-Seven only)**, instead of **Rs. 17,94,140/-**, under **Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962**, for the reasons discussed in the foregoing paragraphs of this notice;
- ii. The total Customs duty involved in the imported goods, i.e. "**Alloy Wheel**" comes to **Rs. 17,78,858/- (Rupees Seventeen Lakh, Seventy eight thousand and Eight hundred fifty eight only)** as discussed in aforesaid Para 5.1 to 5.3 instead of **Rs. 11,24,242/-** as declared in the said Bill of Entry.
- iii. The Z bill of entry no. 5133126 dated 16.10.2025 should not be liable to be re-assessed accordingly under Section 17(4) of the Customs Act, 1962 on the basis of the re-determined assessable value and consequential re-computation of Customs duty;
- iv. The goods "**Alloy Wheel**" having re-determined value of **Rs. 35,41,177/-** have been imported without valid BIS license in contravention of Automobile Wheel Rim Component (Quality Control) Order, 2020 and Automobile Wheel Rim Component (Quality Control) Amendment Order-II, 2023 and the provisions of Section 46 of the Customs Act, 1962 should not be liable for confiscation under Section 111 (d), (f), (m) & (o) of the Customs Act, 1962;

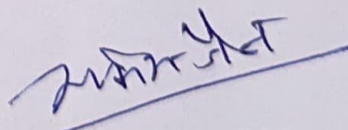
v. The importer i.e., M/s. Baaz Enterprises should not be liable for Penalty under Section 112(a)(i) and Section 114AA of the Customs Act, 1962 for the import of goods "Alloy Wheel" without valid BIS license.

10. This Show Cause Notice is being issued under Section 124 of the Customs Act, 1962, without prejudice to any other action that may be taken against the Noticee(s) or any other person / party connected with this case under the Customs Act, 1962 or any other law for the time being in force. The aforesaid Noticees are directed to submit their written reply within the stipulated time. In their reply, they should clearly state whether they wish to be heard in person or not. If no cause is shown within the stipulated time, or within extended time period, if any, provided by the Adjudicating Authority on a written request being made in that regard, or, if they do not appear when the case is posted for hearing, the case will be decided *ex-parte* on the basis of evidence available on record without making any further reference to them.

11. The Department reserves its rights to add, alter, amend, modify or supplement this Notice at any time on the basis of any evidence, material facts related to export of goods by them, which may come to the notice of the Department after issuance of this Notice and prior to the adjudication of the case.

12. The list of relied upon documents (Annexure-R) is enclosed. It may be noted that all the documents and charts enclosed with this Show Cause Notice are an integral part of this Show Cause Notice. Scanned copies of the same are being supplied by email. If any of the Noticee(s) desire to inspect any of the documents which are relied upon and / or wish to take copies of the same, they may do so with prior appointment with the Additional/ Joint Commissioner of Customs (Adjudication), having office situated at Customs House, Near Balaji Temple, Kandla, District Kutch, on any working day within one month from the date of receipt of this Show Cause Notice.

Encl: Annexure - R


(Rakesh Kumar Jain)
Additional Commissioner
Custom House, Kandla

Noticees:

M/s Baaz Enterprises (IEC- CTMPS9885A),
Shop No-1, VPO Sandhu Chatha Kala Sanghian Road,
Kapurthala -144625

To,

1. The Deputy Commissioner, KASEZ, Gandhidham.
2. The Addl. Commissioner (Import Assessment Group), Customs House, Kandla.

3. The Deputy/Assistant Commissioner (Import Assessment Group), Customs House, Kandla.

Annexure-R

List of Relied Upon Documents

RUD No.	Details of RUD	Dated
RUD-1	Bill of Entry No. 5133126 dated: 16.10.2025	16.10.2025
RUD-2	Panchanama dated 12.11.2025 in respect of examination	12.11.2025
RUD-3	CE Valuation report	12.05.2026
RUD-4	Summons dated 18.11.2025	18.11.2025
RUD-5	Statement dated 26.11.2025	26.11.2025
RUD-6	Seizure memo supartnama dated 08.01.2026	08.01.2026
RUD-7	Summons dated 05.03.2026- M/s Baaz Enterprises	05.03.2026
RUD-8	Statement dated 12.03.2026- M/s Baaz Enterprises	12.03.2026
RUD-9	Summons dated 05.03.2026- M/s Cargo Care Agency	05.03.2026
RUD-10	Statement dated 12.03.2026- M/s Cargo Care Agency	12.03.2026
RUD-11	Summons dated 14.05.2026	14.05.2026
RUD-12	Statement dated 18.05.2026	18.05.2026
RUD-13	Provisional release letter	23.06.2026
RUD-14	QCQ	15.06.2023
Link of the RUDs		
https://drive.google.com/drive/folders/12BcYvUu3K0xKAB2Z3jR5hszOXtnAo8Tn?usp=s haring		