	सीमा शुल्क के प्रधान आयुक्त का कार्यालय सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS CUSTOMS HOUSE, MUNDRA PORT, KUTCH, GUJARAT-370421. **Email-** Group4-mundra@gov.in	

A	**FILE NO./**फ़ाइल संख्या	CUS/APR/INV/431/2026-Gr-4
B	**OIO NO./**आदेश संख्या	MCH/ADC/ZDC/200/2026-27
C	**PASSED BY/**जारीकर्ता	Dipak Zala, ADDITIONAL COMMISSIONER, Customs House, Mundra.
D	**DATE OF ORDER/**आदेश की तारीख	24.06.2026
E	**DATE OF ISSUE/**जारी करने की तिथि	24.06.2026
F	**SCN No. & Date/**कारण बताओ नोटिस क्रमांक	Importer requested for Waiver of PH & SCN vide mail dated 16.06.2026
G	**NOTICEE/ PARTY/ IMPORTER** नोटिसकर्ता/पार्टी/आयातक	M/s. SK Overseas, 61/10 Ashok Nagar, Tilak Nagar, New Metro Gate, No.3 New Delhi-110018.

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

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

"सीमाशुल्कआयुक्त (अपील),

चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,

नवरंगपुरा,अहमदाबाद 380 009"

"THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA

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

NAVRANGPURA, AHMEDABAD-380 009."

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

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

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

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

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

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

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

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

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

6. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और सीमाशुल्क अधिनियम, 1962 के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।

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

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

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

BRIEF FACTS OF THE CASE

M/s. SK Overseas (IEC- FZUPK8807F), 61/10 Ashok Nagar, Tilak Nagar, New Metro Gate No.3 New Delhi-110018 (hereinafter referred as 'the said

importer') has filed Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 at APSEZ. On the basis of specific intelligence, it appeared that the goods covered under Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 filed by the importer may have potential mis-declaration/ concealment. Accordingly, the above said Z-type Bills of Entry were put on hold by the SIIB, Mundra. The details of the Bills of Entry are as below:

Table-I

Z-type BE No. 7935013 dated 07.03.2026 **(1 USD = 92.5 INR)**

Sr. No.	CTH	Description	Unit Price (In USD)	Quantity	Amount (In USD)	Amount (In Rs.)
1	73181500	Furniture Fitting-Screw	1.42	14602 Kg	20734.84	19,17,973
2	94032090	Bed Table	1.00	22000Pcs	22000.00	20,35,000
Total				-	42734.84	39,52,973

Table-II

Z-type BE No. 8245664 dated 23.03.2026 **(1 USD = 94.25 INR)**

Sr. No.	CTH	Description	Unit Price (In USD)	Quantity	Amount (In USD)	Amount (In Rs.)
1	73181500	Furniture Fitting-Screw	1.42	19361 Kg	27493.47	25,91,260
2	94032090	Baby Desk	5.21	3828 Pcs	19943.88	18,79,711
Total				-	47437.35	44,70,971

2. Examination of the Goods:

The goods covered under Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 were examined by the Officer of SIIB, Mundra under Examination Report dated 26.03.2026 and 07.04.2026 respectively, at the premises of M/s. Shoolin Trade Link LLP, APSEZ, Mundra in the presence of Shri Pranjal Singh, authorised representative of the importer M/s. SK Overseas and M/s. Shoolin Trade Link LLP, APSEZ, Mundra. Shri Pranjal Singh, authorised representative of Importer produced documents relating to the consignment, namely Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 along with invoice, packing list and Bill of Lading. Thereafter, Shri Pranjal Singh, authorised representative of M/s. Shoolin Trade Link LLP, APSEZ,

Mundra submitted the weighment slip generated at the CFS weighbridge. The details are as under:

Table-III

Sr. No.	Z type Bill of Entry No & Date	Containers No	Gross Weight declared in BE/BL	Gross Weight as per weighment Slip of CFS	Difference (In Kgs)
1.	7935013 dt. 07.03.2026	TRHU5857274 & TCLU6252883	56402 Kg	56620 Kg	218 Kg Excess
2.	8245664 dt. 23.03.2026	TIIU4267725 & EGSU9548028	56110.8 kg	52710 Kg	3400 Kg Short

Further, the SIIB officer checked the seal intact on the containers and verified the seal no. from the Bill of Lading and same was found as per BL. After verification the seal of containers was cut and doors were open. On opening of the door, it was found that the containers were stuffed with brown corrugated boxes & bags, the contents of which were yet to be examined. Subsequently, the container was completely de-stuffed. After complete de-stuffing of the container, random boxes/bags were selected and cut open for examination. On examination, the goods contained therein were found to be Children Study Tables (MDF top) & supportive table's legs, Kids Study Table-Chair in dismantled form and Screws. Thereafter, the boxes/packages containing Study Tables-Chairs for children and Screws were segregated separately. The details of the examination conducted are as under:

Table-IV

The details of the examination dated 26.03.2026 for the Z-type BE No. 7935013 dated 07.03.2026:

Sr. No.	Description of Goods Found During Examination	CTH	No. of Boxes/Bags/ Bundles	Quantity per BOX/Bundle (KGS/PCS)	Total
1	Hexagon Washer Head Self-Drilling Screws	73181500	700 Boxes	Approx. 20 Kg each	14000 KGS
2	Iron self-tapping screws	73181400	10 Bags	Approx. 23.5 Kg each	235 KGS
3	Children Study Tables (MDF Top)	94032090	2200 Bundles	10 PCS per Bundle	22000 PCS
4	Supportive Table Legs	94032090	440 Boxes	100 Pieces per Box	44000 PCS

Table-V

The details of the examination dated 07.04.2026 for the Z-type BE No. 8245664 dated 23.03.2026:

Sr. No.	Description of Goods Found During Examination	CTH	No. of Boxes	Quantity per BOX (KGS/PCS)	Total
1	Iron self-tapping screws	73181400	578	Approx. 18.4 Kg each	10635.2 Kg
2	Kids Study Table chair (Baby Desk)	94032090	1914	1 PCS per box	1914 PCS
3	Iron self-tapping screws	73181400	473	Approx. 18.4 Kg each	8,726.4 Kg
4	Kids Study Table chair (Baby Desk)	94032090	1914	1 PCS per box	1914 PCS

3. Compliance of Policy conditions:

3.1. The declared goods mentioned at S. No. 1 of above Table-I & II, i.e. Furniture Fitting-Screws are found as Hexagon Washer Head Self-Drilling Screws & Self-Tapping Screws and same falls under the compulsory registration with BIS as per IS No. 18471:2025 issued by DPIIT Notification dated 27.08.2025 w.e.f. from 01.11.2025.

3.2. The Government of India vide Notification No. 55/2023 dated 03.01.2024 has amended the import policy of CTH 7318 from Free to Prohibited with condition of MIP. Accordingly, the imported mis-declared goods i.e. Hexagon Washer Head Self-Drilling Screws & Self Tapping Screws found during the examination become prohibited as per import policy of CTH 7318. The relevant extract of Notification No. 55/2023 dated 03.01.2024 is as below:

Government of India
Ministry of Commerce & Industry
Department of Commerce
Directorate General of Foreign Trade

Notification No. 55/2023

New Delhi, Dated: 3rd January, 2024

Subject: Amendment in Import Policy and Policy condition of Screws covered under HS code 7318 of Chapter 73 of Schedule–I (Import Policy) of ITC (HS) 2022.

S.O. (E): In exercise of powers conferred by Section 3 and Section 5 of the Foreign Trade (Development & Regulation) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy 2023, as amended from time to time, the Central

Government hereby amends the import policy and policy condition for specific HS codes covered under Chapter 73 of the ITC (HS), 2022, Schedule-I (Import Policy) as under:

Revised Import Policy

HS Code	***Item Description***	***Existing Import Policy***	***Existing Policy Condition***	***Revised Import Policy***	***Revised Policy Condition***
73181110	*Threaded articles – Coach Screws – Machine screws*	*Free*	*Subject to Policy condition no. 2 and 3 of this Chapter*	*Prohibited*	*However, import is "Free" if CIF value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3 of this Chapter*
73181190	*Threaded articles – Coach Screws – Other*	*Free*	*Subject to Policy condition no. 2 and 3*	*Prohibited*	*However, import is "Free" if CIF value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3*
73181200	*Threaded articles – Other wood screws*	*Free*	*Subject to Policy condition no. 2 and 3*	*Prohibited*	*However, import is "Free" if CIF value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3*
73181300	*Threaded articles – Screw hooks*	*Free*	*Subject to Policy condition*	*Prohibited*	*However, import is "Free" if CIF*

	and screw rings		*no. 2 and 3*		*value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3*
73181400	*Threaded articles – Self-tapping screws*	*Free*	*Subject to Policy condition no. 2 and 3*	*Prohibited*	*However, import is "Free" if CIF value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3*
73181500	*Threaded articles – Other screws and bolts, whether or not with nuts or washers*	*Free*	*Subject to Policy condition no. 2 and 3*	*Prohibited*	*However, import is "Free" if CIF value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3*
73181900	*Threaded articles – Other*	*Free*	*Subject to Policy condition no. 2 and 3*	*Prohibited*	*However, import is "Free" if CIF value is ₹129/- or above per Kg and subject to Policy condition no. 2 and 3*

Effect of the notification:

The Import Policy of screws under ITC (HS) Codes ***73181110, 73181190, 73181200, 73181300, 73181400, 73181500, and 73181900*** *is revised from* ***"Free" to "Prohibited."***

However, import shall be ***"Free" if CIF value is ₹129/- or above per Kg.***

This issues with the approval of the Minister of Commerce & Industry.

3.3. As per Policy Condition 2 & 3 of Chapter 73, the goods imported under all HS codes of Chapter 73 needs compulsory registration of the goods under SIMS (Steel Import Monitoring System). The imported goods mentioned at S. No. 1 of above Table-I & II, has declared as Furniture Fitting-Screw, however, the goods were found during the examination as Hexagon Washer Head Self-Drilling Screws & Self Tapping Screw. Accordingly, the mis-declared goods become prohibited for import. The importer has submitted SIMS application No. MOSSIMS050326464225 dated 05.03.2026 for the quantity 14,602 Kg and MOSSIMS030326462643 dated 03.03.2026 for the quantity 19,361 Kg. However, the CIF value of the imported said screws is ₹129/- or above per Kg.

From the above para, it clearly appears that the mis-declared goods mentioned at S. No. 1 of above Table-I & II found during the examination as Hexagon Washer Head Self-Drilling Screws & Self Tapping Screws, are prohibited for non-compliance of BIS as per above said Notification. Accordingly, the said goods are liable for confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962 and the importer is also liable for penalty under Sections 112(a)(i) and 114AA.

4. <u>Re-determination of classification:</u> As per the Indian Customs Tariff, the correct classification of the imported goods is as detailed below: -

<u>Table-VI</u>

Goods covered under the Z-type BE No. 7935013 dated 07.03.2026:

Sr. No.	Description of declared Goods as per Bill of Entry	Declared CTH	Description of Goods Found During Examination	Appropriate CTH
1	Furniture Fitting-Screws	73181500	Hexagon Washer Head Self-Drilling Screws	73181500
2	Furniture Fitting-Screws	73181500	Iron self-tapping screws	73181400
3	Bed Table	94032090	Children Study Tables (MDF Top)	94032090
4	Un-declared goods	-	Supportive Table Legs	94032090

As per above Table-VI, it is confirmed that the goods were found mis-declared in terms of description/classification and quantity.

<u>Table-VII</u>

Goods covered under the Z-type BE No. 8245664 dated 23.03.2026:

Sr.	Description of	Declared	Description of Goods	Appropriate

No.	declared Goods as per Bill of Entry	CTH	Found During Examination	CTH
1	Furniture Fitting-Screws	73181500	Iron self-tapping screws	73181400
2	Kids Study Table chair (Baby Desk)	94032090	Kids Study Table chair (Baby Desk)	94032090
3	Furniture Fitting-Screws	73181500	Iron self-tapping screws	73181400
4	Baby Desk	94032090	Kids Study Table chair (Baby Desk)	94032090

As per above Table-VII, it is confirmed that the goods were found mis-declared in terms of description and classification.

5. <u>Rejection of declared value & Redetermination of Assessable Value:-</u>

As the goods imported vide Z Type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026, were found to be mis-declared in terms of description/ classification and quantity, thus value, hence, they were liable to be re-assessed under section 17(4) of the Customs Act, 1962. Further, the value declared by the importer in the corresponding Bills of Entry and invoices did not appear to be the true transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the provisions of the Customs Valuation (determination of Value of Imported Goods) Rules, 2007 and thus the same appear liable to be rejected in terms of Rule 12 of CVR, 2007. The value is required to be re-determined by sequentially proceeding in terms of Rules 4 to 9 of CVR, 2007. Determination of valuation:

a) Efforts were made to find out the correct assessable value of the imported goods found undeclared. It was observed that the imported goods were found in different variety, description, specification and quality, so, it was not possible to find and compare the same with other goods having identical/similar description, brand, make, model, quantity and Country of Origin. As the import data extracted with respect to contemporaneous imports was general in nature and contemporaneous data for imports of identical/similar goods was not available/found, therefore, the value could not be determined under Rules 4 and 5 of CVR, 2007.
b) As per Rule 6 ibid, if the value cannot be determined under Rules 3, 4 and 5 same shall be determined under the provisions of Rule 7 or when same cannot be determined under that rule then under Rule 8.
c) As the imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore,

determination of transaction value under Rule 7 of CVR, 2007 was not possible.

d) As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available. Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007.

e) Hence, valuation of the goods is to be determined under residual method of valuation provided under Rule 9 of the CV Rules ibid.

The Chartered Engineer cum Valuer vide his reports Ref. No. ABJ:INSP:CE:MUN:SIIB:SH:26-27:14 dated 29.04.2026 & ABJ:INSP:CE:MUN:SIIB:SH:26-27:13 dated 29.04.2026 for Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 respectively, has suggested the valuation of the imported goods are as under:

Table-VIII

Valuation for the goods covered under Z type BE No. 7935013 dated 07.03.2026:

Sr. No.	Description of Goods Found During Examination	Quantity	Per Unit Suggestive Average CIF value(In USD)	Total Suggestive Average CIF value(In USD)	Total Suggestive Average CIF value(In INR)
1	Hexagon Washer Head Self-Drilling Screws	14000 KGS	1.42	19880	18,38,900
2	Iron self-tapping screws	235 KGS	1.42	333.7	30,867
3	Children Study Tables (MDF Top)	22000 PCS	1.00	22000	20,35,000
4	Supportive Table Legs	44000 PCS	0.108	4752	4,39,560
Total suggestive Average CIF value in Bulk quantity				**46965.7 USD**	**43,44,327 INR**

As per above Table-VIII, the total CIF value is re-evaluated as Rs. 43,44,327/-. However, the declared assessable value is Rs. 39,52,973/-. Thus, it appears that the subjected consignment has been undervalued to the extent of Rs. 3,91,354/- on account of mis-declaration & undervaluation of the imported goods by the said importer.

Table-IX

Valuation for the goods covered under Z-type BE No. 8245664 dated 23.03.2026:

S. No.	Description of Goods Found During Examination	Quantity	Per Unit Suggestive Average CIF value(In USD)	Total Suggestive Average CIF value(In USD)	Total Suggestive Average CIF value (In INR)
1.	Iron self-tapping screws	10635.2 Kg	1.42	15101.98	14,23,362
2.	Kids Study Table chair (Baby Desk)	1914 PCS	5.21	9971.94	9,39,855
3.	Iron self-tapping screws	8,726.4 Kg	1.42	12391.49	11,67,898
4.	Kids Study Table chair (Baby Desk)	1914 PCS	5.21	9971.94	9,39,855
Total suggestive Average CIF value in Bulk quantity				**47437.35 USD**	**44,70,970 INR**

As per above Table-IX, the total CIF value is re-evaluated as Rs. 44,70,970/- and the declared assessable value is also Rs. 44,70,970/-. Therefore, the value of the subjected consignment has been found as declared.

6. Re-determination of Duty:

6.1. Based on the foregoing paragraphs, it is evident that the importer has attempted to evade payment of duties and taxes by mis-declaring the imported goods in terms of quantity and description. The duty liability for the goods found during examination is ascertained as under:

Table-X

Duty liability for the goods covered under Z type BE No. 7935013 dated 07.03.2026:

Sr. No.	Item	CTH	Re-determine C.I.F. Value as per Table-VIII (In	BCD @ 15% or 20% whichever is applicable	SWS @ 10% of BCD	AIDC @ 5% of assessable value	IGST @ 18%	Total Duty (in Rs.)

			Rs.)					
1	Hexagon Washer Head Self-Drilling Screws	73181500	18,38,900	2,75,835	27,584	0	385617	689036
2	Iron self-tapping screws	73181400	30,867	4,630	463	0	6473	11566
3	Children Study Tables (MDF Top)	94032090	20,35,000	4,07,000	0	101750	457875	966625
4	Supportive Table Legs	94032090	4,39,560	87,912	0	21978	98901	208791
Total			43,44,327	7,75,377	28,047	123728	948866	1876018

As per above Table-X, it appears that the total duty liability of the importer is **Rs. 18,76,018/-**. The importer in the Z type BE No. 7935013 dated 07.03.2026, has declared the value of the goods as Rs. 39,52,973/- and calculated the applicable duties and taxes on the good declared, based on the declared value and classification in the said Z type Bill of Entry as Rs. 16,85,287/-.

6.2. Based on the calculations as per Table-X, the importer is required to pay/levy a differential duty of Rs. **1,90,731/- (Rupees One Lakh Ninety Thousand Seven Hundred and Thirty-One only)** on the mis-declared goods after adjustment.

6.3 The importer in the Z type BE No. 8245664 dated 23.03.2026, has declared the value of the goods as Rs. 44,70,970/- and calculated the applicable duties and taxes on the good declared, based on the declared value and classification in the said Z type Bill of Entry as Rs. 18,63,808/-. As per Table-VII of CE Report, the valuation of goods covered under Z type BE No. 8245664 dated 23.03.2026 are same as declared. Therefore, the duty liability for the goods covered under Z type BE No. 8245664 dated 23.03.2026 is also same as declared i.e. 18,63,808/-.

7. Summons & Statement:

In response to summons dated 04.05.2026 and 02.06.2026 issued under Section 108 of the Customs Act, 1962, the statement of Shri Nand Kishor, Authorised Representative of M/s. SK Overseas, was recorded on 02.06.2026.

During the course of statement, Shri Nand Kishor, inter alia stated that:

- He is the authorised representative of Authorised Person of M/s. SK Overseas (IEC- FZUPK8807F) and is engaged in handling sales & purchase, import-related work.
- M/s. SK Overseas (IEC- FZUPK8807F), 61/10 Ashok Nagar, Tilak Nagar, New Metro Gate No.3 New Delhi-110018 is engaged in mainly import furniture and furniture's hardware only and trading of the same.
- Vide the said Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026, we imported goods i.e. Furniture fitting Screw (CTH-73181500), Baby Desk & Bed Table (CTH-94032090) for trading.
- He agrees with the contents of the said Examination Reports dated 26.03.2026 & 07.04.2026. We declared the goods as per our purchase orders. They order for purchase the goods on telephonically and personal visit. Sometimes, they order the goods through local agents.
- They paid full amount for the goods covered under the Z type Bill of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 as per terms and condition of payment.
- He agrees with the Chartered Engineer valuation report Ref. No. ABJ:INSP:CE: MUN:SIIB:SH:26-27:14 dated 29.04.2026 and ABJ:INSP:CE :MUN:SIIB:SH:26-27:13 dated 29.04.2026 in respect of consignment imported vide Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 respectively. He accept the valuation of goods found actually during the examination.
- He is not aware about the applicability of BIS on said Screws and same falls under the compulsory registration with BIS as per IS No. 18471:2025 issued by DPIIT Notification dated 27.08.2025 w.e.f. from 01.11.2025 and same is not provided by the suppliers.
- They have another Private Limited Firm M/s. RSE India Pvt. Ltd. (IEC-AAMCR3913Q) which is active since 2023 and he is Director of the said company and Shri Shyam Kishor proprietor of M/s. S K Overseas (IEC-FZUPK8807F) which is active since 2021 is his brother.
- M/s. SK Overseas (IEC- FZUPK8807F) is a legal entity and they comply all the rules and regulations as per norms.
- They have imported the furniture like fitting accessories through our company M/s RSE India Pvt. Ltd. (IEC: AAMCR3913Q). They have not imported furniture fitting screw through the said company and they have imported the furniture like fitting accessories through our firm M/s. SK Overseas (IEC- FZUPK8807F). They have not imported furniture fitting screw through the said company other than the said consignments vide Z type

Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026.

- This is our mistake due to negligence of BIS applicability. Therefore, we request to allow us to re-export the cargo where BIS is applicable and also request to allow the rest goods for domestic clearance. We don't want any SCN and PH in this matter. Also, we are ready to pay the applicable fine and penalties as per the provisions of the Customs Act, 1962.

8. LEGAL PROVISIONS:

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

8.2. As per 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*;

8.3. **Section 46** of the Act, prescribes that the importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

8.4. Further, **Section 111** of the Act, prescribes the Confiscation of improperly imported goods, etc. as under

The following goods brought from a place outside India shall be liable for confiscation:

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

8.5. **Further, Section 112** of the Act provides the penal provisions for improper importation of goods, etc. which read as under**:**

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 section111,

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:

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

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

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

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty not exceeding the duty sought to be evaded on such goods or

the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.

8.6. **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.*

8.7. **Section 124** prescribes the mandatory issuance of show cause notice before confiscation of goods, which read as under**:**

No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person –

(a) is given a notice in writing with the prior approval of the officer of Customs not below the rank of an Assistant Commissioner of Customs, informing him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;

(b) is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and

(c) is given a reasonable opportunity of being heard in the matter:

***Provided** that the notice referred to in clause (a) and the representation referred to in clause (b) may, at the request of the person concerned be oral.*

***Provided** further that notwithstanding issue of notice under this section, the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed.*

8.8. **Section 125** provides the Option to pay fine in lieu of confiscation as under:

(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:

***Provided** that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-*

section (6) of that section in respect of the goods which are not prohibited or restricted, 3 [no such fine shall be imposed]:

***Provided** further that, without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.*

(2) Where any fine in lieu of confiscation of goods is imposed under sub-section (1), the owner of such goods or the person referred to in sub-section (1), shall, in addition, be liable to any duty and charges payable in respect of such goods.]

(3) Where the fine imposed under sub-section (1) is not paid within a period of one hundred and twenty days from the date of option given thereunder, such option shall become void, unless an appeal against such order is pending.

8.9. **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. OUTCOME OF THE INVESTIGATION:

9.1 As discussed in foregoing paras, it appears that the goods covered under Z type Bill of Entry No. 7935013 dated 07.03.2026 have been mis-declared by the said importer in terms of description/classification. In fact, goods mentioned at Sr. No. 1 & 2 of Table-IV, declared as Furniture Fitting-Screws, were found as

Hexagon Washer Head Self-Drilling Screws and Iron Self-Tapping Screws respectively during the examination, are prohibited for import for non-compliance compulsory registration with BIS as per IS No. 18471:2025 issued by DPIIT Notification dated 27.08.2025 w.e.f. from 01.11.2025.

9.2 As discussed in foregoing paras, it appears that the goods imported and covered under Z type Bill of Entry No. 8245664 dated 23.03.2026 have been mis-declared by the said importer in terms of description/classification. In fact, goods mentioned at Sr. No. 1 & 2 of Table-V, declared as Furniture Fitting-Screws were found as Iron Self-Tapping Screws during the examination, are prohibited for import as per non-compliance compulsory registration with BIS as per IS No. 18471:2025 issued by DPIIT Notification dated 27.08.2025 w.e.f. from 01.11.2025.

9.3 The declared assessable value **Rs. 39,52,973/-** of these mis-declared imported goods imported vide Z type Bill of Entry No. 7935013 dated 07.03.2026 is liable to be rejected and to be re-determined as **Rs. 43,44,327/-**, as detailed mentioned at Table-VIII above, as determined by the Chartered Engineer cum Valuer report dated 29.04.2026, as per Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.

9.4 The importer in the Z type Bill of Entry No. 7935013 dated 07.03.2026, has declared the value of the goods as Rs. 39,52,973/- and calculated the applicable duties and taxes on the good declared, based on the declared value and classification in the Z type Bill of Entry as Rs. 16,85,287/-. Based on the calculations as per para 6.2 & Table-X, the importer is required to pay/levy a differential liability of **Rs. 1,90,731/-**, on the mis-declared goods in terms of description/classification and quantity after adjustment. This amount represents the additional duty and tax liability that the importer must pay due to the mis-declaration in terms of description/classification and quantity.

9.5 From the above para, it clearly appears that the mis-declared goods covered under Z-type Bill of Entry No. 7935013 dated 07.03.2026 mentioned at Sr. No. 1 & 2 of Table-VIII i.e. Hexagon Washer Head Self-Drilling Screws and Iron Self-Tapping Screws having re-determined valued at total **Rs. 18,69,767/-** are prohibited in non-compliance of BIS as per above said Notification. Accordingly, the said goods are liable for confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962 and the importer is also liable for penalty under Sections 112(a)(i) and 114AA.

9.6 From the above para, it clearly appears that the mis-declared goods covered under Z-type Bill of Entry No. 8245664 dated 23.03.2026 mentioned at Sr. No. 1 & 3 of Table-IX i.e. Iron Self-Tapping Screws having re-determined valued at total **Rs. 25,91,260/-** are prohibited in non-compliance of BIS as per above said

Notification. Accordingly, the said goods are liable for confiscation under Section 111(d) and 111(m) of the Customs Act, 1962 and the importer is also liable for penalty under Sections 112(a)(i) and 114AA.

9.7 Further, the un-declared goods under Z-type Bill of Entry No. 7935013 dated 07.03.2026 mentioned at Sr. No. 4 of Table-VIII having re-determined value of **Rs. 4,39,560/-** were found mis-declared in terms of quantity/classification. Accordingly, the said goods are liable for confiscation under the provisions of Sections 111(l) & 111(m) of the Customs Act, 1962. Accordingly, the importer has also rendered themselves liable for penal action under Sections 112(a)(ii) and 114AA of the Customs Act, 1962.

10. **WAIVER OF SHOW CAUSE NOTICE AND PERSONAL HEARING:**

The authorised person of importer M/s. SK Overseas vide statement dated 02.06.2026 has submitted that this is their mistake due to negligence of BIS applicability. Therefore, they request to allow us to re-export the cargo where BIS is applicable and also request to allow the rest goods for domestic clearance. Further, vide letter dated 16.06.2026, importer submitted that they don't want any SCN and PH in this matter. Also, they are ready to pay the applicable fine and penalties as per the provisions of the Customs Act, 1962.

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

(i) The declared description/classification of the goods mentioned at S. No. 1 of Table-I under the Z type Bill of Entry No. 7935013 dated 07.03.2026 is liable to be rejected and same needs to be re-determined as discussed in Table-V.

(ii) The declared description/classification of the goods mentioned at Sr. No. 1 of Table-II under the Z type Bill of Entry No. 8245664 dated 23.03.2026 is liable to be rejected and same needs to be re-determined as discussed in Table-VI. However, as per Chartered Engineer cum Valuer report dated 29.04.2026, the declared assessable value found to reasonable as per Table-IX and same may be accepted.

(iii) The declared value of the goods imported under Z type Bill of Entry No. 7935013 dated 07.03.2026, i.e. **Rs. 39,52,973/-** is liable to be rejected, under Rule 12 of the CVR, 2007 and required to be re-determined as per Table-VIII i.e. **Rs. 43,44,327/-** as determined by the Chartered Engineer cum Valuer report dated 29.04.2026, as per Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.

(iv) The self-assessment done by the importer is liable to be rejected and the Z type Bill of Entry No. 7935013 dated 07.03.2026 needs to be re-assessed with the differential duty under Section 17(4) of the Customs Act, 1962.

(v) The self-assessment done by the importer is liable to be rejected and the Z type Bill of Entry No. 8245664 dated 23.03.2026 needs to be re-assessed with the classification under Section 17(4) of the Customs Act, 1962.

(vi) The goods mentioned at Sr. No. 1 & 2 of Table-VIII under Z type Bill of Entry No. 7935013 dated 07.03.2026 having re-determined value of **Rs. 18,69,767/-** is liable for confiscation under Sections 111(d) & 111(m) of the Customs Act, 1962 for **non-compliance of BIS**.

(vii) The goods mentioned at Sr. No. 1 & 3 of Table-IX under Z type Bill of Entry No. 8245664 dated 23.03.2026 having re-determined value of **Rs. 25,91,260/-** is liable for confiscation under Sections 111(d) & 111(m) of the Customs Act, 1962 for **non-compliance of BIS**.

(viii) The un-declared goods mentioned at Sr. No. 4 of Table-VIII under Bill of Entry No. 7935013 dated 07.03.2026 having re-determined value of **Rs. 4,39,560/-** is liable for confiscation under Section 111 (l) and 111(m) of the Customs Act, 1962.

(ix) The importer M/s. SK Overseas is liable for penalty under Sections 112 (a)(i), 112 (a)(ii) and 114AA of the Customs Act, 1962.

DISCUSSION AND FINDINGS

12. I have carefully gone through the records of the case, investigation report dated 15.06.2026, valuation report by empanelled Chartered Engineer and the applicable provisions of law. The importer i.e M/s. SK Overseas, vide letter dated 16.06.2026 requested for waiver of Show Cause Notice and Personal hearing. Now, I proceed to decide the case on the basis of documentary evidence available on records, statutory provisions and judicial precedents. I find that the following issues arise for determination in this adjudication: -

(i) Whether the declared description, quantity, No. of items and classification of the goods mentioned in the Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 are liable for rejection or otherwise;

(ii) Whether the declared value of the goods imported under Bill of Entry No. 7935013 dated 07.03.2026, i.e. **Rs. 39,52,973/-** is liable for rejection under Rule 12 of the CVR, 2007 and required to be re-determination as **Rs. 43,44,327/-** in terms of Rule 9 of CVR,2007**.**

(iii) Whether the impugned goods are liable for confiscation under Section 111 (d), 111(l) and 111(m) of the Customs Act, 1962 as applicable or otherwise;

(iv) Whether the importer is liable to penalty under Section 112 (a)(i), 112 (a)(ii) and 114AA of the Customs Act, 1962.

13. After having identified and framed the main issues to be decided, I now proceed to deal with each of the issues individually for analysis in light of facts, submissions, circumstances of the case, provisions of the Customs Act, 1962 and nuances of various judicial pronouncements.

14. Regarding the first issue of the case, I find that M/s. SK Overseas has filed Z type Bills of Entry no. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 at APSEZ for clearance of various goods as detailed in Table-I above. On the basis of intelligence, the subject consignment was put on hold by SIIB, Mundra. The goods were examined by the officer of SIIB, Mundra under Examination Report dated 26.03.2026 and 07.04.2026 respectively, at the premises of M/s. Shoolin Trade Link LLP, Adani Port & SEZ, Mundra in the presence of Sh. Pranjal Singh, authorised representative of the importer M/s. SK Overseas.

14.1 I noticed that during the course of examination, total 56620 Kg and 52710 Kg were found; however, it was declared in the said bills of entry as 56402 Kg and 56110.8 Kg, respectively. Details of goods declared and found during the examination as detailed below: -

Table-A

Z-Type BE No. 7935013 dated 07.03.2026: -

Sr. No.	Items Declared	Total quantity declared	Items found on examination	Total quantity found
1.	Furniture Fitting Screw	14602 Kg	Hexagon Washer Head Self-Drilling Screws	14000 Kg
2.	Bed Table	22000 Pcs	Iron Self-tapping Screws	235 Kg
3.			Children Study Table	22000 Pcs

			(MDF Top)	
4.			Supportive Table Legs	44000 Pcs

Z-Type BE No. 8245664 dated 23.03.2026: -

Sr. No.	Items Declared	Total quantity declared	Items found on examination	Total quantity found
1.	Furniture Fitting Screw	19361 Kg	Iron self-tapping screws	10635.2 Kg
2.	Baby Desk	3828 Pcs	Kids Study Table chair (Baby Desk)	1914 Pcs
3.			Iron self-tapping screws	8726.4 Kg
4.			Kids Study Table Chair (Baby Desk)	1914 Pcs

14.2 Further, I find that upon examination of the imported goods, it has been found that the goods were not correctly classified by the importer at the time of filing the Bill of Entry. The description, nature, and characteristics of the goods, as ascertained during the course of examination, do not conform to the classification originally declared by the importer. In this regard, I observe that the impugned goods are classifiable under the re-determined Customs Tariff Heading (CTH) as detailed in Table VI & VII of this order. In view of the above, I hold that declared description, quantity and the classification declared by the importer is liable to be rejected and the same is to be re-determined as per table- IV to VII of this order.

15. Regarding the second issue of the case, I find that the physical examination of the import consignment showed a mismatch with the declared description, quantity and declared classification of the goods. As a result, declared CIF values of goods in the said import documents cannot be considered as the values that truly or correctly represent the goods actually imported. Therefore, there are enough reasons to believe that the declared values do not represent the actual transaction value and, consequently, liable for rejection in terms of Rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

15.1 I find that the transaction value of the items, sought to be imported under the impugned bill of entry, cannot be determined under the provisions of sub-rule (1) of Rule 3 of the rules ibid and the correct value needs to be ascertained and arrived at by proceeding sequentially in accordance with Rules 4 to 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

15.2 I observed that the imported goods were found in different variety, description, specification and quality, so, it was not possible to find and compare the same with other goods having identical/similar description, brand, make, model, quantity and Country of Origin. As the import data extracted with respect to contemporaneous imports was general in nature and contemporaneous data for imports of identical/similar goods was not available/found, therefore, the value could not be determined under Rules 4 and 5 of CVR, 2007.

15.3 I find that as per Rule 6 ibid, if the value cannot be determined under Rules 3, 4 and 5 same shall be determined under the provisions of Rule 7 or when same cannot be determined under that rule then under Rule 8. As the imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore, determination of transaction value under Rule 7 of CVR, 2007 was not possible. As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available. Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007. Hence, valuation of the goods is to be determined under residual method of valuation provided under Rule 9 of the Customs Valuation Rules ibid.

15.4 I noticed that Chartered Engineer in its report vide ref no. ABJ:INSP:CE:MUN:SIIB:SH:26-27:14 dated 29.04.2026 & ABJ:INSP:CE:MUN:SIIB:SH:26-27:13 dated 29.04.2026 for Z type Bills of Entry No. 7935013 dated 07.03.2026 and 8245664 dated 23.03.2026 respectively, has suggested the valuation of the imported goods as Rs. 43,44,327/- (Rupees Forty-Three Lakh Forty-Four Thousand Three Hundred and Twenty-Seven only) whereas importer declared it as Rs. 39,52,973/- in respect to Bill of Entry No. 7935013 dated 07.03.2026 and has suggested the valuation of the imported goods as Rs. 44,70,970/- (Rupees Forty-Four Lakh Seventy Thousand Nine Hundred and Seventy only) same as declared by the importer in Bill of Entry No. 8245664 dated 23.03.2026. By considering the value as determined by Chartered Engineer, assessable value of the subject goods is required to be re-determined under Section 14 of the Customs Act, 1962 and re-assessment is required to be done as per section 17(4) of the Customs Act, 1962. The re-assessment of Bill of Entry No. 7935013 dated 07.03.2026, resultant a duty difference of Rs. 1,90,731**/-** (Rupees One Lakh Ninety Thousand Seven Hundred and Thirty-One only) which is to be recovered by the importer.

15.5 Therefore, I conclude that investigation report has rightly proposed re-determination of assessable value under the provision of rule 9 of Customs

Valuation (Determination of Value of Imported Goods) Rules, 2007 and the differential duty to the tune of **Rs. 1,90,731/- (Rupees One Lakh Ninety Thousand Seven Hundred and Thirty-One only)** are recoverable from the importer in terms of Section 14 and Section 17(4) of the Customs Act, 1962.

16. Regarding the third issue of the case in respect of confiscation, I find that there are two separate issues involved in the prohibition of the goods found during the examination as "Hexagon Washer Head Self-Drilling Screws" (Sr. No. 1 of Table-VIII) and "Iron self-tapping screws" (Sr. No. 2 of Table-VIII & Sr. No. 1 & 3 of Table-IX) imported by the way of mis-declaration i.e. (i) BIS as per IS 18471:2025 and (ii) Non-compliance of SIMS.

16.1 I find that the goods found during the examination as "Hexagon Washer Head Self-Drilling Screws" (Sr. No. 1 of Table-VIII) and "Iron self-tapping screws" (Sr. No. 2 of Table-VIII & Sr. No. 1 & 3 of Table-IX) and same falls under the compulsory registration with BIS as per IS No. 18471:2025 issued by DPIIT Notification dated 27.08.2025 w.e.f. from 01.11.2025. In the present case, the goods are non-compliant with BIS standard and are liable for confiscation under Section 111(d) of the Customs Act, 1962.

16.2 I find that as per Policy Condition 2 & 3 of Chapter 73, the goods imported under all HS codes of Chapter 73 needs compulsory registration of the goods under SIMS (Steel Import Monitoring System). The imported goods mentioned at S. No. 1 of above Table-I & II, has declared as Furniture Fitting-Screw, however, the goods were found during the examination as Hexagon Washer Head Self-Drilling Screws & Self Tapping Screw. Accordingly, the mis-declared goods become prohibited for import. The importer has submitted SIMS application No. MOSSIMS050326464225 dated 05.03.2026 for the quantity 14,602 Kg and MOSSIMS030326462643 dated 03.03.2026 for the quantity 19,361 Kg. From the above para, it clearly appears that the mis-declared goods mentioned at S. No. 1 of above Table-I & II found during the examination as Hexagon Washer Head Self-Drilling Screws & Self Tapping Screws, are prohibited for non-compliance of BIS and SIMS as per above said Notification. Accordingly, the said goods are liable for confiscation under Sections 111(d) and 111(m) of the Customs Act, 1962.

16.3 In addition to above, I find that the goods other than Screw, were mis declared in terms of CTH, quantity, description and valuation. The importer failed to furnish the correct information such as item description, correct CTH, quantity and valuation hence, contravened the provisions of Section 46 of the Customs Act, 1962. I observed that these acts of omission and commission on the part of the importer rendered the goods liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962.

17. Regarding the fourth issue of penalty imposition, I find that the evidence clearly indicates that the mis-declared goods mentioned at S. No. 1 of above Table-

I & II, has declared as Furniture Fitting-Screw, however, the goods were found during the examination as Hexagon Washer Head Self-Drilling Screws & Self Tapping Screw" were prohibited for non-compliance of BIS. Accordingly, the said goods are liable for confiscation under Section 111(d) of The Customs Act, 1962 Consequently, the proposal for imposition of penalty under Section 112(a)(i) is correct and sustainable in law.

17.1 Further for remaining goods, I find that it is clear from the provision that penalty under Section 112(a)(ii) can be imposed in cases where the acts or omissions of the importer/noticee renders the goods liable for confiscation under Section 111 of the Act. From the discussions so far, I find that the evidences clearly indicating mis-declaration in terms of description, quantity and mis-classification on their part in respect of the imported goods warranting imposition of penalty under Section 112 (a) (ii) as the fact of mis-declaration, mis-classification and under-valuation was known to the assessee and not the department on the grounds of self-assessment. Therefore, penalty imposition on importer under Section 112(a)(ii) of the Customs Act, 1962 is correct and sustainable in law.

17.2 I find that the Investigating Agency proposed imposition of penalty on the Importer u/s. 114AA of the Customs Act, 1962. I find that despite being well aware of the nature of the imported goods, importer, consciously mis-declared the quantity, valuation and CTH of the goods which found to be incorrect during the course of investigation. These acts of omission and commission on the part of the importer made the provisions of Section 114AA invokable. Therefore, I agree with the proposal of imposition of penalty on the importer u/s. 114AA *ibid*.

18. In view of the above facts of the case and findings on record, I pass the following order: -

ORDER

18.1 Confiscation, Redemption Fine and Penalty for Bill of Entry No. 7935013 dated 07.03.2026: -

(i) I reject the declared assessable value of the goods in Z-Type Bill of entry no. 7935013 dated 07.03.2026 i.e. **Rs. 39,52,973/-** (Rupees Thirty-Nine Lakh Fifty-Two Thousand only) under Rule 12 of CVR, 2007 and order to re-determine the same as **Rs. 43,44,327/-** (Rupees Forty-Three Lakh Forty-Four Thousand Three Hundred and Twenty-Seven only) in terms of Rule 9 of the CVR, 2007 read with section 14 of Customs Act, 1962.

(ii) I order to re-assess the Z-Type Bills of entry no. 7935013 dated 07.03.2026 on the basis of revised valuation, quantity and CTH (as per tables hereinabove). I order to recover the re-determined duty arrived on re-assessment of bills of entry along with applicable interest.

(iii) I order to confiscate the impugned undeclared goods i.e. "Hexagon Washer Head Self- Drilling Screws & Iron self-tapping screws" (mentioned at sr. no. 1 & 2 of Table-VIII) having re-determined value of **Rs. 18,69,767/- (Rupees Eighteen Lakh Sixty-Nine Thousand Seven Hundred and Sixty-Seven only**) under Section 111 (d) & 111(m) of the Customs Act 1962. However, I give an option to the importer to redeem the goods for re-export only on payment of Redemption Fine of **Rs. 1,85,000/- (Rupees One Lakh Eighty-Five Thousand only)** under the provisions of section 125 of the said Act ibid.

(iv) I order to confiscate the impugned un-declared goods at Sr. No. 4 of Table-VIII imported vide Bill of Entry No. 7935013 dated 07.03.2026 having re-determined value of **Rs. 4,39,560/- (Rupees Four Lakh Thiry-Nine Thousand Five Hundred and Sixty only)** under Section 111(l) and 111(m) of the Customs Act 1962. However, I give an option to the importer to redeem the confiscated goods on payment of redemption fine of **Rs. 43,900/- (Rs. Forty-Three Thousand Nine Hundred only)** under Section 125 (1) of Customs Act, 1962 for home consumption.

(v) I impose penalty of **Rs. 90,000/- (Rupees Ninety Thousand only)** on the importer i.e. M/s. SK Overseas under Section 112 (a)(i) of the Customs Act, 1962.

(vi) I impose penalty of **Rs. 19,000/- (Rupees Nineteen Thousand only)** on the importer i.e. M/s. SK Overseas under Section 112 (a)(ii) of the Customs Act, 1962.

(vii) I impose penalty of **Rs. 25,000/- (Rupees Twenty-Five Thousand only)** on the importer i.e. M/s. SK Overseas under Section 114AA of the Customs Act, 1962.

18.2 Confiscation, Redemption Fine and Penalty for Bill of Entry No. 8245664 dated 23.03.2026:

(i) I order to re-assess the Z-Type Bills of entry no. 8245664 dated 23.03.2026 on the basis of revised CTH (as per table VII hereinabove).

(ii) I order to confiscate the impugned undeclared goods i.e. "Iron self-tapping screws" (mentioned at sr. no. 1 & 3 of Table-IX) having re-determined value of **Rs. 25,91,260/- (Rupees Twenty-Five Lakh Ninety-one Thousand Two Hundred and Sixty only**) under Section 111 (d) & 111(m) of the Customs Act 1962. However, I give an option to the importer to redeem the goods for re-export only on payment of Redemption Fine of **Rs. 2,60,000/- (Rupees Two Lakh Sixty Thousand only)** under the provisions of section 125 of the said Act ibid.

(iii) I impose penalty of **Rs 1,30,000/- (Rupees One Lakh Thirty Thousand only)** on the importer i.e. M/s. SK Overseas under Section 112 (a)(i) of the Customs Act, 1962.

(iv) I impose penalty of **Rs. 25,000/- (Rupees Twenty-Five Thousand only)** on the importer i.e. M/s. SK Overseas under Section 114AA of the Customs Act, 1962.

19. This order is issued without prejudice to any other action which may be contemplated against the importer or any other person under provisions of the Customs Act, 1962 and rules/regulations framed thereunder or any other law for the time being in force in the Republic of India.

Digitally signed by Dipakbhai Zala
Date: 24-06-2026 11:49:08

Dipak Zala,
Additional Commissioner,
Custom House, Mundra.

By Speed Post/Regd. Post/E-mail/Hand Delivery

CUS/APR/INV/431/2026-Gr-4

To,

M/s. SK Overseas, 61/10 Ashok Nagar,
Tilak Nagar, New Metro Gate No.3.,
New Delhi-110018.

Copy to:

1. The DC/AC, RRA/SIIB/TRC/EDI, Mundra Customs.
2. Notice Board/Guard File.