

OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-V)
सीमाशुल्कआयुक्त (एनएस - V) काकार्यालय
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,
जवाहरलालनेहरुसीमाशुल्कभवन, न्हावाशेवा,
TALUKA – URAN, DISTRICT - RAIGAD, MAHARASHTRA -400707
तालुका - उरण, जिला - रायगढ़ , महाराष्ट्र 400707

DIN – 20260478NX000000E899

Date of Order:30.04.2026

F. No. S/10-117/2025-26/Commr/Gr.VA/NS-V/CAC/JNCH

Date of Issue:30.04.2026

SCN No.: 603/2025-26/Commr/NS-V/CAC/JNCH

SCN Date: 07.08.2025

Passed by: Sh. Anil Ramteke

Commissioner of Customs, NS-V, JNCH

Order No: 17/2026-27/COMMR/GR-VA/NS-V/CAC/JNCH

Name of Noticee: M/s Singh LED Display (IEC: DTBPS0478H)

ORDER-IN-ORIGINAL

मूल - आदेश

1. The copy of this order in original is granted free of charge for the use of the person to whom it is issued.

1. इस आदेश की मूल प्रति की प्रतिलिपि जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए निःशुल्क दी जाती है।

2. Any Person aggrieved by this order can file an Appeal against this order to CESTAT, West Regional Bench, 34, P D'Mello Road, Masjid (East), Mumbai - 400009 addressed to the Assistant Registrar of the said Tribunal under Section 129 A of the Customs Act, 1962.

2. इस आदेश से व्यथित कोई भी व्यक्ति सीमाशुल्क अधिनियम 1962 की धारा 129 (ए) के तहत इस आदेश के विरुद्ध सी.ई.एस.टी.ए.टी., पश्चिमी प्रादेशिक न्यायपीठ (वेस्ट रीजनल बेंच), 34, पी. डी.मेलो रोड, मस्जिद (पूर्व), मुंबई - 400009 को अपील कर सकता है, जो उक्त अधिकरण के सहायक रजिस्ट्रार को संबोधित होगी।

3. Main points in relation to filing an appeal: -

3. अपील दाखिल करने संबंधी मुख्य मुद्दे:-

Form - Form No. CA3 in quadruplicate and four copies of the order appealed against (at least one of which should be certified copy).

फार्म - सीए3, चार प्रतियों में तथा उस आदेश की चार प्रतियाँ, जिसके खिलाफ अपील की गयी है (इन चार प्रतियों में से कम से कम एक प्रति प्रमाणित होनी चाहिए).

Time Limit - Within 3 months from the date of communication of this order.

समय सीमा - इस आदेश की सूचना की तारीख से 3 महीने के भीतर

Fee -फीस-

- (a) Rs. One Thousand - Where amount of duty & interest demanded & penalty imposed is Rs. 5 Lakh or less.

- (क) एक हजार रुपये जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्ति की रकम 5 लाख रुपये या उस से कम है।
- (b) Rs. Five Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 5 Lakh but not exceeding Rs. 50 Lakh.
- (ख) पाँच हजार रुपये – जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्ति की रकम 5 लाख रुपये से अधिक परंतु 50 लाख रुपये से कम है।
- (c) Rs. Ten Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 50 Lakh.
- (ग) दस हजार रुपये – जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्ति की रकम 50 लाख रुपये से अधिक है।

Mode of Payment - A crossed Bank draft, in favor of the Asstt. Registrar, CESTAT, Mumbai payable at Mumbai from a nationalized Bank.

भुगतान की रीति – क्रॉस बैंक ड्राफ्ट, जो राष्ट्रीय कृत बैंक द्वारा सहायक रजिस्ट्रार, सी.ई.एस.टी.ए.टी., मुंबई के पक्ष में जारी किया गया हो तथा मुंबई में देय हो।

General - For the provision of law & from as referred to above & other related matters, Customs Act, 1962, Customs (Appeal) Rules, 1982, Customs, Excise and Service Tax Appellate Tribunal (Procedure) Rules, 1982 may be referred.

सामान्य - विधि के उपबंधों के लिए तथा ऊपर यथा संदर्भित एवं अन्य संबंधित मामलों के लिए, सीमाशुल्क अधिनियम, 1962, सीमाशुल्क (अपील) नियम, 1982, सीमाशुल्क, उत्पाद शुल्क एवं सेवा कर अपील अधिकरण (प्रक्रिया) नियम, 1982 का संदर्भ लिया जाए।

4. Any person desirous of appealing against this order shall, pending the appeal, deposit 7.5% of duty demanded or penalty levied therein and produce proof of such payment along with the appeal, failing which the appeal is liable to be rejected for non-compliance with the provisions of Section 129E of the Customs Act 1962.

4. इस आदेश के विरुद्ध अपील करने के लिए इच्छुक व्यक्ति अपील अनिर्णीत रहने तक उसमें माँगे गये शुल्क अथवा उद्गृहीत शास्ति का 7.5 % जमा करेगा और ऐसे भुगतान का प्रमाण प्रस्तुत करेगा, ऐसा न किये जाने पर अपील सीमाशुल्क अधिनियम, 1962 की धारा 129 E के उपबंधों की अनुपालना न किये जाने के लिए नामंजूर किये जाने की दायी होगी।

Subject: Adjudication of Show Cause Notice No. 603/2025-26/Commr/NS-V/CAC/JNCH dated 07.08.2025 issued to M/s. Singh LED Display (IEC: DTBPS0478H). – reg.

1. BRIEF FACTS OF THE CASE

- 1.1. Intelligence developed by the officers of Directorate of Revenue Intelligence, Mumbai Zonal Unit, indicated that M/s. Singh LED Display (IEC: DTBPS0478H) (hereinafter referred to as 'Importer') situated at Gala No 4, Building E16, Krishna Complex Inside Harihar Complex, Village Dapoda, Bhiwandi, Thane, Maharashtra-421302 has been importing the product viz. 'LED Display Panels' – CTI 85285900 by mis-declaring it as 'LED Indicator Panel' under CTI 85312000. As per the Customs Tariff the applicable duty on CTI 85312000 and CTI 85285900 is as under: -

CTI	BCD	Health Cess	SWS	IGST	TOTAL RATE (in %)
85312000	0	-	-	18	18
85285900	10	-	1	28	42.08

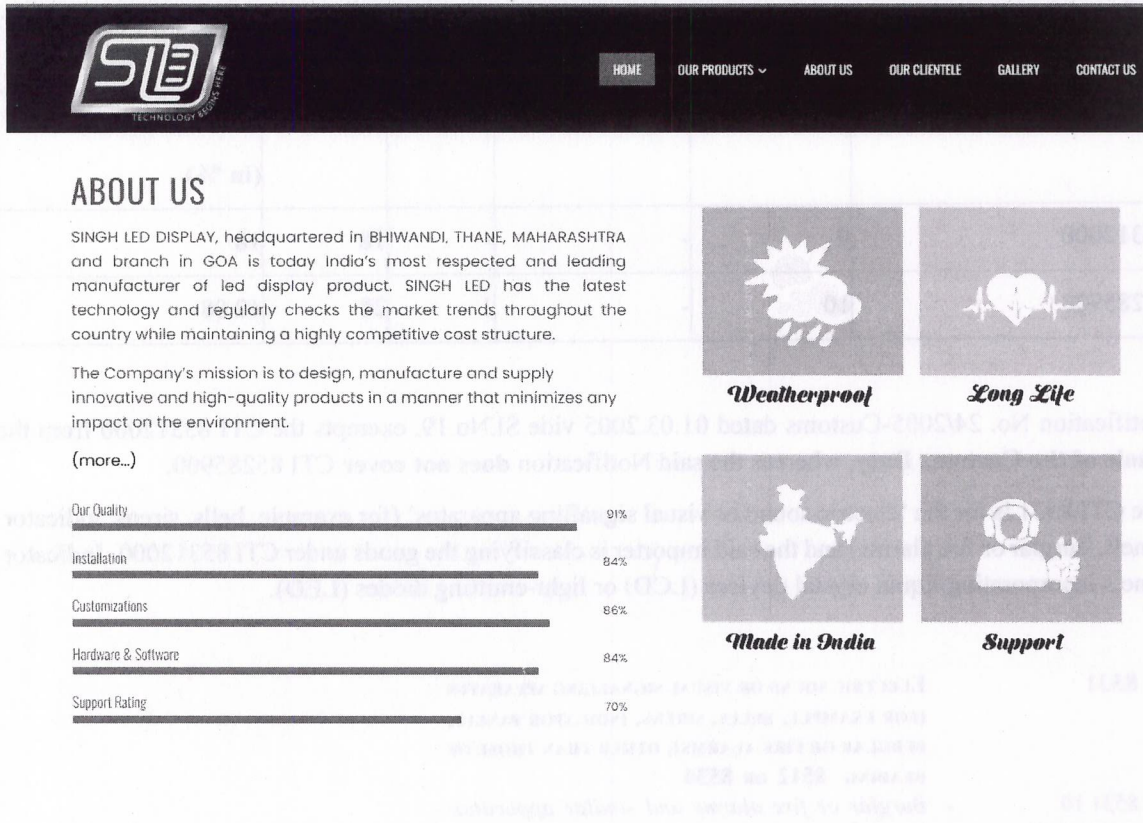
- 1.2. Notification No. 24/2005-Customs dated 01.03.2005 vide Sl.No.19, exempts the CTI 85312000 from the **whole of the Customs Duty**, whereas the said Notification **does not cover** CTI 85285900.
- 1.3. The CTI 8531 is for the 'electric sound or visual signalling apparatus' (for example, bells, sirens, indicator panels, burglar or fire alarms) and the said importer is classifying the goods under CTI 85312000- Indicator panels incorporating liquid crystal devices (LCD) or light-emitting diodes (LED).

8531	ELECTRIC SOUND OR VISUAL SIGNALLING APPARATUS (FOR EXAMPLE, BELLS, SIRENS, INDICATOR PANELS, BURGLAR OR FIRE ALARMS), OTHER THAN THOSE OF HEADING 8512 OR 8530				
8531 10	- Burglar or fire alarms and similar apparatus :				
8531 10 10	---	Burglar alarm	u	10%	-
8531 10 20	---	Fire alarm	u	10%	-
8531 10 90	---	Other	u	10%	-
8531 20 00	- Indicator panels incorporating liquid crystal devices (LCD) or light-emitting diodes (LED)				
8531 80 00	-	Other apparatus	u	10%	-
8531 90 00	-	Parts	kg.	10%	-

- 1.4. From the general provisions regarding the classification of parts from the Explanatory notes to Chapter 85, it is observed that Indicator Panel are used in Office, hotels & factories for calling personnel, indicating where a certain person or service is required, also indicating whether a room is free or not. Indicator panels include Room Indicators, Number Indicators, office Indicators, Lift Indicators, Engine room telegraph apparatus for ships, Station indicating panels for showing the times and platforms of trains, Indicators for race courses, football stadiums, bowling alleys, etc.
- 1.5. Classification under CTI 8528 i.e. 'Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus is as under:

8528	MONITORS AND PROJECTORS, NOT INCORPORATING TELEVISION RECEPTION APPARATUS, RECEPTION APPARATUS FOR TELEVISION, WHETHER OR NOT INCORPORATING RADIO-BROADCASTRECEIVERS OR SOUND OR VIDEO RECORDING OR REPRODUCING APPARATUS				
	- Cathode-ray tube monitors:				
8528 42 00	--	Capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471	u	10%	-
8528 49 00	--	Other	u	10%	-
	- Other monitors:				
8528 52 00	--	Capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471	u	10%	-
8528 59 00	--	Other	u	10%	-
	- Projectors:				

- 1.6. Accordingly, data relating to the Bills of Entry in respect of imports made by the importer under declared CTI 85312000 was obtained and analyzed by the officers of DRI, MZU. On scrutiny of item description related to imports under CTI 85312000, it was seen that the item description declared is 'LED Indicator Panel' under CTI 85312000. Further, the importer was claiming the benefit under Sl.No.19 of Notification No. 24/2005-Customs dated 01.03.2005. Furthermore, as per the Website of the importer viz. singhleddisplay.com, they are a manufacturer of LED display products and ongoing through the above said Website, it appeared that the products imported by the said importer are 'LED Display Panel' and not 'LED Indicator Panel'. The screenshot from the above mentioned Website of the importer is as under:



1.7. Action on Intelligence:

1.7.1 Acting upon the said intelligence, a case was initiated and Summons were issued to Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display. The details of the Summons and statements recorded are as under:

Sl. Nos.	Name of the person (Shri)	Dates of Statements
1.	Manmeet Singh Sehgal (Proprietor)	02.01.2025 (RUD-1), 03.01.2025 (RUD-2), 23.01.2025 (RUD-3) & 24.01.2025 (RUD-4)
2	Hemant Singh Makkar (Custom House Agent)	06.01.2025 (RUD-5)

1.8 Recording of Statements:

1.8.1 In response to summons dated 20.12.2024, voluntary statement of Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display was recorded under Section 108 of the Customs Act, 1962 on 02.01.2025 (RUD-1), wherein he stated inter- alia that:

- (i) He is the sole Proprietor in Singh LED Display and looks after the work of bringing the business, collection of payments, placing the purchase orders as per the requirement and other day to day activities of the company.
- (ii) The company Singh LED Display is into the business of import of LED Indicator Panels from China, and its parts viz. power supply, receiving/control cards, sending card, video processor etc. for making display screen and selling in the Indian market. M/s. UNINAK Vision company Limited, China is their major supplier and around 80% of their imports are from the said company. The other overseas suppliers are Shenzhen Meiyad Optoelectronics Co. Ltd. and M/s. Shenzhen QXLED Opto Electronic Technology Co. Ltd.
- (iii) The above said imported goods are received in cardboard cartons/boxes and the outer side of the boxes are printed with the name of the supplier/manufacturer company and marked as "LED DISPLAY MODULE". He submitted the pictures of the cardboard carton bearing these imported goods of M/s. GKGD International Trade Company Ltd., China, wherein it is clearly written/printed/labelled in Chinese as "LED display modules".
- (iv) He stated that after receipt of these goods imported at their Bhiwandi premises, they sell the same to their customers and their major customers are M/s. G. B. Textech, Panipat, Haryana, and M/s. G.H.Star LED Display, Bhiwandi, Maharashtra. He further stated that they sell the above said goods imported, as it is, and they also sell it after assembling the said goods imported in iron cabinets and fitting the accessories to form big screens. He also stated that the purchase orders from their customers were received via email and on processing these purchase orders as per requirement, they generate sales invoice and receive payments.
- (v) He explained the process of assembling the said goods imported by stating that the said goods are generally of sizes viz. 192*192 mm and 320*160 mm. The sizes of 192*192 mm are square in shape and 320*160 mm are rectangular in shape. That these panels are assembled in the iron cabinets (M.S. Cabinet) and imported aluminium cabinets which are of different sizes. The iron cabinet of 3*3 ft is the standard size which can accommodate 18 modules of 320*160 mm for assembly and 6*4 ft can accommodate 48 modules of 320*160 mm for assembly. He stated that for larger screens/displays, the iron cabinets of 3*3 ft or 6*4 ft or other sizes are assembled together as per the required size of the screens/displays or video walls. He stated that these cabinets are connected and made operational, after assembly of the cabinets by connecting the modules to the SMPS (Switched-Mode Power Supply) and receiving cards through FRC cables (flat cables). The receiving card is further connected to controller or video processor using HDMI cable and CAT-6 cables. The basic function of the controller and video processor are same i.e. to play the video. He stated that these LED display modules are sold by M/s. Singh LED Display after assembling the same in iron cabinets. The single LED display module are practically of no use as an individual unit. As regards the end use of the 'LED display modules' imported as 'LED indicator panels', he stated that these modules after assembling are used in indoor as well as outdoor video displays. These screens are used for advertisement purpose, live video streaming of functions and events, cricket matches, advertising

campaigning, marriages etc. and the largest such display screens/panels assembled, sold and erected by them is of the size 40*40 ft located at Karjat, Maharashtra for M/s. Annstech, Santacruz, Mumbai.

- (vi) Describing the detailed procedure for importing the above said goods, he stated that they purchase/import whenever there is decrease in the stock held by them or as per the requirement raised by their customers. Purchasing process commences by negotiating the price with the overseas supplier through email or by telephone and upon negotiation of the price, purchase order is sent and in return the overseas supplier sends the Proforma Invoice. Upon sending the advance money in US \$ by way of bank remittances, the overseas supplier starts the production.

On completion of the process, the overseas supplier informs them, the balance amount is sent and in return the overseas supplier sends the above said goods to them in India. The copies of the emails sent to the overseas supplier were not provided by him stating that he did not have any of these emails in his email Id singhleddisplay@gmail.com as he had deleted all the emails sent to the overseas supplier. He also stated that he did not have any other email Ids, neither personal or official/business related, other than the email Id singhleddisplay@gmail.com.

- (vii) He stated that as the Proprietor of the Company, he was the sole person who decides the CTI and description for the goods imported. He stated that even though the cartons/cardboard boxes, in which the overseas supplier sent the above said goods, are printed with the name of the supplier/manufacturer company and marked as "LED DISPLAY MODULE", they import the said goods as 'LED Indicator Panel' and classify the same under CTI 85312000 based on the trade practice. He stated that the classification of imported goods should be done as per the Customs Tariff however, as the LED Indicator panel, also has a usage as indicator at the platform, they have classified/declared the said goods as LED Indicator Panel. He stated that LED display monitor, also has a usage as indicator at the platform, LED display modules are LED Indicator Panel.

- (viii) He was shown the Bill of Entry No.4926725 dt.07.08.2024 and commercial invoice No.CI No. RHD-PI-SH 020724 dt. 02.08.2024 issued by their supplier namely M/s. Uninak Vision Co. Ltd., wherein the item description refers to BIS R No.41238643. On being asked as to what is the meaning of R number he stated that the R number is registration number and it is a Certificate issued by Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, to Overseas Manufacturer as per their application. He stated that on going through the BIS registration R No.41238643, it is seen that the said goods are categorised as "Product Name: Visual Display units" and also the Certificates issued by Bureau Of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, to their overseas supplier wherein the above said goods are categorised as "Product Name: Visual Display units", as applied by the said overseas suppliers. He stated that inspite of this he was declaring the above said goods which are categorised as "Product Name: Visual Display units" in the Certificates issued by Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, as "LED Indicator Panels" under CTI 85312000 as per his own deliberate decision. He stated that the basic customs duty on CTI 85312000 is 0% and basic customs duty on the CTI 85285900 is 10% and that they are not paying any Customs Duty as they are declaring and classifying the above said goods as "LED Indicator Panels" – CTI 85312000 and therefore, they import the goods under 'NIL' customs duty category.

- (ix) He stated that since the time he started the business in the year 2017 to till date, his Custom House Agent (CHA) is Shri Hemant Singh Makkar of M.B.Cargo (Sai Dutta Shipping Agency Pvt.Ltd.). Upon reading the statement of his Custom House Agent Shri Hemant Singh Makkar of M. B. Cargo (Sai Dutta Shipping Agency Pvt.Ltd.) recorded on 21.10.2024 under Section 108 of the Customs Act, 1962, he stated that what has been stated by the CHA is not correct and he does not agree with him.

After reading the printout of CTI 85312000 and CTI 85285900 of the Customs Import Tariff and the Explanatory Notes and after going through the entry 8528, he stated that it covers 'Monitors and projectors, not incorporating television reception apparatus, reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus' which properly classifies the goods imported by them. He further stated that Chapter Heading 8531 reads as 'Electric sound or visual signaling apparatus (for example, bells, sirens, indicator panels, burglar or fire alarms), other than those of heading 8512 or 8530' and the goods covered under chapter heading 85312000 are 'Indicator panels incorporating liquid crystal devices (LCD) or light- emitting diodes (LED)' and covers goods like room indicators, number indicators, office indicators, lift indicators which are for simply indication purpose. After reading the details of above said CTIs from the Customs tariff manual and explanatory note, he stated that the goods imported are 'LED Indicator Panel'. He further stated that they import Video display unit assembled together from the display modules under CTI 85285900.

1.8.2 In response to Summons dated 20.12.2024, voluntary statement of Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display was recorded under Section 108 of the Customs Act, 1962 on 03.01.2025, wherein he stated inter- alia that:

- (i) They place purchase orders to their overseas supplier, whenever there is need/shortage of goods. These purchase orders to the overseas supplier is sent through email from their email id singhleddisplay@gmail.com. Thereafter, the overseas supplier gives them the proforma invoice and after verification of the same, they send the advance payment of 30% to the overseas supplier. Then when the goods are ready, the overseas supplier informs them through email to their id singhleddisplay@gmail.com and they make the balance payment of 70%. Once the imported goods are landed in the Indian ports, they forward the import related documents to the Customs House Agent viz. Shri Hemant Singh Makkar who is the owner of M/s. M.B. Cargo Movers.
- (ii) He stated that he did not have any documentary evidence/copy of emails regarding placing of purchase order with their abovesaid overseas supplier for the purchase of imported goods viz. "LED Display Panel" referred by him/his company as "LED Indicator Panel", as he deleted all the emails, email conversations/communications or relevant documents. He stated that he had deleted all the emails sent & received from his email id singhleddisplay@gmail.com because, business secrets and prices are there in the email communication, which will be accessed by his staff.
- (iii) He further stated that the documents relating to import of the said goods were sent to CHA through emails and that he had deleted the mails as stated above, he did not have any records in this regard. He also stated that he did not have any alternative or personal email id or hard disk wherein the back-up of these business secret communications are kept, and categorically stated that his one and only email is singhleddisplay@gmail.com.
- (iv) He stated that the goods imported are used as 'monitor'. Answering to the question that if the imported goods is used as monitor, then why is he mis-declaring and mis-classifying it as Indicator panel – CTI 85312000 at the time of import of these goods, he stated that they have not mis-classified or mis-declared and reiterated that imported goods are used as Monitor. He further stated that they use a device called controller, which is imported from China, having brand name Onbon BX and Huidu Technology to convert the Indicator panel as Display Screen/monitors. Controller is a signaling device used to feed input into various devices and that the device imported by them cannot act/work as Indicator Panel on its own without any accessory or apparatus. He stated that the only difference between Indicator panel (CTI 85312000) and other Monitor screen (CTI 85285900) is that when they import the said goods, without connecting it with Controller, the CTI is 85312000 and when they import the said goods connected through Controller, the CTI is 85285900.
- (v) He stated, upon reading the statement of his Custom House Agent Shri Hemant Singh Makkar of M. B. Cargo (Sai Dutta Shipping Agency Pvt.Ltd.) recorded on 21.10.2024 under Section 108 of the Customs Act, 1962, in an identical case of mis-classification and mis-declaration, that he did not agree with the statement of his CHA Shri Hemant Singh Makkar of M. B. Cargo (Sai Dutta Shipping Agency Pvt. Ltd.).

1.8.3 In response to summons dated 23.01.2025, voluntary statement of Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display was recorded under Section 108 of the Customs Act, 1962 on 23.01.2025, wherein he stated inter-alia that:

- (i) they import 'LED Indicator Panel' under CTI classification 85312000 and further stated that the classification of 'LED Indicator Panel' under CTI 85312000 is not correct and the correct CTI of the 'LED Indicator Panel' is 85414100.
- (ii) He explained that the reason why the imported 'LED Indicator Panel' is classifiable under CTI 85414100 is that as there are small pixels of LED in their imported product 'LED Indicator Panel', it is classifiable under CTI 85414100. He also stated that these LED indicator panels are photo sensitive device.
- (iii) He further explained that their imported LED indicator panel can show photos, hence it is a photo sensitive device. He further stated that the products/items i.e. 'LED Indicator Panel' imported under CTI 85312000 is for displaying and indication purpose and as their imported product shows photos and videos, therefore it is a photo-sensitive device classifiable under CTI 85414100. Upon reading and understanding the Explanatory Notes to CTH 8541 he stated that the imported goods 'LED Indicator Panel' is classifiable under CTI 85414100 as they are photo sensitive.

1.8.4 In response to summons dated 24.01.2025, voluntary statement of Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display was recorded under Section 108 of the Customs Act, 1962 on 24.01.2025, wherein he stated inter-alia that:

- (i) Upon reading and understanding the Customs Tarriff in respect of CTH 8541, he is of the view that their imported product i.e. 'LED Indicator Panel' is not classifiable under CTH 8541 as the said CTI is in respect Photo sensitive device. Explaining how their imported product function to display images and Videos, he stated that the above said imported goods are generally of sizes viz.192*192 mm and 320*160 mm. The sizes of 192*192 mm are square in shape and 320*160 mm are rectangular in shape, that these panels are assembled in the iron cabinets (M.S. Cabinet) and imported aluminium cabinets which are of different sizes. The iron cabinet of 3*3 ft is the standard size which can accommodate 18 modules of 320*160 mm for assembly and 6*4 ft can accommodate 48 modules of 320*160 mm for assembly. He stated that for larger screens/displays, the iron cabinets of 3*3 ft or 6*4 ft or other sizes are assembled together as per the required size of the screens/displays or video walls. On being asked as to how these cabinets are connected and made operational, he stated that after assembly of the cabinets, the modules are connected to the SMPS (Power supply) and receiving cards through FRC cables (flat cables). The receiving card is further connected to controller or video processor using HDMI cable and CAT-6 cables. The basic function of the controller and video processor are same i.e. to play the video. He stated that these LED display modules are sold by Singh LED Display after assembling the same in iron cabinets. He further stated, he agreed that as per the function performed by the said imported goods, the same are not 'LED Indicator Panel' and do not merit classification under CTI 85312000, and also stated that the said imported goods are 'LED Display Modules/Screens'. Thereafter, upon again reading the said CTH of 8528 of the Customs Tariff, he stated that their imported 'LED Indicator Panel' is 'LED Display Modules/Screens' and merits classification under CTI 85285900 i.e. other monitors. Further, he also stated and agreed that the BIS Certificate (R- 41238643) shown to him, in respect of M/s. Royal Hightech Display Co. Ltd., China – Brand – UNiNAK is the Certificate issued by the Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India wherein it has been stated that the imported goods are Visual Display Unit and the same is correct and their imported goods i.e. 'LED Indicator Panel' is Visual Display Unit/Screens only. He further stated after reading Customs Tariff CTI 85414100 that in his statement dated 23.01.2025 he had said that the Imported goods i.e. 'LED Indicator Panel' are LED of CTH 8541 because he found that the Light Emitting Diodes (LED) are duty free in CTI 85414100 so as to avail the benefit of 0% duty. In conclusion he stated that the correct classification for their imported goods 'LED Indicator Panel' is CTI 85285900 and that these imported goods are not 'LED Indicator Panel' but are 'LED Display modules/Screens'.

1.8.5. In response to summons dated 06.01.2025, voluntary statement of Shri Hemant Singh Makkar, Proprietor of M/s. M.B. Cargo Movers was recorded under Section 108 of the Customs Act, 1962 on 06.01.2025, wherein he stated inter-alia that:

- (i) the work profile of his company viz. M. B. Cargo Movers, is the business of the customs clearances of import goods only. On being asked about major clients, he stated that M.B.Cargo Movers provide clearing services to the following companies: -

Sl. No.	Company Name M/s	Goods dealt with	Import/ Export
1	Singh LED Display	LED display indicator panels	Import
2	Megastar LED Ltd	LED display indicator panels	Import
3	Aditya Digital Technologies P. Ltd	Plastic self adhesive films	Import
4	Kanchan Exports (India) Pvt.Ltd.	Plastic self-adhesive films, printing ink	Import

- (ii) On being asked as to how his company got the business/work of Singh LED Display (SLD), he stated that Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display approached him directly to handle his customs clearance work in the year 2019. He further stated that he was doing the customs clearance work relating to M/s. Singh LED Display through his company M/s. M.B. Cargo Movers and also through M/s. Sai Dutta Shipping Agency Pvt. Ltd.
- (iii) On being asked, how import related documents were received by them from of SLD, he stated that they received them by e-mail from email id singhleddisplay@gmail.com to their email id mbcmbs@gmail.com. He stated that all the import documents viz. Bill of lading, invoice, packing list, BIS Certificate etc. in respect of SLD were received only through e-mails. On being asked whom do you communicated/discussed with for import related matters, he stated that, he used to communicate to Shri

Manmeet Singh Sehgal, Proprietor through mobile phone, emails, WhatsApp etc. On being asked to show such e-mails, WhatsApp chats or any other sort of communications he had with Manmeet Singh Sehgal, he stated that he had deleted the data from both the phones, he stated that around two months back. He was informed/alerted by Manmeet Singh Sehgal to delete all the data from my phone as DRI has initiated an investigation in relation to the import of LED indicator panels by him.

- (iv) On being asked as to what is the business of SLD, he stated that SLD is dealing with import of product with description 'LED Indicator Panels', its accessories, assembling these panels/display panels in metal cabinets to form bigger screens and also trading these imported display panels etc. he stated that majority of the imports of 'LED indicator panels' is from M/s.UNINAK VISION CO.LTD., China.
- (v) On being asked as to what are his responsibilities as a Customs Broker, he stated that as a Custom Broker, their responsibilities are to verify the facts, documents related to imports, filing bills of entry as per the regulations, custom clearance of consignments from CFS etc.
- (vi) On being asked as to how the CTH while filing the bill of entries are decided, he stated that CTH is decided based on the import documents, description of the goods, past records and referring Custom Tariff. He stated that they do not send any checklists to the importer for approval.
- (vii) Further, he stated that he has been shown the statement of Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display, recorded on 02.01.2025 and 03.01.2025 under Section 108 of the Customs Act, 1962. During the course of these statements, Shri Manmeet Singh Sehgal, has submitted / shown the picture of the cardboard cartons bearing these imported goods having printed description of the goods contained therein. Upon asking, Shri Manmeet Singh Sehgal has stated in his statements that the printed description of the goods on the said cardboard boxes/cartons are read as 'LED indicator panels' from M/s. GKGD International Trade Company Ltd., China. He also stated that the description on the said cardboard cartons is read as 'LED display modules'. On being asked as to why the LED display modules are termed/described as 'LED indicator panels' at the time of import by Singh LED Display, he stated that it is decided based on the import documents and as per the instructions of Shri Manmeet Singh Sehgal. On being asked as to whether he has ever tried to verify and change the description of the imported goods into the correct CTH viz. 85285900, he stated that he had warned Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display, several times about his mis-classification/mis-declaration of the imported goods after referring to CCR that these goods should be classified under CTH 8528 used for playgrounds, lounges, advertisements etc. as monitors/ display screens. In spite of this Shri Manmeet Singh Sehgal, Proprietor of M/s.Singh LED Display insisted that he should file the import documents as 'LED indicator panels' CTH 8531200 instead of 'LED Display Panels' CTH 85285900.
- (viii) He stated that he had been shown the printout of CTH 8531 and CTH 8528 of the Customs Import Tariff Schedule. Now, after seeing and reading these headings, he stated that according to his knowledge, the description of the imported goods as 'LED indicator panel' with CTH 85312000 is incorrect. He also stated that the correct description of the said imported goods ought to be 'LED display panels' falling under CTH 85285900.
- (ix) Further, he also stated that he had been shown the printouts of the website of Singh LED Display and he upon seeing/observing the same stated that Singh LED Display are manufacturers, importers and supplier of products such as LED Display products. He had also been shown product range from the website of Singh LED Display and upon seeing/observing and understanding, he stated that Singh LED Display are mainly into the business of manufacturing of 'LED Display products'. He stated that he had put his dated signature on the printouts taken from the website of Singh LED Display. He stated that display screens or screening devices used for displaying Videos on monitor/screens are not covered under CTH 85312000 and the products imported by Singh LED Display by declaring them as 'LED indicator panel' are actually 'LED display module' classifiable under CTH 85285900
- 1.9 The Proprietor of M/s. Singh LED Company Shri Manmeet Singh Sehgal was first denying the fact that the imported goods are 'LED Display Module' and insisting that the same are 'LED Indicator Panel'. Shri Manmeet Singh Sehgal was shown Customs Tariff and the relevant Explanatory Notes and printout of registration number (R- number) of Certificate issued by Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, to their Overseas Manufacturer as per their application. Thereafter, the importer admitted during the recording of statement under Section 108 of the Customs Act, 1962 that the imported goods viz. "LED display modules/screens", which were imported by them by misdeclaring as 'LED Indicator Panels' under CTI 85312000 are not 'LED Indicator Panel' as per the function performed by the said imported goods. He also agreed that the said imported goods are 'LED Display Modules/Screens'. A copy of the BIS registration R No.41238643 is as below:



भारतीय मानक ब्यूरो
BUREAU OF INDIAN STANDARDS
Ministry of Consumer Affairs, Food & Public Distribution,
Govt. of India

मानक भवन, 9 बहादुर शाह जहाँ मार्ग, नई दिल्ली - 110002
Manak Bhavan, 9 Bahadur Shah Zafar Marg, New Delhi - 110002
दूरभाष / Phone: +91-11-23239056/23239051/23239175/23239492
ई-मेल / E-mail: registration@bis.gov.in
वेबसाइट / Website: <http://bis.gov.in> / <http://www.bis.gov.in>

Our Ref: Registration/CRS 2022-4122 R-41238643

Date: 03-10-2022

Subject : Licence Document

MANUFACTURING UNIT	ROYAL HIGHTECH DISPLAY CO., LTD 402, BLOCK A, YOUJITONG PARK, 56 QINGSONG ROAD, SHENZHEN PINGSHAN NEW DISTRICT INDUSTRIAL PARK, LAOKENG COMMUNITY, LONGTIAN STREET, PINGSHAN DISTRICT, SHENZHEN GUANGDONG, China-518118 foreast.hn@bimnak.com (0552829700)	
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Dear Sir,

1. With reference to your Application, we are pleased to inform you that it has been decided to grant you licence as per details given below :

Product Category	Visual Display Units, Videos Monitors
Product Name	VISUAL DISPLAY UNITS
IS NO	IS 13252(PART 1):2010/ IEC 60950-1 : 2005
Brand (As Declared by Manufacturer)	UNINAK
Model	[Brand -> UNINAK, Models -> P0.7x, P10 x, P1 x, P2 x, P3 x, P4 x, P5 x, P6 x, P7 x, P8 x]
Factory Address :	402, BLOCK A, YOUJITONG PARK, 56 QINGSONG ROAD, SHENZHEN PINGSHAN NEW DISTRICT INDUSTRIAL PARK, LAOKENG COMMUNITY, LONGTIAN STREET, PINGSHAN DISTRICT, SHENZHEN GUANGDONG, China-518118

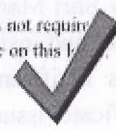
- The Licence is being granted for your unit located at the address and for the brand and models mentioned at serial no 1 above.
- The number assigned to this Licence is **R-41238643** which has been made operative from **03-10-2022** and is valid upto **02-10-2024**. The Licence Number should invariably be referred to in your future correspondence.
- The rights and privileges under the licence shall not be exercised by any other factory / organization at any other location. This licence is not transferable. In the event of shifting of the manufacturing machinery from the registered premises to some other place use of the Licence Number shall be stopped and BIS shall be informed.
- The licensee shall comply with the provisions of the Act, rules and regulations framed thereunder and as amended from time to time.
- The licensee shall follow the guidelines for the use of Standard Mark and labeling requirements as per Annex-1.
- The licensee shall not use the licence in any manner which contravenes the provisions of Act, rules and regulations framed thereunder and as amended from time to time.
- Upon expiry of validity, stoppage or suspension or cancellation of licence, you shall discontinue forthwith the self declaration of conformity to the relevant Indian Standard(s) and withdraw all promotional and advertising matter which contains any reference thereto.
- As per your declaration, **RAVIKANT, PROPRIETOR, PRP GROUP (Address- D-158, KHASARA NO 487, 2ND FLOOR, RAWAT MOTOR WALI GALL, NEAR PEERAGARHI METRO STATION, PEERA GARHI, North West Delhi, Delhi, 110087, NA)** is your authorized Indian representative. Any intended change in the name of the Indian representative ought to be brought to our notice immediately along with requisite fees and document
- For renewal of licence, the licensee shall have to apply to BIS three months in advance before expiration of the licence and application form for renewal is available on BIS website
- The licence is not transferable. Kindly acknowledge receipt of this letter.

Thanking you,

Yours Faithfully
(Sakibum Vasudev)
Secretary-B
Tel: +91-11-23210026
E-mail: registration@bis.gov.in

Signature valid

Note: This is a system generated letter. Hence signature is not required.
Digitally signed by SHASHIKANT GOPAL UBARE code on this letter
Date: 2024.06.08 13:59:17 IST
Reason: Secure Document
Location: India



- 1.10. On agreeing to the misdeclaration/misclassification of the imported goods, Proprietor of M/s. Singh LED Display, Shri Manmeet Singh Sehgal voluntarily paid the differential duty along with interest and penalty amounting to Rs.1,24,61,072/- (Duty 90,98,765/- + Interest 19,97,492/- + Penalty 13,64,815/-). Details of the payments are as under:

Sr. No.	DD No. & Date	Amount (Rs.)	Challan No. & Date
1.	001820 dated 11.02.2025	25,00,000	HCM36 dated 13.02.2025 (RUD-6)
2.	Online payment (ICEGATE)	25,00,000	8811550806 dated 04.03.2025 (RUD-7)
3.	Online payment (ICEGATE)	20,00,000	1629691881 dated 18.03.2025 (RUD-8)
4.	Online payment (ICEGATE)	20,98,766	1695809908 dated 08.04.2025 (RUD-9)
5.	Online payment (ICEGATE)	19,97,492	2082873302 dated 13.05.2025 (RUD-10)
6.	Online payment (ICEGATE)	13,64,815	3440469288 dated 28.05.2025 (RUD-11)
	Total	1,24,61,072	

- 1.11. Further, M/s. Singh LED Company vide their email letter dated 04.06.2025 (RUD-12), requested for closure of proceeding under section 28(5) of the Customs Act, 1962 read with section 28(6) of the Customs Act, 1962. M/s. Singh LED Company vide the said letter also requested for waiver of Show Cause Notice and requested for closure as they have paid the applicable duty along with interest and penalty @15%.

1.12 **Relevant Legal Provisions:**

- (i) Section 2(2) of the Customs Act, 1962:
- (ii) Section 17 of the Customs Act, 1962:
- (iii) Section 28(4) of the Customs Act, 1962:
- (iv) Section 28(5) of the Customs Act, 1962;
- (v) Section 28(6) of the Customs Act, 1962;
- (vi) Section 28AA. Interest on delayed payment of duty. -
- (vii) Section 46 of the Customs Act, 1962: Entry of goods on importation:
- (viii) Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018 as amended.
- (ix) Section 111. Confiscation of improperly imported goods, etc.
- (x) Section 112. Penalty for improper importation of goods, etc:
- (xi) Section 114A. Penalty for short-levy or non-levy of duty in certain cases:
- (xii) 114AA. Penalty for use of false and incorrect material.

1.13 **Summary of Investigation:**

- 1.13.1 The imported goods viz. LED Indicator Panels" classifiable under Customs Tariff Item (CTI) 85312000 were misdeclared and misclassified by the importer. CTH 8531 is meant for "electrical sound or visual signaling equipment" like bells, sirens, indicator panels, fire alarms, etc. The importer classified their goods under the sub-heading 85312000, which covers "indicator panels incorporating LCD or LED". However, the goods imported by M/s. Singh LED Display were actually LED Display Modules or Screens, not indicator panels. These are correctly classifiable under CTI 85285900, which includes items like monitors, projectors, and TV reception equipment (whether or not they include audio/video recording or playback features). The imported items are LED display screens that come in various sizes and are later assembled into larger screens using metal or aluminium cabinets. These assembled screens are connected with power supplies, control units (like receiving cards and video processors), and are mainly used for showing moving images or videos, especially in digital billboards for advertisements. Therefore, the correct classification of these goods is under CTI 85285900 as LED Display Modules/Screens.

1.13.2 Therefore, it is apparent that the importer has deliberately mis-declared/mis- classified 'LED Display Modules/Screens which are correctly classifiable under CTI 85289000 as 'LED Indicator Panels', however, the importer mis-classified the same under CTI 85312000. The intention of the importer for the above said mis-declaration and mis-classification is to avail the benefit of 'NIL' rate of duty as envisaged for 'LED Indicator Panel' – CTI 85312000 under notification no. 24/2005-cus dated 01-03-2005 as amended.

1.13.3 The year-wise calculation of the duty paid and the differential duty payable and interest and penalty thereon is as under:

Year	Assessable Value	Duty Paid	Differential duty	Int. amount	Penalty @15%
2020	4008553	721540	965260	675130	144789
2021	0	0	0	0	0
2022	509313	91676	122643	43791	18396
2023	12722292	2290013	3063528	787664	459529
2024	20545411	3698174	4947335	490906	742100
Sub Total	37785570	6801403	9098765	1997491	1364815
		Total	1,24,61,071		

1.13.4 While calculating the differential duty, 01 Bill of Entry No.9336026 dated 27.10.2020 which was provisionally assessed by AC/DC, Group – VA, Customs, Nhava Sheva, Navi Mumbai, under Section 18 of the Customs Act, 1962 and is yet to be finalized and has not been taken into consideration.

1.13.5 In the light of the above, statements of Shri Manmeet Singh Sehgal, Proprietor of M/s. Singh LED Display were recorded under Section 108 of the Customs Act, 1962 on 02.01.2025, 03.01.2025, 23.01.2025 and 24.01.2025. During the course of recording of the statements of Shri Manmeet Singh Sehgal on 02.01.2025 & 03.01.2025, he initially did not agree with the contention of department. The importer was shown Customs Tariff, the Explanatory Notes pertaining to CTI 85312000 & 85285900 and BIS registration certificate issued by Bureau of Indian Standards, Ministry of Consumer Affairs, Food & Public Distribution, Government of India, to the Overseas Manufacturer of the imported goods. Thereafter, during the course of recording of statements of Shri Manmeet Singh Sehgal on 23.01.2025 and 24.01.2025, he agreed with the contention of the department and accepted that the imported goods are LED Display modules/screens and correct classification of the same should be under CTI 85285900 instead of CTH 85312000, as declared by them.

1.13.6 On being agreed, Shri Manmeet Singh Sehgal Proprietor of M/s. Singh LED Display, voluntarily deposited the following amounts towards their duty liability, interest and penalty:

Sl. No.	Demand Draft No./ICEGATE payment particulars and date	Amount (Rs.)	Challan No. & Date.
1.	001820 dated 11.02.2025	25,00,000	HCM36 dated 13.02.2025 (RUD-6)
2.	Online payment (ICEGATE)	25,00,000	8811550806 dated 04.03.2025 (RUD-7)
3.	Online payment (ICEGATE)	20,00,000	1629691881 dated 18.03.2025 (RUD-8)
4.	Online payment (ICEGATE)	20,98,766	1695809908 dated 08.04.2025 (RUD-9)
5.	Online payment (ICEGATE)	19,97,492	2082873302 dated 13.05.2025 (RUD-10)
6.	Online payment (ICEGATE)	13,64,815	3440469288 dated 28.05.2025 (RUD-11)

- 1.13.7 Further, M/s. Singh LED Display vide their email enclosing letter dated 03.06.2025, requested for closure of proceeding under section 28(5) of the Customs Act, 1962 read with Section 28(6) of the Customs Act, 1962. M/s. Singh LED Display vide the said letter also requested for waiver of Show Cause Notice and requested for closure as they have paid the applicable duty along with interest and penalty @15%.
- 1.14.1 In terms of Section 17(1) of the Customs Act, 1962, an importer entering any imported goods under Section 46 of the Customs Act, 1962 shall self-assess the duty, if any, leviable on such goods. Section 2(2)(b) ibid casts responsibility upon the importer for self-assessment with reference to tariff classification and exemption or concession of duty, tax, cess etc. Further, sub-section (4) of Section 46 of the Customs Act, 1962 read with Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018 as amended, specifies 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, relating to the imported goods. However, M/s Singh LED Display wilfully mis-declared/misclassified the description of the goods and CTI of the imported goods, for availing the benefit of Sl no. 19 of the Notification no. 24/2005-Cus Dated 01-03- 2005. From the foregoing, it appears that M/s Singh LED Display had intentionally mis- declared/mis-classified 'LED Display Modules/Screens' correctly classifiable under CTI 85289000, as 'LED Indicator Panels' by mis-classifying under CTI 85312000. Thus, it appears that they engaged in the above said act with a malafide intention to evade Customs duty.
- 1.14.2 It appears that M/s. Singh LED Display evaded payment of appropriate Customs duty and in contravention of provisions of sections 17(1), 2(2)(b) and 46 of the Customs Act, 1962, had wilfully mis-declared the item description of the imported goods and also mis-classified the CTI thereof. The actual nature and the functionality of the imported goods were wilfully suppressed by mis-stating their description and thereby misclassifying them for evasion of the applicable customs duty. This was not a case of inadvertent error but a conscious act of suppression, as the actual nature and functionality of the goods were wilfully concealed. By failing to comply with their statutory obligation under the self-assessment procedure, the importer contravened the provisions of Sections 17(1), 2(2)(b), and 46 of the Customs Act, 1962. Such acts of wilful misstatement and suppression of material facts warrant invocation of the extended period under Section 28(4) for recovery of duty not levied or short-levied due to collusion or any wilful misstatement or suppression of facts.
- 1.14.3 Without prejudice to foregoing Paras, it appears that M/s. Singh LED Display did not disclose the correct item description and classification for calculation of actual Customs Duty, by resorting to wrong/incorrect self-assessment. M/s. Singh LED Display intentionally and deliberately suppressed all the facts from Customs at the time of import of the goods by wrongly claiming the exemption from duty under notification no. 24/2005-Cus Dated 01-03-2005 as amended with an intent to evade payment of appropriate Customs duty on the imported goods which was liable to be paid by them otherwise. For the said suppression of facts, in terms of clause (b) and (c) of Section 28(4) of the Customs Act, 1962, duty is recoverable from M/s. Singh LED Display alongwith interest under Section 28AA and penalty under Section 114A ibid, appear to be liable for such omission and commission as detailed above.
- 1.14.4 It accordingly appears that M/s. Singh LED Display had evaded the Customs Duty and appears liable to pay duty in terms of section 28(4) of the Customs Act, 1962 along with interest and penalty under Section 28AA and 28(5) respectively of the Customs Act, 1962 as per **Annexure- 'A'**.
- 1.14.5 The bill of entry-wise details of differential duty calculation wherein M/s. Singh LED Display has mis-declared and mis-classified the goods imported are mentioned in **Annexure-A**. During investigation, M/s. Singh LED Display paid the differential duty along with interest and penalty amounting to Rs.1,24,61,072/- (Duty 90,98,765/- + Interest 19,97,492/- + Penalty 13,64,815/-).
- 1.15 **Contraventions and liability under the provisions of the Customs Act, 1962:**
- 1.15.1 Thus, from the evidence on record, statements of the Proprietor of M/s. Singh LED Display, statement of CHA of M/s. Singh LED Display, Shri Hemant Singh Makkar and the legal position in the matter, as discussed above, it appears that:
- 1.15.2 The importer intentionally mis-declared imported 'LED Display Panels/Screens correctly classifiable under CTI 85285900, as 'LED Indicator Panels', and mis-classified it under CTI 85312000. The intention of the importer for the above said mis-declaration and mis-classification is to avail the benefit of 'NIL' rate of duty as envisaged under Sl. no. 19 of the Notification no. 24/2005-Cus Dated 01-03-2005 for 'LED Indicator Panel' falling under CTI 85312000. The said exemption is not available to 'LED Display Panels/Screens classifiable under CTI 85285900. As the importer was well aware of the above said acts of omission and commission in as much as, mis-declaration and mis- classification tantamounting to wilful

mis-statement and suppression of facts the Customs duty appears liable to be demanded from M/s Singh LED Display in terms of Section 28(4) of the Customs Act, 1962 along with the applicable interest under the provisions of Section 28AA, *ibid*.

- 1.15.3 The differential duty amount of Rs.90,98,765/-, as detailed in Annexure-A to this Investigation Report, should be demanded and recovered from M/s. Singh LED Display under the provisions of Section 28(4) of the Customs Act, 1962, alongwith appropriate interest under the provisions of Section 28AA, *ibid*.
- 1.15.4 The aforesaid acts of omissions and commissions on the part M/s. Singh LED Display appear to have rendered goods imported under bills of entry mentioned in **Annexure-A** liable to confiscation under Sections 111(m) of the Customs Act, 1962. Accordingly, it appears that M/s. Singh LED Display have rendered themselves liable to penalty under Section 114A of the Customs Act, 1962.
- 1.15.5 The importer is liable to penalty under Section 112(a) of the Customs Act, 1962, as they have rendered the goods liable to confiscation by means of wilful misdeclaration and misclassification. By intentionally suppressing the correct description and nature of the imported goods and declaring incorrect classification to evade customs duty, M/s. Singh LED Display has contravened the provisions leading to confiscation, thereby attracting penal action under this section.
- 1.15.6 Further, the importer is also liable under Section 112(b) for acquiring possession of the imported goods and has carried, removed, harboured, kept, sold and dealt with goods which were liable to confiscation. The deliberate actions of the importer of knowingly filing incorrect particulars and misdeclaring the imported goods as 'LED Indicator Panel' instead of 'LED Display Panel/Screens', clearly indicate knowledge of the evasion and its consequences. Therefore, the importer has knowingly dealt with goods liable to confiscation, invoking liability under Section 112(b).
- 1.15.7 M/s. Singh LED Display has knowingly made false statements in the bill of entry with an intent to evade payment of legitimate duty. Such false representation of material particulars amounts to deliberate misdeclaration, making the importer liable to penalty under Section 114AA.
- 1.15.8 However, the importer has paid penalty of Rs.13,64,815/-under Section 28(5) of the Customs Act, 1962, at the rate of 15% of differential duty amounting of Rs.90,98,765/-as detailed in **Annexure-A**.
- 1.16. The importer has voluntarily paid the total amount of Rs.1,24,61,072/- (Duty 90,98,765/- + Interest 19,97,492/- + Penalty 13,64,815/-) towards their liability under Section 28(5) of the Customs Act, 1962 during the investigation. Thus, the said amounts are liable to be appropriated against the demand of differential duty, interest and penalty as under:
 - (i) The voluntary payment made vide Challan Nos. HCM36 dated 13.02.2025 (RUD-6), 8811550806 dated 04.03.2025 (RUD-7), 1629691881 dated 18.03.2025 (RUD-8), 1695809908 dated 08.04.2025 (RUD-9) total amounting to Rs.90,98,766/- is liable to be appropriated against the demand of total differential duty amounting to Rs.90,98,765/-.
 - (ii) The importer is liable for payment of the total interest of Rs.19,97,491/- as listed in Annexure-A. Hence, voluntary payment made vide Challan No.2082873302 dated 13.05.2025 (RUD-10) totally amounting to Rs.19,97,492/- is liable to be appropriated against the total applicable interest of Rs.19,97,491/-.
 - (iii) The voluntary payment made vide Challan No. 3440469288 dated 28.05.2025 (RUD-11) of Rs.13,64,815/- is liable to be appropriated against total penalty of Rs.13,64,815/-.
- 1.17. M/s. Singh LED Display vide their letter dated 03.06.2025 informed that they have paid the Differential duty of Rs.90,98,765/-, Interest of Rs.19,97,492/- and Penalty of Rs.13,64,815/- and have submitted that they do not intent to litigate the matter and requested for closure of proceedings without issuance of show cause notice under Section 28 of the Customs Act, 1962. As the differential duty along with interest and penalty has been paid in full by M/s. Singh LED Display under Section 28(5) of the Customs Act, 1962, the proceedings may be considered for conclusion under Section 28(6)(i) of the Customs Act, 1962.
- 1.18. The present case is covered under clause (a) of Section 110AA of the Customs Act,1962 as the goods imported have been cleared from multiple jurisdictions. The port- wise duty liability is tabulated under Table below. The differential duty is highest in respect of Nhava Sheva (INNSA1), which falls under the jurisdiction of the Pr. Commissioner/Commissioner of Customs (Import), Nhava Sheva-V, JNCH. Therefore, in terms of Section 110AA read with Notification No. 28/2022 Customs (NT) dated 31.03.2022 the proper officer in the instant case is 'the Commissioner of Customs (Import), NS-V, JNCH'.

(in Rs.)				
Sr. No.	Port Code	Port/ACC/ICD Name	Assessable Value	Differential Duty
1	INNSA1	Nhava Sheva	3,55,54,674	85,61,565
2	INBOM4	ACC, Mumbai	22,30,896	5,37,200
Total			3,77,85,570	90,98,765

1.19. Now, therefore, M/s Singh LED Display (IEC: DTBPS0478H), having their registered address at Gala No 4, Building E16, Krishna Complex, Inside Harihar Complex, Village Dapoda, Bhiwandi, Thane, Maharashtra-421302, having registered office at 18A/19, Doddanekundi Industrial Area, Mahadevapura, Post- Whitefield, Bangalore-560048, was called upon to show cause, in writing, within thirty days from the receipt of the subject Notice to the Adjudicating Authority, i.e. Pr. Commissioner/Commissioner of Customs, (Import), NS-V, JNCH, as to why: -

- (i) The declared classification of imported goods as 'LED Indicator Panel' under CTI 85312000 should not be rejected and the imported goods i.e. 'LED Display Panels/Screens' should not be reclassified under CTI 85285900.
- (ii) The benefit of exemption from the customs duty under Sl.No.19 of the Notification No.24/2005-Cus dated 01-03-2005 should not be denied, as the actual imported goods viz. 'LED Display Panels/Screens classifiable under CTI 85285900 are not eligible for duty exemption thereunder.
- (iii) The impugned goods imported by M/s. Singh LED Display having total assessable value of Rs. 3,77,85,570/- (Rupees three crore seventy-seven lakhs eighty-five thousand five hundred seventy only) should not be confiscated/ should not be held liable to confiscation under Section 111 (m) of the Customs Act, 1962.
- (iv) The total differential duty amounting to Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only) as per Annexure-A short levied on the said goods covered under Bills of Entry should not be demanded and recovered from M/s Singh LED Display under section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962.
- (v) Penalty should not be imposed on them, in terms of Section 112(a) and 112(b) of the Customs Act, 1962.
- (vi) Penalty should not be imposed on them, in terms of Section 114A of the Customs Act, 1962.
- (vii) Penalty should not be imposed on them, in terms of Section 114AA of the Customs Act, 1962.
- (viii) The amount of Rs. 1,24,61,072/- (Duty: Rs. 90,98,765/- + Interest: Rs. 19,97,492/- + Penalty: Rs. 13,64,815/-) paid by M/s. Singh LED Display during the investigation should not be appropriated.
- (ix) The Bill of Entry No. 9336026 dated 27.10.2020 assessed provisionally, should not be finally assessed under CTI 85285900 in accordance with Section 18 of the Customs Act, 1962.

2. WRITTEN SUBMISSIONS OF THE NOTICEE:

2.1 The notice, M/s. Singh LED Display, vide their email and letter dated 30.03.2026 have given written submission in response to the subject SCN. M/s. Singh LED Display in the said letter dated 30.03.2026 submitted, inter alia, as under:

With reference to File No. DRI/MZU/D/INT-127/ENQ-52/2024 dated 20th December 2024 issued by the Directorate of Revenue Intelligence, regarding the classification of LED Display Indicator Panels, submission of oral evidence, sample documents, and personal hearing in relation to the imports made by Mr. Manmeet Singh, he stated that he has been fully cooperative throughout the proceedings. He attended the hearings conducted on 2nd, 3rd, 23rd, and 24th January 2025 and submitted all required documents and details to the officers of the Directorate of Revenue Intelligence without any malicious intent.

Further, he informed that he has duly paid the entire amount towards duty, interest, and penalty as detailed below:

Differential Duty Payments (Total: ₹90,98,766):

- 12th January 2025 – ₹25,00,000 (1st instalment)

- 4th March 2025 – ₹25,00,000 (2nd instalment)
- 18th March 2025 – ₹20,00,000 (3rd instalment)
- 8th April 2025 – ₹20,98,766 (4th and final instalment)

Interest Paid:

- 13th May 2025 – ₹19,97,492

Penalty Paid:

- 28th May 2025 – ₹13,64,815

He confirmed that all payments related to duty, interest, and penalty have been fully settled.

3. RECORD OF PERSONAL HEARING

- 3.1. There is only one Noticee in the subject SCN viz., M/s Singh LED Display.
- 3.2. In compliance of provisions of Section 28(8) read with Section 122A of the Customs Act, 1962 and in terms of the principle of natural justice, the Noticee was granted opportunities of Personal Hearing (PH) on 30.03.2026 and for the same reasons PH intimation letters were issued by speedpost as well as official email id of the noticee. On 30.03.2026, Mr. Manmeet Singh, Director, Authorised representative on behalf the aforesaid noticee attended Personal Hearing virtually before the Adjudicating Authority. During the PH, he re-iterated the submissions made in their reply to the SCN submitted on 30.03.2026 and requested that proceedings be concluded in accordance with Section 28(6) of the Customs Act, 1962.

4. DISCUSSION AND FINDINGS

- 4.1. I have carefully gone through the subject Show Cause Notice (SCN) and its enclosures, material on record and facts of the case, as well as oral submissions made during the PH and written submission made by the Noticees. Accordingly, I proceed to decide the case on merit.
- 4.2. Section 122A of the Customs Act, 1962, stipulates that the Adjudicating Authority shall give an opportunity of being heard to a party in a proceeding, if the party so desires. The adjudicating authority may, if sufficient cause is shown, at any stage of proceeding, grant time, from time to time, to the parties or any of them and adjourn the hearing, provided that no such adjournment shall be granted more than three times to a party during the proceeding.
- 4.3. I find that in compliance to the provisions of the Section 28(8) and Section 122A of the Customs Act, 1962 and in terms of the principles of natural justice, opportunities for Personal Hearing (PH) were granted to the Noticee. Thus, the principles of natural justice have been followed during adjudication proceedings. Having complied with the requirement of the principle of natural justice, I proceed to decide the case on merits, bearing in mind the allegation made in the SCN as well as the Submission/Contention made by the Noticee.
- 4.4. The present Show Cause Notice (SCN) arises out of an investigation conducted by the Directorate of Revenue Intelligence (DRI), Mumbai, against M/s. Singh LED Display, wherein it has been alleged that the Noticee deliberately mis-declared and mis-classified the imported goods with an intent to evade payment of applicable customs duty. The core charge in the SCN is that the Noticee imported goods which were, in fact, "LED Display Modules/Screens" correctly classifiable under CTI 85285900, but knowingly declared them as "LED Indicator Panels" under CTI 85312000 to avail the benefit of nil Basic Customs Duty under Notification No. 24/2005-Cus. The investigation revealed, based on examination of import documents, website details, BIS certification, and statements recorded under Section 108 of the Customs Act, 1962, that the imported goods were capable of displaying images and videos and were used for advertisement and display purposes, thereby falling within the scope of monitors/display units rather than signaling apparatus. It is further alleged that the Noticee suppressed the true nature and functionality of the goods, failed to comply with the statutory obligation of correct self-assessment under Sections 17 and 46 of the Act, and engaged in wilful misstatement and suppression of facts, warranting invocation of the extended period under Section 28(4) of the Act. Consequently, the SCN proposes rejection of the declared classification, reclassification of the goods under CTI 85285900, denial of exemption benefit, demand and recovery of differential duty amounting to Rs. 90,98,765/- along with applicable interest under Section 28AA, confiscation of the goods under Section 111(m), and imposition of penalties under Sections 112(a), 112(b), 114A and 114AA of the Customs Act, 1962. It is further brought out in the subject Notice that the Noticee, during the course of investigation, has voluntarily paid the entire liability amounting to Rs. 1,24,61,072/- (comprising differential duty of Rs. 90,98,765/-, interest of Rs. 19,97,492/- and penalty of

Rs. 13,64,815/- @15% of differential duty amount under Section 28(5)), and the SCN proposes appropriation of the said amount towards the confirmed dues, while calling upon the Noticee to show cause as to why the proposed actions should not be upheld.

4.5 On a careful perusal of the Show Cause Notice and case records, I find that following main issues are involved in this case which are required to be decided:

- (i) Whether the goods imported by M/s. Singh LED Display, declared as “LED Indicator Panels” under CTI 85312000, are correctly classifiable under the said heading, or whether they merit reclassification under CTI 85285900 as “LED Display Modules/Screens” in terms of the Customs Tariff, read with the relevant Section Notes, Chapter Notes, and Explanatory Notes. Whether the Bill of Entry No. 9336026 dated 27.10.2020 assessed provisionally, should be finally assessed under CTI 85285900 in accordance with Section 18 of the Customs Act, 1962.
- (ii) Whether the benefit of exemption under Notification No. 24/2005-Cus dated 01.03.2005, claimed by the Noticee on the basis of classification under CTI 85312000, is admissible, or whether the same is liable to be denied in view of the correct classification of the goods under CTI 85285900.
- (iii) Whether the total differential duty amounting to Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only) as per Annexure-A to the Notice short levied on the said goods covered under Bills of Entry should be demanded and recovered from M/s Singh LED Display under section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962.
- (iv) Whether the impugned goods imported by M/s. Singh LED Display having total assessable value of Rs. 3,77,85,570 /- (Rupees three crore seventy-seven lakhs eighty-five thousand five hundred seventy only) should be confiscated/ should be held liable to confiscation under Section 111 (m) of the Customs Act, 1962.
- (v) Whether the penalties should be imposed on M/s. Singh LED Display in terms of Sections 112(a), 112(b), 114A and 114AA of the Customs Act, 1962.
- (vi) Whether the amount of Rs. 1,24,61,072/- (Duty: Rs. 90,98,765/- + Interest: Rs. 19,97,492/- + Penalty: Rs. 13,64,815/-) paid by M/s. Singh LED Display during the investigation should be appropriated.

4.6 After having framed the substantive issues raised in the SCN which are required to be decided, I now proceed to examine each of the issues individually for detailed analysis based on the facts and circumstances mentioned in the SCN; provision of the Customs Act, 1962; nuances of various judicial pronouncements, as well as Noticee’s oral and written submissions and documents / evidences available on record.

4.7. **Whether the goods imported by M/s. Singh LED Display, declared as “LED Indicator Panels” under CTI 85312000, are correctly classifiable under the said heading, or whether they merit reclassification under CTI 85285900 as “LED Display Modules/Screens” in terms of the Customs Tariff, read with the relevant Section Notes, Chapter Notes, and Explanatory Notes. Whether the Bill of Entry No. 9336026 dated 27.10.2020 assessed provisionally, should be finally assessed under CTI 85285900 in accordance with Section 18 of the Customs Act, 1962.**

4.7.1 I find that the primary issue for determination in the present matter is the correct classification of the imported goods, which were declared as “LED Indicator Panels” under CTI 85312000 by the importer, whereas the SCN has proposed classification under CTI 85285900 as “LED Display Modules/Screens (Other Monitors)”.

4.7.2. In the instant case, based on the statements recorded under Section 108 of the Act, 1962 from the officials of the importer, as well as the product catalogue and technical details examined and discussed in the subject Notice, the product in question is found to possess the following characteristic features:

- (i) Nature and Description of Goods: The imported goods are LED modules described on packaging and by suppliers as “LED Display Modules”, though declared by the Noticee as “LED Indicator Panels”. These modules are not complete standalone signalling devices but components used to build larger display systems.
- (ii) Physical Configuration and Sizes: The goods are imported in modular form, typically in standard sizes such as 192 × 192 mm (square) and 320 × 160 mm (rectangular). These modules are designed to be assembled in multiple units to form larger display panels or video walls.

- (iii) **Modular and Assembled Nature:** Individually, the modules have limited standalone utility. Their essential function emerges only after assembly into metal (iron or aluminium) cabinets, where multiple modules are combined to form large display screens of varying sizes (e.g., 3×3 ft, 6×4 ft, or larger video walls).
- (iv) **Integration with Electronic Components:** The modules are integrated with various electronic components such as:
- SMPS (Switched Mode Power Supply)
 - Receiving cards / control cards
 - Sending cards
 - Video processors / controllers
 - Cabling systems (FRC cables, HDMI, CAT-6 cables)

These components enable the modules to function as a complete display system.

- (v) **Functional Capability:** The assembled goods are capable of displaying images, videos, and dynamic visual content, including live streaming and advertisements. This distinguishes them from simple indicator panels which merely signal or indicate status.
- (vi) **End Use and Application:** The goods, after assembly, are used for:
- Advertising displays (digital billboards)
 - Live video streaming (events, functions, sports matches)
 - Public display systems (indoor and outdoor screens)
 - Large video walls installed at commercial or event locations

The SCN specifically notes installations such as large display screens (e.g., 40×40 ft), demonstrating their commercial display use.

- (vii) **Inability to Function as Simple Indicators:** The imported modules do not function as simple signalling or indicating devices as envisaged under CTH 8531. They require additional hardware and integration to function and are primarily designed for visual display rather than indication.
- (viii) **Technical Classification Indicators (BIS Certification):** The goods are covered under BIS certification as “Visual Display Units”, which supports their classification as display/monitor devices rather than signalling apparatus.
- (xi) **Supplier Identification and Labelling:** The goods are sourced primarily from foreign manufacturers, and the outer cartons are clearly labelled as “LED Display Modules”, indicating the true nature of the goods at the time of import.
- (x) **Trade and Commercial Understanding:** The SCN highlights that the importer is engaged in the business of LED display systems, and the imported goods are traded and sold either as modules or after assembly into display screens, reinforcing their identity in trade parlance as display units.
- (xi) **Dependence on External Input Devices:** The functioning of the goods involves input through controllers or video processors, which convert signals into visual output, confirming that the goods are part of a display system architecture rather than standalone indicator panels.
- (xii) **Admitted Functional Identity by the Importer:** The Proprietor, in his statements, ultimately admitted that the goods are LED display modules/screens and are used as monitors, thereby acknowledging their true functional and technical character.

4.7.3 It is settled law that the classification of goods under First Schedule of the Customs Tariff Act, 1975, is governed by the General Rules of Interpretation (hereinafter referred to as "GRI") and the same needs to be followed. GRI 1 provides that the classification of goods shall be determined according to the terms of the headings of the tariff schedule and any relative section or chapter notes. In the event that the goods cannot be classified solely on the basis of GRI 1, and the headings and legal notes do not otherwise require, then and only then the remaining GRIs may be applied. In this regard, I rely on the case of the Larger Bench of the Tribunal in the matter of **Saurashtra Chemical Vs. CC - 1986 (23) ELT 283 (Tri-LB)**. The above decision of the Tribunal was upheld by the **Hon'ble Supreme Court of India in 1997 (95) ELT 455 (SC)**.

4.7.4. I find that the HSN Explanatory Notes constitute the interpretation of the nomenclature at the international level. While not legally binding, they do represent the considered views of classification experts of the Harmonized System Committee. It is well settled that the Explanatory Notes have persuasive value and in the event of disputes, Courts in a number of cases have upheld seeking recourse to the Explanatory Notes.

4.7.5 Further, the Hon'ble Apex Court in **L.M.L. Limited Vs. CC - 2010 (258) ELT 321 (SC)** held that in order to resolve a dispute on tariff classification, internationally accepted nomenclature emerging from HSN Explanatory Notes is a safe guide for classification. Further HSN explanatory Notes are also a dependable guide for interpretation of Customs Tariff apart from interpreting Central Excise Tariff,

4.7.6 The Hon'ble Mumbai Tribunal in the case of **Nestle India Vs. CCE - 2008 (227) ELT 631 (Tri)** [maintained by the Hon'ble Supreme Court in 2009 (237) ELT 102 (SC)] has held as under:

"Moreover, it is now well settled by various decisions of the Hon'ble Apex Court that HSN Explanatory notes are not only of persuasive value, but are entitled to far greater consideration in classifying goods under the Central Excise and the Customs Tariff as held by the Hon'ble Supreme Court in the case of Collector of Customs, Bombay v. Business Forms Ltd - 2002 (142) ELT 18 (S.C). Following its earlier decision in the case of CCE, Shillong v. Wood Craft Products Ltd. - 1995 (77) E.L.T. 23(8.C0)."

4.7.7. Having understood the main characteristic features of the imported goods, it is pertinent to examine the scope of the competing headings in the Customs Tariff:

- (i) **CTH 8531** covers *"Electric sound or visual signalling apparatus (for example, bells, sirens, indicator panels, burglar or fire alarms)"*.

8531		ELECTRIC SOUND OR VISUAL SIGNALLING APPARATUS (FOR EXAMPLE, BELLS, SIRENS, INDICATOR PANELS, BURGLAR OR FIRE ALARMS), OTHER THAN THOSE OF HEADING 8512 OR 8530
8531 10	-	Burglar or fire alarms and similar apparatus:
8531 10 10	---	Burglar alarm
8531 10 20	---	Fire alarm
8531 10 90	---	Other
8531 20 00	-	Indicator panels incorporating liquid crystal devices (LCD) or light-emitting diodes (LED)
8531 80 00	-	Other apparatus
8531 90 00	-	Parts

The explanatory notes to this heading clarify the following:

- (D) *Indicator panels and the like. These are used (e.g., in offices, hotels and factories) for calling personnel, indicating where a certain person or service is required, indicating whether a room is free or not. They include:*

(1) **Room indicators.** *These are large panels with numbers corresponding to a number of rooms. When a button is pressed in the room concerned the corresponding number is either lit up or exposed by the falling away of a shutter or flap.*

(2) **Number indicators.** *The signals appear as illuminated figures on the face of a small box; in some apparatus of this kind the calling mechanism is operated by the dial of a telephone. Also clock type indicators in which the numbers are indicated by a hand moving round a dial.*

(3) **Office indicators,** *for example, those used to indicate whether the occupant of a particular office is free or not. Some types are merely a simple "come in" or "engaged" sign illuminated at will by the occupant of the office.*

(4) **Lift indicators.** *These indicate, on an illuminated board, where the lift is and whether it is going up or down.*

(5) **Engine room telegraph apparatus for ships.**

(6) **Station indicating panels for showing the times and platforms of trains.**

(7) **Indicators for race courses, football stadiums, bowling alleys, etc.**

Certain of these indicator panels, etc., also incorporate bells or other sound signalling devices. The heading does not cover public maps of roads or railways in which a particular place, road, section or route is illuminated on pressing an appropriate button, nor electric advertising signs.

Thus, “indicator panels” are devices used for simple indication purposes such as room indicators, lift indicators, platform indicators, and similar devices which merely signal or indicate status.

- (ii) **CTH 8528**, on the other hand, covers “*Monitors and projectors, not incorporating television reception apparatus; reception apparatus for television...*”.

8528		MONITORS AND PROJECTORS, NOT INCORPORATING TELEVISION RECEPTION APPARATUS, RECEPTION APPARATUS FOR TELEVISION, WHETHER OR NOT INCORPORATING RADIO-BROADCAST RECEIVERS OR SOUND OR VIDEO RECORDING OR REPRODUCING APPARATUS
	-	Cathode-ray tube monitors:
85284200	--	Capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471
85284900	--	Other
	-	Other monitors:
85285200	--	Capable of directly connecting to and designed for use with an automatic data processing machine of heading 8471
85285900	--	Other

The explanatory notes to this heading include *monitors which are capable of receiving signals when connected directly to the Video camera or recorder by means of composite video, s-video or co-axial cables, so that all the radio-frequency circuits are eliminated. They are typically used by television companies or for closed-circuit television (airports railway stations, factories, hospitals, etc.). They can, moreover, have separate inputs for red (R), green (G) and blue (B) or be coded in accordance with a particular standard (NTSC, SECAM, PAL, D-MAC, etc.). For reception of coded signals, the monitor must be equipped with a decoding device covering (the separation of) the R, G and B signals. They are not fitted with connectors characteristic of data processing systems, and they do not incorporate tilt, swivel and height adjusting mechanisms, glare-free surfaces flicker-free display and other ergonomic design characteristics to facilitate prolonged periods of viewing at close proximity to the monitor. They do not incorporate a channel selector or video tuner.* Thus, this heading includes display devices capable of reproducing images, video signals, and visual content.

- 4.7.8 I find that the SCN has elaborately relied upon the explanatory notes to Chapter 85, particularly emphasizing that indicator panels under CTH 8531 are limited to devices used for signalling or indicating a condition and do not include devices meant for displaying dynamic visual content such as videos or images. Further, I find that, in the present case, the evidence on record clearly establishes that the imported goods are described on cartons as “LED Display Modules”; BIS certification categorizes them as “Visual Display Units”; the goods are assembled into larger screens using cabinets, SMPS, receiving cards and controllers; the final assembled product is capable of displaying videos, advertisements, live streaming, etc.; the Proprietor, Shri Manmeet Sehgal, himself has explained the functioning of the goods as video display systems. Further, the SCN rightly emphasizes that the imported modules are not complete signalling apparatus and cannot perform the function of “indication” independently in the manner envisaged under CTH 8531. Instead, they form essential components of display systems which function as monitors/screens.
- 4.7.9 Applying the above tariff descriptions to the facts of the case, I find that the imported goods are not merely signaling devices but are capable of displaying continuous and dynamic visual content, including videos and advertisements. Therefore, their functionality goes far beyond that of an “indicator panel” and squarely falls within the scope of monitors/display units covered under Heading 8528. I further find that the end-use of the goods, as admitted by the importer, includes use in advertising displays, live streaming of events, and large video walls. The Hon’ble Courts have consistently held that functional utility and primary use are crucial determinants for classification. In this regard, reliance is placed on the judgment of *Commissioner of Central Excise, Delhi vs. Carrier Aircon Ltd., 2006 (199) E.L.T. 577 (S.C.)*, wherein the ruling established that the inherent nature and primary function of a product take precedence over its predominant end-use.
- 4.7.10 Further, in *Commissioner of Customs, New Delhi vs. Sony India Ltd. (2008) 13 SCC 480*, it was emphasized that classification cannot be based merely on the declared description, but must be determined based on the actual technical characteristics and usage of the product. It reinforces that the importer cannot simply

"deem" a component to be a finished product unless it meets the strict criteria of having the essential character of that product upon entry.

- 4.7.11 I find that the importer has declared the goods as “LED Indicator Panels” primarily to avail the benefit of exemption under Notification No. 24/2005-Cus, which is applicable to goods falling under CTI 85312000. However, the actual nature of the goods, as established through investigation, technical literature, and admissions, clearly indicates that they are LED display modules/screens.
- 4.7.12 I also find that the importer, in his statements recorded under Section 108 of the Customs Act, 1962, initially attempted to justify the classification under Heading 8531 and even under Heading 8541. However, upon being confronted with the tariff provisions, HSN Explanatory Notes, and BIS certification, he categorically admitted that the goods are not indicator panels; the goods are LED display modules/screens; and the correct classification is under CTI 85285900. Such admission, being voluntary and supported by documentary evidence, further strengthens the case of the department. I find that the argument that the goods can be used for indication does not hold merit. It is a settled principle that mere capability of secondary use does not determine classification, when the primary function is clearly different. In the present case, the primary function is display of video and visual content, and not mere indication.
- 4.7.13 I also note that the Shri Hemant Singh Makkar, Proprietor of M/s. M.B. Cargo, Customs Broker of the Noticee, in his statement dated 06.01.2025 recorded under Section 108 of the Customs Act, 1962, has confirmed that the goods are LED display panels and not indicator panels, and that he had advised the importer to classify the goods under Heading 8528. This further establishes that the importer was aware of the correct classification but chose to declare otherwise.
- 4.7.14 In view of the above discussion, I find that the goods imported by the Noticee are “LED Display Modules/Screens” having the essential character of visual display units, classifiable under Heading 8528, specifically under CTI 85285900. The classification under CTI 85312000 as “LED Indicator Panels” is therefore incorrect and liable to be rejected. Accordingly, I hold that the goods imported by M/s. Singh LED Display, declared as “LED Indicator Panels” are in fact “LED Display Modules/Screens” and are correctly classifiable under CTI 85285900.
- 4.7.15 I note that the impugned goods imported under Bill of Entry No. 9336026 dated 27.10.2020 were assessed provisionally under CTI 85312000. In view of the foregoing discussions, and as I have already held that the imported goods declared as 'LED Indicator Panels' are, in fact, 'LED Display Modules/Screens' correctly classifiable under CTI 85285900, accordingly, I hold that the goods imported vide the aforementioned Bill of Entry No. 9336026 dated 27.10.2020 be finally assessed under CTI 85285900 under the provisions of Section 18 of the Customs Act, 1962.
- 4.8. **Whether the benefit of exemption under Notification No. 24/2005-Cus dated 01.03.2005, claimed by the Noticee on the basis of classification under CTI 85312000, is admissible, or whether the same is liable to be denied in view of the correct classification of the goods under CTI 85285900.**
- 4.8.1 I find that the Noticee had imported goods as detailed in Annexure-A to the subject Notice. The aforesaid goods have declared description as “LED Indicator Panels”. I find the Noticee had claimed duty exemption under Sr. No. 19 of the Customs Notification No. 24/2005 dated 01.03.2005, as amended on the aforesaid imported goods. As per the SCN, the above items imported by the Noticee are not eligible for the benefit of duty exemption under Sr. No. 19 of the Notification No.24/2005 dated 01.03.2005 as amended.
- 4.8.2 I note that the Noticee had classified the subject imported goods under CTI 8531200. I find that the impugned goods have been classified under “ELECTRIC SOUND OR VISUAL SIGNALLING APPARATUS (FOR EXAMPLE, BELLS, SIRENS, INDICATOR PANELS, BURGLAR OR FIRE ALARMS), OTHER THAN THOSE OF HEADING 8512 OR 8530”. And within the aforesaid heading, the subject goods classified under tariff item “Indicator panels incorporating liquid crystal devices (LCD) or light-emitting diodes (LED)”. The subject SCN proposed the classification of the impugned goods under CTI 85285900 under residual entry. Further, I have also held, in Para 4.7.10 that the imported goods are “LED Display Modules/Screens” and should be classified under CTI 85285900, as the same are not “LED Indicator Panels”.
- 4.8.3 Further, it would be worthwhile to look at the Customs Notification No. 24/2005 dated 01.03.2005. The extract of Sr. No. 19 of the said Notification is reproduced as under:

Sr. No.	Heading, Sub Heading or Tariff Item	Description

19.	85312000	All goods
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4.8.4 From the perusal of above Sr. No. 19 of Notification No. 24/2005 dated 01.03.2005, I find that the exemption under Notification No. 24/2005-Cus is applicable only to specified goods falling under particular tariff items as mentioned in the notification. In the present case, the importer has claimed exemption under **Sl. No. 19 of the said notification**, which applies to goods classifiable under **CTI 85312000**, i.e., **“Indicator Panels incorporating LCD or LED”**. Thus, the eligibility of exemption is **intrinsically linked to the correct classification of the goods**. As I have held in the preceding paragraphs that the impugned goods are in fact **“LED Display Modules/Screens”** and should merit classification under CTI 85285900, therefore, the subject goods do not fulfil the condition classification under tariff item 85312000, to avail the benefit of Sr. No. 19 of Notification No. 24/2005-Cus dated 01.03.2005.

4.8.5 It is pertinent to mention that exemption notification has to be strictly and narrowly construed. It is settled law that, in an exemption notification, there is no room for any change in the intendment which envisages the clear meaning of the words used therein. Therefore, the sense in which the law understands or interprets the true intention of the notification should remain intact. In other words, the admissibility of exemption, under a notification, from payment of duty / or availability of payment of duty at reduced rate on specified goods is governed wholly by the language of the notification.

(a) I find that it is well established that any exemption notification has to be strictly interpreted and in the case of doubt the benefit should go to the department. Hon’ble Apex Court in the case of *Commissioner of Customs (Import), Mumbai Vs. Dilip Kumar & Company [2018 (361) E.L.T. 577 (S.C.)]* has held that exemption notification should be interpreted strictly and ambiguity in exemption notification must be interpreted in favour of the Revenue. The relevant paras, para 41 and 52 of the said order are reproduced below:

“41. After thoroughly examining the various precedents some of which were cited before us and after giving our anxious consideration, we would be more than justified to conclude and also compelled to hold that every taxing statute including, charging, computation and exemption clause (at the threshold stage) should be interpreted strictly. Further, in case of ambiguity in a charging provisions, the benefit must necessarily go in favour of subject/assessee, but the same is not true for an exemption notification wherein the benefit of ambiguity must be strictly interpreted in favour of the Revenue/State.”

“52. To sum up, we answer the reference holding as under -

(1) Exemption notification should be interpreted strictly; the burden of proving applicability would be on the assessee to show that his case comes within the parameters of the exemption clause or exemption notification.”

(2) When there is ambiguity in exemption notification which is subject to strict interpretation, the benefit of such ambiguity cannot be claimed by the subject/assessee and it must be interpreted in favour of the revenue.”

(b) In the case of *Saraswati Sugar Mills Vs. Commissioner of C. Ex., Delhi-III* reported at [2011 (270) E.L.T. 465 (S.C.)], it was held that an exemption notification has to be strictly construed and that when the wordings of notification are clear, then the plain language of the notification must be given effect to. Relevant portion of the judgment is extracted below:

*“7. The Tariff Act prescribes the rate of duty for each chapter head and sub-head. The Tariff Act has authorized the Central Govt. to modify the rates/duty by issuing notifications. Since exemption notifications are issued under delegated legislative power, they have full statutory force. The Notification No. 67/95-C.E., dated 16-3-1995 specifically exempts capital goods as defined in Rule 57Q of the Rules. The other condition that is envisaged in the Notification is that the “capital goods” should be manufactured in a factory and used within the factory of production. If these twin conditions are satisfied, the capital goods are exempt from payment of excise duty. A party claiming exemption has to prove that he/it is eligible for exemption contained in the notification. **An exemption notification has to be strictly construed. The conditions for taking benefit under the notification are also to be strictly interpreted. When the wordings of notification is clear, then the plain language of the notification must be given effect to. By way of an interpretation or construction, the Court cannot add or substitute any word while construing the notification either to grant or deny exemption. The Courts are also not expected to stretch the words of notification or add or subtract words in order to grant or deny the benefit of exemption notification. In Bombay Chemicals (P) Ltd. v. CCE - (1995) Supp (2) SCC 64 = 1995 (17) E.L.T. 3 (S.C.), a three Judge Bench of this Court held that an exemption notification should be construed strictly, but once an***

article is found to satisfy the test by which it falls in the notification, then it cannot be excluded from it by construing such notification narrowly”

- (c) I also find that it is a settled law that a person who claims exemption or concession has to establish that he is entitled to that exemption or concession and the exemption has to be construed based upon the settings on which the provision has been placed in the statute and the object and purpose to be achieved. In this regard, I place reliance on the judgement of the Hon’ble Supreme Court in the case of *CCE, New Delhi Vs Hari Chand Shri Gopal and Others [2010 (260) ELT 3 (SC)]*, wherein, the issue of grant and claim of exemption has been clarified by holding as under:

“a person who claims exemption or concession has to establish that he is entitled to that exemption or concession. A provision providing for an exemption, concession or exception, as the case may be, has to be construed strictly with certain exceptions depending upon the settings on which the provision has been placed in the statute and the object and purpose to be achieved. If exemption is available on complying with certain conditions, the conditions have to be complied with. The mandatory requirements of those conditions must be obeyed or fulfilled exactly, though at times, some latitude can be shown, if there is a failure to comply with some requirements which are directory in nature, the non-compliance of which would not affect the essence or substance of the notification granting exemption.”

- (d) Similarly, the Hon’ble Supreme Court of India in the case of *M/s Novopan India Ltd Vs. Collector of C. Ex and Customs, Hyderabad 1994 (73) E.L.T.769 (SC)*, has held that:

“a person, invoking an exception or exemption provisions, to relieve him of tax liability must establish clearly that he is covered by the said provisions and, in case of doubt or ambiguity, the benefit of it must go to the State.”

- (e) In view of the above legal position and after having gone through the provisions of the subject Serial No. 19 of Notification No. 24/2005, I find that when the words used in the exemption notification are plain and clear in meaning and do not admit of any doubt or ambiguity, such words, represent the legislative intent, leaving no room for any construction of the words to gather any other intention therefrom.

4.8.6 In the present case, it has already been established in the preceding discussion that the impugned goods are correctly classifiable under CTI 85285900 as “LED Display Modules/Screens (Other Monitors)” and not under CTI 85312000. Therefore, the primary condition for availing exemption under the notification is not satisfied. I further find that the goods in question are not indicator panels in terms of the common trade understanding or HSN Explanatory Notes. Instead, they are full-fledged visual display systems capable of displaying dynamic video content, advertisements, and live streaming. Such goods are specifically covered under Heading 8528 and fall outside the scope of Heading 8531. Therefore, the attempt of the importer to bring the goods under CTI 85312000 is contrary to the tariff structure and legal provisions.

4.8.7 I also note that the importer has admitted during investigation that the goods are LED display modules/screens; they are used as monitors/display units; and the classification under CTI 85312000 was adopted to avail NIL rate of duty. Such admission clearly establishes that the claim of exemption was not based on bona fide interpretation, but was a conscious attempt to avail undue benefit. I also find that exemption notifications are tariff-specific, and cannot be extended by analogy or by interpretation beyond their explicit scope. Since the impugned goods fall under a different tariff heading (8528), the benefit meant for goods under 8531 cannot be extended to them. Moreover, the conduct of the importer, including Misdeclaration of description, incorrect classification and suppression of actual nature and use of goods clearly indicates that the exemption was claimed with intent to evade payment of customs duty, and therefore, the benefit of the notification cannot be granted.

4.8.8 In view of foregoing discussions and above referred judgements, I am of the considered view that the impugned goods are not covered under CTI 85312000, the essential condition of Notification No. 24/2005-Cus is not fulfilled and the exemption has been wrongly claimed by the importer. Accordingly, I hold that the benefit of exemption under Notification No. 24/2005-Cus dated 01.03.2005 (Sl. No. 19) is not admissible to the impugned goods, therefore, the exemption claimed by the importer is liable to be denied and the imported goods are liable to duty under the appropriate tariff heading CTI 85285900 at the applicable rate.

4.9 **Whether the total differential duty amounting to Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only) as per Annexure-A to the Notice short levied on the said goods covered under Bills of Entry should be demanded and recovered from M/s Singh LED Display under section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962.**

4.9.1 Once the classification of the impugned imported goods, declared as “LED Indicator Panels”, has been determined, it becomes imperative to ascertain whether the demand raised for differential/short-paid duty of Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only), as per Annexure-A to the Show Cause Notice, is sustainable under Section 28(4) of the Customs Act, 1962, qua the goods imported vide the Bills of Entry covered in the subject SCN. In this regard, the relevant legal provision is as under:

SECTION 28(4) of the Customs Act, 1962.

Recovery of duties not levied or not paid or short-levied or short-paid or erroneously refunded. –

(4) Where any duty has not been [levied or not paid or has been short-levied or short-paid] or erroneously refunded, or interest payable has not been paid, part-paid or erroneously refunded, by reason of, -

(a) collusion; or

(b) any wilful mis-statement; or

(c) suppression of facts,

by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been so levied or not paid or which has been so short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice.

4.9.2 A bare perusal of Section 28(4) of the Customs Act, 1962, reveals that to determine whether the demand for differential duty of Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only) as per Annexure-A to the Notice is sustainable, it must be examined whether the short payment resulted from a mere interpretational dispute or from wilful mis-declaration and suppression of material facts. This determination is essential to justify the invocation of the extended period of limitation provided under the said Section.

4.9.3 I find that from the facts brought out in the subject SCN, the following is evident:

- (i) The imported goods were declared as “LED Indicator Panels” under an incorrect tariff heading to avail nil duty benefit.
- (ii) The goods were actually LED Display Modules, clearly described as such on packaging and supplier documents.
- (iii) BIS certification categorized them as “Visual Display Units”, inconsistent with the declared classification.
- (iv) The Noticee was aware of the correct nature and use of the goods.
- (v) The Customs Broker had advised classification under Heading 8528, which was ignored.
- (vi) The Noticee admitted in statements that classification was decided by him despite knowledge of the product.
- (vii) Relevant communications were deleted, indicating conscious suppression.

These facts clearly establish that the Noticee did not merely commit an error but actively mis-declared the nature and classification of goods.

4.9.4 Further, I find that the element of intent is clearly evident from the conduct of the Noticee. The incorrect classification adopted by the Noticee enabled him to avail nil rate of duty under the exemption notification. The correct classification would have resulted in substantial duty liability. Also, the Noticee had prior knowledge of the correct classification yet chose to declare otherwise. The act of ignoring professional advice provided by the Customs Broker and deleting records establishes a deliberate design to mislead the Department. The Hon’ble Supreme Court in Pushpam Pharmaceuticals Company vs. CCE 1995 (78) E.L.T. 401 (S.C.) held that suppression of facts must be wilful and with intent to evade duty. In the present case, the conscious mis-declaration and concealment clearly satisfy this test. Further, in Cosmic Dye Chemical vs. CCE 1995 (75) E.L.T. 721 (S.C.), it was held that extended period is invocable where material facts necessary for assessment are not disclosed. The Noticee’s failure to declare the true nature and functionality of the goods squarely falls within this principle.

- 4.9.5 I further find that the noticee has not merely adopted a wrong classification, but has altered the very description of the goods to bring them within the scope of exemption entries. This goes beyond a case of interpretational difference and constitutes positive misdeclaration of facts. Therefore, the importer has knowingly and wilfully mis-stated the facts in respect of description and classification of the goods in question. Had the department not raised the issue and initiated procedure under the Customs Act, 1962 in this case, the duty so evaded might have gone unnoticed & unpaid. The Noticee evaded duty by deliberate mis-classification of goods. This shows wilful suppression, mis-statement and malafide intention of the Noticee to evade payment of appropriate Customs duty. As the Noticee got monetary benefit due to their wilful mis-classification and evasion of applicable Customs Duty on the subject goods, hence, I find that duty was correctly demanded under Section 28(4) of the Customs Act, 1962 by invoking extended period.
- 4.9.6 Consequent upon amendment to the Section 17 of the Customs Act, 1962 vide Finance Act, 2011, 'Self-assessment' has been introduced in Customs clearance. Under self-assessment, it is the importer who has to ensure that he declares the correct classification, applicable rate of duty, value, benefit of exemption notifications claimed, if any, in respect of the imported goods while presenting the Bill of Entry. Thus, with the introduction of self-assessment by amendments to Section 17, it is the added and enhanced responsibility of the importer, to declare the correct description, value, notification, etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods. In the instant case, as explained in paras supra, the Noticee/importer has wilfully evaded payment of applicable duty resulting in a loss of Government revenue and in turn accruing monetary benefit. Since the Noticee/importer has wilfully mis-declared and suppressed the facts with an intention to evade applicable duty, provisions of Section 28(4) are invocable in this case and the duty, so evaded, is recoverable under Section 28(4) of the Customs Act, 1962.
- 4.9.7 The scheme of RMS wherein the importers are given so many facilitations, also comes with responsibility of onus for truthful declaration. The Tariff classification and Description of the item, are the first parameters that decides the rate of duty for the goods, which is the basis on which Customs duty is payable by any importer. However, if the importer does not declare the correct details rather manipulated the description of the impugned goods and evaded payment of correctly payable duty, it definitely amounts to mis-leading the Customs authorities, with an intent to evade payment of legitimate Customs duty leviable on the said imported goods.
- 4.9.8 In the instance case, by mis-declaring the description and Customs Tariff Headings of the impugned goods, the importer had an intent to evade duty in order to pay customs duty at lower rate and thereby to get financial benefits. The importer suppressed the facts by misclassifying the impugned goods and claiming undue duty benefits under the aforesaid notifications leading to short payment of customs duties. As there are wilful mis-statement and suppression of facts, extended period of 5 years can be invoked in the present case for demand of duty under Section 28(4) of the Customs Act, 1962.
- 4.9.9 In this regard, it is relevant to refer to the judgment of the Hon'ble Supreme Court in *Pushpam Pharmaceuticals Co. vs. CCE 1995 (78) E.L.T. 401 (S.C.)*, wherein it was held that suppression of facts includes failure to disclose correct information required for assessment. In the present case, by declaring the goods as "LED Indicator Panels" instead of their actual identity as "LED Display Modules/Screens", the noticee has failed to disclose the correct nature of the goods to the Department. Further, in *Cosmic Dye Chemical vs. CCE 1995 (75) E.L.T. 721 (S.C.)*, the Hon'ble Supreme Court held that "wilful misstatement" implies a deliberate act with intent to evade duty and is not to be equated with a mere omission or error. In the present case, the conduct of the noticee in consistently declaring incorrect descriptions, despite full knowledge of the goods, clearly establishes that the misstatement was wilful and intentional. The Hon'ble Supreme Court in *Uniflex Cables Ltd. vs. Commissioner of Central Excise (2011) (271) E.L.T. 161 (S.C.)* has also held that where incorrect classification is adopted with the intention of availing undue benefit, it amounts to suppression of facts. Applying this principle, I find that the noticee has knowingly adopted an incorrect classification and description to avail exemption, thereby suppressing material facts.
- 4.9.10 From the above, it is evident that at the time of filing of the Bills of Entry, the Noticee had wilfully mis-classified the imported goods, with a fraudulent intention to defraud government by paying lesser duty. As the Noticee has paid the duty at a lower rate than what was legitimately payable, the differential duty so not paid is liable to be recovered from them. The instant case is not a simple case of bonafide wrong declaration of CTI. Instead, in the instant case, the Noticee deliberately chose to mis-state the description and mis-classify the imported goods to claim lower rate of duty, being fully aware of the correct classification of the imported goods. This wilful and deliberate act clearly brings out their 'mens rea' in this case. Once the 'mens rea' is established on the part of Noticee, the extended period of limitation, automatically get attracted.

4.9.11 In view of the foregoing, I find that, due to deliberate suppression and wilful mis-classification, duty demand against the Noticee has been correctly proposed under Section 28(4) of the Customs Act, 1962 by invoking the extended period of limitation. In support of my stand of invoking extended period, I rely upon the court decision in *Union Quality Plastic Ltd. Versus Commissioner of C.E. & S.T., Vapi* [Misc. Order Nos.M/12671-12676/2013-WZB/AHD, dated 18.06.2013 in Appeal Nos. E/1762-1765/2004 and E/635-636/2008] reported as 2013(294) E.L.T.222(Tri.-LB), which states that:

“In case of non-levy or short-levy of duty with intention to evade payment of duty, or any of circumstances enumerated in proviso ibid, where suppression or wilful omission was either admitted or demonstrated, invocation of extended period of limitation was justified.”

4.9.12 Accordingly, the differential duty resulting from re-classification of the imported goods under correct CTI as per the subject Show Cause Notice, is recoverable from M/s. Singh LED Display under extended period in terms of the provisions of Section 28(4) of the Customs Act, 1962.

4.9.13 Therefore, I hold that the short payment of customs duty to the tune of Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only) as per Annexure-A to the Notice should be demanded and recovered from M/s Singh LED Display, in terms of Section 28(4) of the Customs Act, 1962, invoking the provision of extended period for duty demand.

4.9.14 As per Section 28AA of the Customs Act, 1962, the person, who is liable to pay duty in accordance with the provisions of Section 28, shall, in addition to such duty, be liable to pay interest, if any, at the rate fixed under sub-section (2) of Section 28AA, whether such payment is made voluntarily or after determination of the duty under that section. From the above provisions, it is evident that regarding demand of interest, Section 28AA of the Customs Act, 1962 is unambiguous and mandates that where there is a short payment of duty, the same along with interest shall be recovered from the person who is liable to pay duty. The interest under the Customs Act, 1962 is payable once demand of duty is upheld and such liability arises automatically by operation of law. In an umpteen number of judicial pronouncements, it has been held that payment of interest is a civil liability and interest liability is automatically attracted under Section 28AA of the Customs Act, 1962. Interest is always accessory to the demand of duty as held in case of *Pratibha Processors Vs UOI* [1996 (88) ELT 12 (SC)]. In *Directorate of Revenue Intelligence, Mumbai Vs. Valecha Engineering Limited*, Hon'ble Bombay High Court observed that, in view of Section 28AA, interest is automatically payable on failure by the assessee to pay duty as assessed within the time as set out therein.

4.9.15 I have already held in the above paras that the differential Customs duty amounting to Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only) as per Annexure-A to the Notice should be demanded and recovered from M/s Singh LED Display under the provisions of Section 28(4) of the Customs Act, 1962 by invoking extended period. Therefore, I hold that in terms of the provisions of Section 28AA of the Customs Act, 1962, interest on the aforesaid amount of differential Customs duty should also be recovered from M/s Singh LED Display.

4.10. **Whether the impugned goods imported by M/s. Singh LED Display having total assessable value of Rs. 3,77,85,570/- (Rupees three crore seventy-seven lakhs eighty-five thousand five hundred seventy only) should be confiscated/ should be held liable to confiscation under Section 111 (m) of the Customs Act, 1962.**

4.10.1 I note that the SCN proposes confiscation of impugned goods covered under Bills of Entry as detailed in Annexure-A to the Notice having total declared assessable value Rs. 3,77,85,570/- (Rupees three crore seventy-seven lakhs eighty-five thousand five hundred seventy only) under the provisions of Section 111(m) of the Customs Act, 1962.

4.10.2 Section 111(m) of the Customs Act, 1962 states that the following goods brought from a place outside India shall be liable to confiscation:

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

4.10.3 I have already held in the foregoing paras that the goods declared as “LED Indicator Panels” imported by the Noticee as mentioned in the subject SCN, were mis-declared and mis-classified. The Noticee was very well aware of the actual nature of the imported goods and the applicable correct CTI. As discussed in the foregoing paras, it is evident that the Noticee deliberately suppressed the correct description of the impugned goods and their Customs Tariff Heading and wilfully mis-classified the imported goods, resulting in short levy of duty. This deliberate suppression of facts and wilful mis-classification resorted by the

Noticee, renders the impugned goods liable for confiscation under Section 111(m) of the Customs Act, 1962. Accordingly, I find that the acts of omission and commission on part of the Noticee have rendered the impugned goods liable for confiscation under Section 111(m) of the Customs Act, 1962.

- 4.10.4 Section 111(m) deals with any and all types of mis-declaration regarding any particular of Bill of Entry. Therefore, the importer's mis-statement of the description and classification of the impugned goods amounts to a mis-declaration, making such goods liable to confiscation under the said section.
- 4.10.5 I find that Section 111(m) provides for confiscation even in cases where goods do not correspond in respect of any other particulars in respect of which the entry is made under the Customs Act, 1962. I have to restrict myself only to examine the words "*in respect of any other particular with the entry made under this act*" would also cover case of mis-classification. As this act of the importer has resulted in short levy and short payment of duty, I find that the confiscation of the imported goods invoking Section 111(m) is justified and sustainable.
- 4.10.6 As per Section 46 of the Customs Act, 1962, the importer of any goods, while making entry on the Customs automated system to the Proper Officer, 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. He shall ensure the accuracy and completeness of the information given therein and the authenticity and validity of any document supporting it.
- 4.10.7 I find that the importer while filing the Bill of Entry for the clearance of the subject goods had subscribed to a declaration as to the truthfulness of the contents of the Bill of Entry in terms of Section 46(4) of the Customs Act, 1962 and Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2011 in all their import declarations. Section 17 of the Act, w.e.f. 08.04.2011, provides for self-assessment of duty on imported goods by the importer themselves by filing a Bill of Entry, in the electronic form. Section 46 of the Act makes it mandatory for the importer to make an entry for the imported goods by presenting a Bill of Entry electronically to the proper officer. As per Regulation 4 of the Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulation, 2011 (issued under Section 157 read with Section 46 of the Act), the Bill of Entry shall be deemed to have been filed and self-assessment of duty completed when, after entry of the electronic integrated declaration (which is defined as particulars relating to the imported goods that are entered in the Indian Customs Electronic Data Interchange System) in the Indian Customs Electronic Data Interchange System either through ICEGATE or by way of data entry through the Service Centre, a Bill of Entry number is generated by the Indian Customs Electronic Data Interchange System for the said declaration. Thus, under the scheme of self-assessment, it is the importer who has to diligently ensure that he declares all the particulars of the imported goods correctly e.g., the correct description of the imported goods, its correct classification, the applicable rate of duty, value, benefit of exemption notification claimed, if any, in respect of the imported goods when presenting the Bill of Entry. Thus, with the introduction of self-assessment by amendment to Section 17, w.e.f. 8th April, 2011, the complete onus and responsibility is on the importer to declare the correct description, value, notification, etc. and to correctly classify, determine and claim correct exemption notification and pay the applicable duty in respect of the imported goods.
- 4.10.8 Prior to 08.04.2011, sub-section (2) of Section 2 of the Customs Act, 1962 read as under:

(2) "assessment" includes provisional assessment, reassessment and any order of assessment in which the duty assessed is nil;

Finance Act, 2011 introduced provision for self-assessment by the importer. Subsequent to substitution by the Finance Act, 2011 (Act 8 of 2011), (w.e.f. 08.04.2011) sub-section (2) of Section 2 *ibid* read as under:

Section 2 - Definitions, Sub-section (2) – assessment:

(2) "assessment" includes provisional assessment, self-assessment, re-assessment and any assessment in which the duty assessed is nil;

With effect from 29.03.2018, the term 'assessment' in sub-section (2) of Section 2 *ibid* means as follows:

(2) "assessment" means determination of the dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any, under this Act or under the Customs Tariff Act, 1975 (51 of 1975) (hereinafter referred to as the Customs Tariff Act) or under any other law for the time being in force, with reference to-

- a) the tariff classification of such goods as determined in accordance with the provisions of the Customs Tariff Act;*
- b) the value of such goods as determined in accordance with the provisions of this Act and the Customs Tariff Act;*
- c) exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefor under this Act or under the Customs Tariff Act or under any other law for the time being in force;*

- d) *the quantity, weight, volume, measurement or other specifics where such duty, tax, cess or any other sum is leviable on the basis of the quantity, weight, volume, measurement or other specifics of such goods;*
- e) *the origin of such goods determined in accordance with the provisions of the Customs Tariff Act or the rules made thereunder, if the amount of duty, tax, cess or any other sum is affected by the origin of such goods,*
- f) *any other specific factor which affects the duty, tax, cess or any other sum payable on such goods,*
and includes provisional assessment self-assessment, re-assessment and any assessment in which the duty assessed is nil;

- 4.10.9 From a plain reading of the above provisions related to assessment, it is very clear that w.e.f. 08.04.2011, the importer must self-assess the duty under Section 17 read with Section 2(2) of the Customs Act, and since 2018 the scope of assessment was widened. Under the self-assessment regime, it was statutorily incumbent upon the importer to correctly self-assess the goods in respect of classification, valuation, claimed exemption notification and other particulars. With effect from 29.03.2018, the term 'assessment', which includes provisional assessment also, the importer is obligated to not only establish the correct classification but also to ascertain the eligibility of the imported goods for any duty exemptions. From the facts of the case as detailed above, it is evident that M/s. Singh LED Display has deliberately failed to discharge this statutory responsibility cast upon them.
- 4.10.10 Besides, as indicated above, in terms of the provisions of Section 46(4) of the Customs Act, 1962 and Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulations, 2018, the importer while presenting a Bill of Entry shall at the foot thereof make and subscribe to a declaration as to the truth of the contents of such Bill of Entry. In terms of the provisions of Section 47 of the Customs Act, 1962, the importer shall pay the appropriate duty payable on imported goods and then clear the same for home consumption. However, in the subject case, the importer while filing the Bill of Entry has resorted to deliberate suppression of facts and wilful mis-classification to claim lesser rate of duty. Thus, the Noticee has failed to correctly assess and pay the appropriate duty payable on the imported goods before clearing the same for home consumption.
- 4.10.11 Therefore, I find that by not self-assessing the true and correct rate of Customs duty applicable on the subject goods, the importer wilfully did not pay the applicable duty on the impugned goods. They suppressed and mis-declared certain facts in a planned manner at the time of clearance of the said goods so as to claim lesser rate of duty on the impugned goods, thereby evaded applicable duty.
- 4.10.12 From the discussion above, I find that that the importer had in a planned manner suppressed the relevant facts and intentionally evaded Customs duty by wrongfully mis-classifying the goods and hence, contravened the provisions of Section 46 of the Customs Act, 1962 read with Section 11 of the Foreign Trade (Development and Regulation) Act, 1992 and Rule 14 of the Foreign Trade (Regulation) Rules, 1993.
- 4.10.13 In view of the foregoing discussion, I hold that the said subject goods imported vide Bills of Entry as detailed in Annexure-A to the Notice having total assessable value of Rs. 3,77,85,570 /- (Rupees three crore seventy-seven lakhs eighty-five thousand five hundred seventy only) should be held liable to confiscation under Section 111 (m) of the Customs Act, 1962.
- 4.10.14 As regards applicability of actual confiscation and redemption fine in terms of Section 125 of the Customs Act, 1962, in respect of impugned goods as detailed in Annexure-B to the Notice, I find that it is a settled position in law that redemption fine under Section 125 of the Customs Act, 1962 can only be imposed where goods are physically available for confiscation and subsequent redemption. This principle has been categorically affirmed by the Bombay High Court in Commissioner of Customs (Import), Mumbai v. Finesse Creation Inc., 2009 (248) E.L.T. 122 (Bom.), wherein the Court held that the concept of redemption fine arises only if the goods are available and can be redeemed. In the absence of the goods, no redemption fine can be imposed. The Bombay High Court distinguished the Supreme Court judgment in Weston Components Ltd. v. Commissioner of Customs, 2000 (115) E.L.T. 278 (S.C.), noting that in Weston, the goods had been released on bond and were therefore constructively within the control of the Customs authorities. However, in Finesse Creation Inc., the goods had already been cleared and were not available for seizure, nor had they been released on any bond or undertaking. The Bombay High Court further endorsed the reasoning of the Punjab and Haryana High Court in Commissioner of Customs, Amritsar v. Raja Impex (P) Ltd., 2008 (229) E.L.T. 185 (P&H), which held that where goods are neither available nor covered by any bond, no redemption fine can be levied. This order of the High Court in Finesse Creation Inc., stands accepted by the department, as Special Leave Petition (SLP) filed in the Supreme Court (C.A. No. 66/2009) was dismissed by order dated 12.05.2010. [2010 (255) E.L.T. A120 (S.C.)]
- 4.10.15 I now turn to the issue of applicability of redemption fine under Section 125 of the Customs Act, 1962. It is a settled principle of law that redemption fine can be imposed only when the goods are either physically

available for confiscation or are deemed to be under the constructive control of Customs authorities, such as in cases where goods are provisionally released against execution of bond.

- 4.10.16 In respect of the goods having total assessable value of Rs. 26,78,703/- (Rupees Twenty-Six Lakhs Seventy-Eight Thousand Seven Hundred Three only) covered under Bill of Entry No. 9336026 dated 27.10.2020, it is observed that the same were provisionally released against execution of bonds. Therefore, such goods are deemed to be under the constructive control of Customs authorities, and imposition of redemption fine under Section 125 of the Act is legally sustainable in respect of those goods.
- 4.10.17 However, in respect of the goods covered under Bills of Entry detailed in the Annexure-A to the Notice, I find that the same have already been finally cleared and are not available for confiscation. Further, there is no evidence to establish that such goods were released on execution of bond or otherwise remained under the constructive control of Customs authorities. In such circumstances, the settled legal position, as laid down by various judicial pronouncements, is that redemption fine cannot be imposed where goods are neither available nor under the control of Customs.
- 4.10.18 Accordingly, while I hold that the goods covered under Bill of Entry No. 9336026 dated 27.10.2020 are liable for imposition of redemption fine under Section 125 of the Customs Act, 1962, I refrain from imposing redemption fine in respect of the goods covered under Bills of Entry mentioned in Annexure-A to the Notice, as the same are not available for confiscation and were not under the constructive control of Customs authorities.

4.11 **Whether the penalties should be imposed on M/s. Singh LED Display in terms of Sections 112(a), 112(b), 114A and 114AA of the Customs Act, 1962.**

- 4.11.1 The provisions of Section 112, 114A and 114AA of the Customs Act, 1962 are reproduced as under:

SECTION 112. Penalty for improper importation of goods, etc. — Any person, -

- (a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or
- (b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111,
- Shall be liable
- (i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty [not exceeding the value of the goods or five thousand rupees], whichever is the greater;
- (ii) in the case of dutiable goods, other than prohibited goods, to a penalty not exceeding the duty sought to be evaded on such goods or five thousand rupees, whichever is the greater:

Section 114A. Penalty for short-levy or non-levy of duty in certain cases. —

Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (2) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined:

*Provided that where such duty or interest, as the case may be, 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 the communication of the orders 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 duty or interest, as the case may be, so determined:*

Provided further that the benefit of reduced penalty under the first proviso shall be available subject to the condition that the amount of penalty so determined has also been paid within the period of thirty days referred to in that proviso:

Provided also that where any penalty has been levied under this section, no penalty shall be levied under section 112 or section 114.

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.

- 4.11.2 In the present case, I have held that the extended period under Section 28(4) is invocable on account of wilful misstatement and suppression of material facts with intent to evade duty. The deliberate declaration of "LED Display Modules/Screens" as "LED Indicator Panels" and the conscious mis-declaration and mis-classification in Bills of Entry establish the existence of *mens rea*. As the Noticee got monetary benefit due to their wilful mis-declaration and suppression of facts on the aforesaid goods, I find that duty was correctly demanded under Section 28(4) of the Act by invoking extended period.
- 4.11.3 In terms of Section 46 (4) of Customs Act, 1962, the importer is required to make a declaration as to truth of the contents of the Bills of Entry submitted for assessment of Customs duty. M/s Singh LED Display had wilfully mis-declared the goods as "LED Indicator Panels" whereas the goods were "LED Display Modules/Screens" and also mis-classified the Tariff Classification of the said goods imported by them under CTI 85312000 and instead of under correct CTI 85285900. They were aware of the true nature and characteristics of the imported goods and accordingly, were knowing about the correctly leviable duty thereon. However, still they wilfully suppressed this fact and evaded payment of legitimately payable duty in the Bills of Entry filed before the Customs authorities. By resorting to the aforesaid suppression and mis-declaration, they evaded legitimately payable duty. Under the self-assessment scheme, it is obligatory on the part of importer to declare truthfully all the particulars relevant to the assessment of the goods, ensuring their accuracy and authenticity, which the importer clearly failed to do with malafide intention. However, the importers deliberately devised fraudulent modus to mis-declare "LED Display Modules/Screens" as "LED Indicator Panels" and tried to get these goods cleared from the port. They suppressed the fact before the Customs Department regarding correctly leviable duty thereon, to claim the undue duty benefit at the time of clearance of the said imported goods. This wilful and deliberate suppression of facts amply points towards the "mens rea" of the Noticee to evade the payment of legitimate duty. The wilful and deliberate acts of the Noticee to evade payment of legitimate duty, clearly brings out their 'mens rea' and hence, the extended period of limitation, as well as confiscation and penal provisions will automatically get attracted. Thus, the Noticee, by their various acts of omission and commission discussed above, have rendered the impugned goods liable for confiscation under Section 111(m) of the Customs Act, 1962, thereby making themselves liable for penalty under Section 112(a)(ii) *ibid* for the subject goods imported vide Bill of Entry No. 9336026 dated 27.10.2020 and the Bills of Entry as detailed in Annexure-A to the Notice.
- 4.11.4 Accordingly, I agree with the proposal made in the subject SCN and hold that penalty should be imposed on the Noticee, M/s Singh LED Display under Section 112(a) of the Customs Act, 1962.
- 4.11.5 Further, I find that as per Section 114A, imposition of penalty is mandatory once the elements for invocation of extended period are established. Hon'ble Supreme Court in *Grasim Industries Ltd. V. Collector of Customs, Bombay [(2002) 4 SCC 297=2002 (141) E.L.T.593 (S.C.)]* has followed the same principle and observed:
- "Where the words are clear and there is no obscurity, and there is no ambiguity and the intention of the legislature is clearly conveyed, there is no scope for Court to take upon itself the task of amending or altering the statutory provisions."* (para 10).
- Hon'ble Supreme Court has again in *Union of India Vs. Ind-Swift Laboratories* has held: *"A taxing statute must be interpreted in the light of what is clearly expressed. It is not permissible to import provisions in a taxing statute so as to supply any assumed deficiency..."* [2011 (265) ELT 3 (SC)].
- 4.11.6 Thus, in view of the mandatory nature of penalty under Section 114A no other conclusion can be drawn in this regard. I also rely upon case reported in 2015 (328) E.L.T. 238 (Tri. - Mumbai) in the case of *SAMAY ELECTRONICS (P) LTD. Versus C.C. (IMPORT) (GENERAL), Mumbai*, in which it has been held:
- Penalty - Imposition of - Once demand confirmed under Section 28 of Customs Act, 1962 read with Section 9A of Customs Tariff Act, 1975 on account of fraud, penalty under Section 114A *ibid* mandatory and cannot be waived - Therefore imposition of penalty cannot be faulted - Section 114A *ibid*.*
- 4.11.7 As I have held above, that the extended period of limitation under Section 28(4) of the Customs Act, 1962 for the demand of duty is rightly invoked in the present case. Therefore, penalty under Section 114A is rightly proposed on the Noticee, M/s Singh LED Display in the impugned SCN in respect of the impugned goods covered under Bills of Entry mentioned in Annexure-A to the Notice. Accordingly, the Noticee is liable for a penalty under Section 114A of the Customs Act, 1962 for wilful mis-declaration and suppression of facts, with an intent to evade duty. Further, I have already held above that by their acts of omission and commission, the importer has rendered the goods, as detailed in Annexure-A to the Notice, liable for confiscation under Section 111(m) of the Customs Act, 1962, making them liable for a penalty under Section 112(a) of the Customs Act, 1962. However, I find that the penalty under Section 114A and Section

112 of the Customs Act, 1962 are mutually exclusive and both cannot be imposed simultaneously. Therefore, in view of fifth proviso to Section 114A, no penalty is imposable on the Noticee under Section 112(a) ibid.

4.11.8 I find that Section 114AA is attracted where a person knowingly or intentionally makes use of any declaration, statement or document which is false or incorrect in any material particular in the transaction of business under the Customs Act. The tariff classification declared in the Bill of Entry is a material declaration, as it directly determines the applicable rate of duty. The essential ingredients for invoking Section 114AA are: (i) existence of a declaration, statement or document used in customs proceedings; (ii) such document being false or incorrect in a material particular; and (iii) knowledge or intention on the part of the person using such document.

4.11.9 In the present case, it is an admitted position that the Noticee filed Bills of Entry declaring the goods as “LED Indicator Panels” under an incorrect tariff heading. The goods were in fact LED Display Modules/Screens, as established from markings on cartons, supplier invoices and technical literature, BIS certification identifying them as “Visual Display Units”. Thus, the Bills of Entry and accompanying import documents contained incorrect description and classification, which are material particulars for assessment of duty. It is well settled that classification and description are core elements of customs declaration, and any misstatement therein directly impacts duty liability.

4.11.10 The crucial requirement under Section 114AA is the presence of mens rea (knowledge or intent). I find from the facts on record that:

- (i) The goods were clearly described as “LED Display Modules” on packaging and supplier documents.
- (ii) The Noticee is engaged in the business of LED display systems and is fully aware of the nature and use of such goods.
- (iii) The Customs Broker had advised correct classification under Heading 8528.
- (iv) Despite such knowledge, the Noticee chose to declare the goods under an incorrect heading to avail exemption.
- (v) The Noticee admitted in his statement that classification was decided by him.
- (vi) Relevant communications were deleted, indicating conscious suppression.

These facts establish beyond doubt that the incorrect declaration was not accidental or clerical, but knowingly and intentionally made.

4.11.11 Having regard to the gravity of misdeclaration and the fact that the incorrect documents directly facilitated short-payment of duty, I hold that the importer is liable to penalty under Section 114AA of the Customs Act, 1962.

4.11.12 Further, I find that the Noticee has made voluntarily payment of the differential duty along with interest and penalty amounting to Rs.1,24,61,072/- (Duty 90,98,765/- + Interest 19,97,492/- + Penalty 13,64,815/) in respect of impugned goods as detailed in Annexure-A to the Notice. Details of the payments are as under:

Sr. No.	DD No. & Date	Amount (Rs.)	Challan No. & Date
1.	001820 dated 11.02.2025	25,00,000	HCM36 dated 13.02.2025
2.	Online payment (ICEGATE)	25,00,000	8811550806 dated 04.03.2025
3.	Online payment (ICEGATE)	20,00,000	1629691881 dated 18.03.2025
4.	Online payment (ICEGATE)	20,98,766	1695809908 dated 08.04.2025
5.	Online payment (ICEGATE)	19,97,492	2082873302 dated 13.05.2025
6.	Online payment (ICEGATE)	13,64,815	3440469288 dated 28.05.2025
	Total	1,24,61,072	

4.11.13 From the case records, I find that the Challan Nos. listed at Serial Nos. 2 to 6 of the table above have been verified from the ICEGATE portal viz. <https://foservices.icegate.gov.in/#/epayment/enquiry>. Additionally, Challan No. HCM36 dated 13.02.2025 (Serial No. 1) was verified by the Cash Section, JNCH, Nhava Sheva, vide their letter dated 15.04.2026. These payments were made during the investigation and prior to

the issuance of the instant Show Cause Notice (SCN). Furthermore, during the investigation, M/s. Singh LED Display, vide email dated 04.06.2025, requested the closure of proceedings under Section 28(5) read with Section 28(6) of the Customs Act, 1962.

- 4.11.14 In view of the above, I find that the importer, M/s. Singh LED Display, has paid the differential Customs duty, applicable interest, and a penalty equivalent to 15% of the differential duty amount, in respect of goods detailed in Annexure-A to the Notice. As these payments were made and intimated prior to (or within 30 days of) the SCN, the importer has fulfilled the conditions of Section 28(5) of the Customs Act, 1962. Accordingly, the proceedings in respect of the goods detailed in Annexure-A to the Notice are fit for conclusion in terms of Section 28(6)(i) of the Customs Act, 1962.
- 4.12 Based on the findings discussed in above paras, I have held that the Noticee has rendered himself liable to payment of differential duty under Section 28(4) of the Customs Act, 1962, along with applicable interest under Section 28AA, on account of wilful mis-declaration and suppression of material facts, as discussed hereinabove. It is also on record that the Noticee has voluntarily discharged the entire liability by depositing the differential duty, applicable interest, and penalty at the prescribed rate during the course of investigation in respect of impugned goods detailed in Annexure-A to the Notice. The said payments have been duly verified from the records and found to be correct and sufficient to cover the confirmed dues. In view thereof, I hold that the amounts of Rs. 1,24,61,072/- (Duty: Rs. 90,98,765/- + Interest: Rs. 19,97,492/- + Penalty: Rs. 13,64,815/-) paid by M/s. Singh LED Display during the investigation should be appropriated towards the confirmed demand of duty, interest, and penalty in respect of imported goods detailed in Annexure-A to the Notice.
5. In view of the facts of the case, the documentary evidences on record and findings as detailed above, I pass the following order:

ORDER

5.1 For goods imported vide Bill of Entry No. 9336026 dated 27.10.2020.

- (i) I reject the declared classification of the goods imported vide Bill of Entry No. Bill of Entry No. 9336026 dated 27.10.2020 under CTI 8531200 and order to re-classify the same under CTI 85285900. Accordingly, I order to re-assess the aforesaid Bill of Entry to duty liability of Rs. 6,45,032/- (Rupees Six Lakhs Fourth-Five Thousand Thirty-Two Only) under Section 18 of the Customs Act, 1962. Consequently, I deny the benefit of Customs Notification No. 24/2005-Cus dated 01.03.2005 (Serial. No. 19), as amended, and the corresponding exemption from Basic Customs Duty (BCD), to M/s Singh LED Display (IEC: DTBPS0478H).
- (ii) I order to confiscate the subject goods, imported vide Bill of Entry No. 9336026 dated 27.10.2020, having total declared assessable value of total assessable value of Rs. 26,78,703/- (Rupees Twenty-Six Lakhs Seventy-Eight Thousand Seven Hundred Three only) Section 111(m) of the Customs Act, 1962.
- I also impose a redemption fine of Rs. 2,60,000/- (Rupees Two Lakhs Sixty Thousand Only) on M/s Singh LED Display, in lieu of confiscation under Section 125(1) of the Customs Act, 1962.
- (iii) I impose a penalty of Rs. 64,000/- (Rupees Sixty-Four Thousand Only) on M/s Singh LED Display under Section 112(a) of the Customs Act, 1962.

5.2 For goods imported vide Bills of Entry detailed in Annexure-A to the Notice.

- (i) I reject the classification of goods declared as 'LED Indicator Panel' under CTI 85312000, imported vide Bills of Entry as detailed in Annexure-A to the Notice. I order reclassification and reassessment of the aforesaid goods as "LED Display Modules/Screens under CTI 85285900. Consequently, I deny the benefit of Customs Notification No. 24/2005-Cus dated 01.03.2005 (Serial. No. 19), as amended, and the corresponding exemption from Basic Customs Duty (BCD), to M/s Singh LED Display (IEC: DTBPS0478H).
- (ii) I confirm the demand for differential duty of Rs. 90,98,765/- (Rupees Ninety Lakhs Ninety-Eight Thousand Seven Hundred Sixty-Five Only) regarding the Bills of Entry detailed in Annexure-A to the Notice, on account of wrongful availment of Serial. No. 19 of Notification No. 24/2005-Cus dated 01.03.2005, and order to recover the same under Section 28(4) of the Customs Act, 1962, along with interest under Section 28AA of the said Act. As the importer has paid the duty, interest of Rs. 19,97,492/-, and a 15% (of differential duty) penalty of Rs. 13,64,815/- within the prescribed period of thirty days of receipt of the Show Cause Notice and intimation thereof given, as per provisions of Section 28(5) ibid, the proceedings in respect of imported goods detailed in

Annexure-A to the Notice are hereby concluded in terms of Section 28(6)(i) of the Act, and the aforesaid payments are ordered to be appropriated against these liabilities.

- (iii) I hold that the goods imported by M/s Singh LED Display (IEC: DTBPS0478H), as detailed in Annexure-A to the Notice, valued at Rs. 3,77,85,570 /- (Rupees three crore seventy-seven lakhs eighty-five thousand five hundred seventy only), are liable to confiscation under Sections 111(m) of the Customs Act, 1962.

However, I do not impose any redemption fine under Section 125(1) of the Customs Act, 1962, for the reasons cited supra.

6. This order is issued without prejudice to any other action that may be taken in respect of the goods in question and/or the persons/firms concerned, covered or not covered by this show cause notice, under the provisions of Customs Act, 1962, and/or any other law for the time being in force in the Republic of India.

Bhanteke
20/4/26

(अनिल रामटेके / ANIL RAMTEKE)

सीमा शुल्क आयुक्त / Commissioner of Customs,
एनएस-V, जेएनसीएच / NS-V, JNCH

To

1. M/s Singh LED Display (IEC: DTBPS0478H),
Gala No 4, Building E16, Krishna Complex,
Inside Harihar Complex, Village Dapoda, Bhiwandi,
Thane, Maharashtra-421302,

M/s Singh LED Display (IEC: DTBPS0478H),
Office: 18A/19, Doddanekundi Industrial Area,
Mahadevapura, Post- Whitefield, Bangalore-560048

Copy To:

1. The Pr. ADG, DRI Mumbai, 13, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai-400 020
2. The Addl. Commissioner of Customs, Group VA, JNCH
3. AC/DC, Chief Commissioner's Office, JNCH
4. AC/DC, Centralized Revenue Recovery Cell, JNCH
5. Superintendent (P), CHS Section, JNCH – For display on JNCH Notice Board.
6. EDI Section.
7. Office copy.

