



सत्यमेव जयते

आयुक्त, सीमाशुल्क (एनएस- V) का कार्यालय,
OFFICE OF THE COMMISSIONER OF CUSTOMS (NS- V),
जवाहरलाल नेहरू सीमाशुल्क भवन, न्हावाशेवा,
JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,
तालुका- उरण, जिला- रायगढ़, महाराष्ट्र- ४००७०७.
TALUKA- URAN, DISTRICT- RAIGAD, MAHARASHTRA -
400 707



F.No. S/26-Misc-499/2025-26/Gr.VA/JNCH
F.No. CADT/CIR/MISC/28/2024-DC/AC-III
Show Cause Notice No. 1945/2025-26/Commr/Gr. VA/CAC/JNCH
S/10-1761/2025-26/Adj/Commr./Gr.VA/NS-V/CAC/JNCH

Date: /02/2026

DIN No. 20260278MX0000820042

SHOW CAUSE NOTICE ISSUED UNDER SECTION 28(4) OF THE CUSTOMS ACT, 1962

M/s Apple India Pvt Ltd (IEC 0796001839), having address at 19th Floor, Concorde Tower, UB City, 24, Vittal Mallya Road, Bangalore, Karnataka, 560001 (hereinafter referred to as 'the importer') had imported consignment/s of Unit for Small Plus Led Display System under CTH 85299090 (hereinafter referred to as the subject goods" vide Bill of Entries mentioned in Annexure E attached herewith and BCD is paid @10% along with IGST @ 18% for the import of subject goods.

The heading description are as follows:

8529: Parts suitable for use solely or principally with the apparatus of heading 8524 to 8528
8529 9090: Parts suitable for use solely or u principally with the apparatus of headings 8528, namely:

- (i) other cathode ray tube monitors (8528 49 00);
- (ii) other monitors (8528 59 00);
- (iii) other projectors (8528 69 00);
- (iv) reception apparatus for tele-vision, whether or not incorporating radio broadcast receivers or sound or video re-cording or reproducing apparatus, -
 - (a) not designed to incorporate a video display or screen (8528 71 00); and
 - (b) other Monochrome

2. Ongoing through the B/E, Invoice, Packing List & Bill of Lading which were uploaded in e-sanchit, it was observed that the goods (Unit for Small Plus Led Display System) is a video wall module which is covered under chapter 85 under heading 8528 of Customs Tariff Act, 1975 with details as follows:

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

- Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or re-producing apparatus:

8528 71 00 -- Not designed to incorporate a video display or screen
8528 72 -- Other, Colour:
8528 72 19 ----Other

In view of the above, it appears that the products "Unit for Small plus Led Display System" falls under the HSN 85287219. Therefore, instead of lower paid BCD@10% & lower paid IGST@18% under

HSN 85299090, correct BCD@20% & IGST@28% under HSN 85287219 should be applicable for the import of the aforesaid goods.

3. Accordingly, a Consultative Letter No.439/2024-25/C1 dated 05.09.2024 was issued to the importer for payment of short levied duty along with applicable interest and penalty.

4. Vide the aforementioned Consultative letter dated 05.09.2024, the Importer was advised to pay the differential duty along with applicable interest and penalty within 15 days of the receipt of the consultative letter in terms of Section 28(4) of the Customs Act 1962. The importer was further advised to avail the benefit of lower penalty in terms of Section 28(5) of the Customs Act, 1962, by early payment of short paid duty and interest along with penalty @ 15%.

5. In response to this office Consultative letter, the importer has submitted their reply vide letter dated 29.11.2024, wherein the importer stated that:

- (i) Display Unit imported by the Company is used to form a large- scale video wall where a number of such units are connected together. Further, the display unit has the capability of connecting to the central processing unit of an Automatic Data Processing Machine ('ADPM').
- (ii) CTH 8528 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*' and attracts BCD @ 20%.
- (iii) This heading is further divided into various sub-categories at single dash level. One such sub-category is "*Reception apparatus for television, whether or not incorporating radio-broadcast receivers or sound or video recording or reproducing apparatus*". This sub-category is in-turn divided into various entries at sub-heading level and tariff line items, including CTSH 852872, under which the department office has alleged classification of the subject goods, i.e., Display Unit.
- (iv) In this regard, it is pertinent to mention that as per the HSN Explanatory Notes to HSN 8528, it is provided that monitors or projectors incorporated with a television tuner is considered to be a reception apparatus for television. However, in the present case, the Display Unit does not have a television tuner and therefore, cannot be considered as a reception apparatus for television. Further, the subject goods, i.e., the Display Unit imported by the Company does not comprise of radio-broadcast receivers or sound or video recording or reproducing apparatus.
- (v) In view thereof, the Display Unit is neither a reception apparatus for television as alleged by the department nor a Monitor/Projector and hence, does not merit classification under CTH 8528, more specifically under CTH 852872.

(vi) **Display Unit merit classification under CTH 85299090**

Display Unit imported by the Company are parts of a monitor and it is to be used solely or principally with a monitor falling under the CH 8528. As per Note 2 (b) to Section XVI and HSN Explanatory Notes thereof, parts which are equally suitable for use principally with the goods of headings 8517 and 8525 to 8528 are to be classified in heading 8517.

- (vii) As mentioned above, the Display Unit does not have all the features to be classified as a monitor. Therefore, it does not have a principal function of its own and is required to be assembled with other units to provide the required function of a Monitor. Further, the display unit is tailored for use solely and principally for use with a monitor and is an essential component of the Monitor without which the whole unit cannot function. Hence, the Display Monitor merits classification as parts of Monitor under CTH 85299090.

6. The above facts of the importer has been studied and found that: -

"Display Unit imported by the Company is used to form a large-scale video wall where a number of such units are connected together. From the reply of the importer, it is clear that the imported goods i.e. Display Unit are complete unit which can be used individually or connected together. Hence, the imported goods are not the Parts suitable for use solely or principally with the apparatus of heading 8524 to 8528.

Hence, subject goods appears to be classified under CTH 85287219 where the BCD @ 20% is payable and IGST @ 28% is payable. Hence, the importer needs to pay the Differential Amount of **Rs. 1,21,51,946/-**

7. Relevant legal provisions which are applicable in this instant case are reproduced below for the ease of reference.

8. After the introduction of self-assessment vides Finance Act, 2011, the onus is on the Importer to make true and correct declaration in all aspects including Classification and calculation of duty, but in the instant case the importer had willfully opted wrong HSN 85299090 for Small Plus Led Display System” & paid lower BCD @10% and IGST @18% than applicable i.e. BCD @20% and IGST @28%.

8.1 Section 17(1) Assessment of duty, reads as:

An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods.

8.2 Section 28 (Recovery of duties not levied or not paid or short-levied or short-paid or erroneously refunded) reads as:

(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.

(5) Where any duty has not been levied or not paid or has been short-levied or short paid or the interest has not been charged or has been part-paid or the duty or interest has been erroneously refunded by reason of collusion or any willful mis-statement or suppression of facts by the importer or the exporter or the agent or the employee of the importer or the exporter, to whom a notice has been served under sub-section (4) by the proper officer, such person may pay the duty in full or in part, as may be accepted by him, and the interest payable thereon under section 28AA and the penalty equal to fifteen per cent of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing.

(6) Where the importer or the exporter or the agent or the employee of the importer or the exporter, as the case may be, has paid duty with interest and penalty under sub-section (5), the proper officer shall determine the amount of duty or interest and on determination, if the proper officer is of the opinion

(i) that the duty with interest and penalty has been paid in full, then, the proceedings in respect of such person or other persons to whom the notice is served under sub-section (1) or sub-section (4), shall, without prejudice to the provisions of sections 135, 135A and 140 be deemed to be conclusive as to the matters stated therein; or

(ii) that the duty with interest and penalty that has been paid falls short of the amount actually payable, then, the proper officer shall proceed to issue the notice as provided for in clause (a) of sub-section (1) in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of two years shall be computed from the date of receipt of information under sub-section (5).

8.3 SECTION 28AA- Interest on delayed payment of duty

(1) Notwithstanding anything contained in any judgment, decree, order or direction of any court,

Appellate Tribunal or any authority or in any other provision of this Act or the rules made thereunder, 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), whether such payment is made voluntarily or after determination of the duty under that section.

(2) Interest, at such rate not below ten per cent. and not exceeding thirty-six per cent. per annum, as the Central Government may, by notification in the Official Gazette, fix, shall be paid by the person liable to pay duty in terms of section 28 and such interest shall be calculated from the first day of the month succeeding the month in which the duty ought to have been paid or from the date of such erroneous refund, as the case may be, up to the date of payment of such duty.

8.4 SECTION 46. Entry of goods on importation, subsection 46(4) reads as:

(4) The importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

8.5 Section 111 (Confiscation of improperly imported goods etc.) reads as: 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

8.6 Section 112 (Penalty for improper importation of goods etc.) reads as: "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 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 greater;

(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of Section 114A, to a penalty not exceeding ten percent of the duty sought to be evaded or five thousand rupees, whichever is higher

8.7 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 willful 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 (8) 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 order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent of the 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 the duty or interest determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, for the purposes of this section, the duty or interest as reduced or increased, as the case may be, shall be taken into account:

Provided also that in case where the duty or interest determined to be payable is increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, the benefit of reduced penalty under the first proviso shall be available if the amount of the duty or the interest so increased, along with the interest payable thereon under section 28AA, and twenty-five percent of the

consequential increase in penalty have also been paid within thirty days of the communication of the order by which such increase in the duty or interest takes effect:

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

Explanation. - For the removal of doubts, it is hereby declared that -

(i) the provisions of this section shall also apply to cases in which the order determining the duty or interest under sub-section (8) of section 28 relates to notices issued prior to the date on which the Finance Act, 2000 receives the assent of the President;

(ii) any amount paid to the credit of the Central Government prior to the date of communication of the order referred to in the first proviso or the fourth proviso shall be adjusted against the total amount due from such person.

8.8 SECTION 114AA. Penalty for use of false and incorrect material. –

If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.]

8.9 SECTION 117. Penalties for contravention, etc., not expressly mentioned. - Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding one lakh rupees.

9. Acts of omission and commission by the Importer:

9.1 As per section 17(1) of the Act, "An Importer entering any imported goods under section 46, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods." Thus, in the instant case and also as per the reply submitted, the importer had self-assessed the Bills of Entry and appears to have Non-levy / Short levy of Duty by willfully opted wrong HSN 85299090 for the import of "Unit for small plus led display system" & paid lower BCD @10% along with IGST @18% rather than applicable BCD @20% and IGST @ 28%.

9.2 As per the reply submitted by the importer and monetary benefit received by him due to the said act, it is apparent that the same was done deliberately by willfully opting wrong HSN 85299090 for the import of "Unit for small plus led display system" & paid lower BCD @ 10% rather than applicable BCD @20%, in the Bills of Entry during self-assessment. Therefore, differential duty is recoverable from the importer under Section 28(4) of the Customs Act, 1962 along with applicable interest as per Section 28AA of the said Act.

9.3 It appears that the Importer has given a declaration under section 46(4) of the Act, for the truthfulness of the content submitted at the time of filing Bill of Entry. However, the applicable Duty on the subject goods was not paid by the Importer at the time of clearance of goods. It also appears that the Importer has submitted a false declaration under section 46(4) of the Act. By the act of presenting goods in contravention to the provisions of section 111(m), it appears that the Importer has rendered the subject goods liable for confiscation under section 111(m) of the Act. For the above act of deliberate omission and commission that rendered the goods liable to confiscation. Accordingly, for the same reason the Importer also appears liable to penal action under Section 114A of the Customs Act, 1962.

10. Therefore, in terms of Section 124 read with Section 28(4) of the Customs Act, 1962, **M/s Apple India Pvt Ltd (IEC 0796001839)**, is hereby called upon to show cause to the **Commissioner of Customs, NS-V, JNCH, Nhava Sheva, Taluka - Uran, District - Raigad, Maharashtra – 400707**, within 30 days of the receipt of the notice, as to why:

1. The Classification under HSN 85299090 for the import of "Unit for Small plus Led Display System" should not be rejected and applicable BCD@20% & IGST@28% for the import of "Unit for Small plus Led Display System" should not be levied by classifying it under HSN 85287219.
2. The Differential duty amount of **Rs. 1,21,51,946/- (Rupees One Crore Twenty-One Lakh Fifty**

One Thousand Nine Hundred Forty Six only) with respect to the items covered under Bill of entry as mentioned in Annexure E of this notice should not be demanded under Section 28 (4) of the Customs Act, 1962 along with applicable interest as per Section 28AA of the Customs Act, 1962.

3. The subject goods as detailed in Annexure E of this notice having a total assessable value of **Rs. 4,82,60,310/- (Rupees Four Crore Eighty-Two Lac Sixty Thousand Three Hundred Ten only)** should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962.
4. Penalty should not be imposed on the importer under Section 114A of the Customs Act, 1962 as per discussion in para 9 above.

11. It is also advised that the importer may avail the benefit of reduced penalty @15% of duty and interest so specified in this notice in terms of Section 28(5) of the Customs Act, 1962 by payment of duty and interest within 30 days of receipt of this notice, failing which importer may be subject to higher penalty equal to the duty and interest so determined.

12. The written explanation/reply should be filed by the noticee to the **Commissioner of Customs, NS-V, JNCH, Nhava-Sheva, Tal. - Uran, Distt. Raigad, Maharashtra-400707** within 30 days from the date of this notice. They are further required to intimate in their written reply whether they wish to be heard in person before the case is adjudicated.

13. If no cause is shown against the action proposed to be taken or the importer and CHA does not appear before the adjudicating authority when the case is posted for hearing, the case will be decided ex-parte on merits.

14. The department reserves its right to amend, modify or supplement this notice at any point of time prior to the adjudication of the case.

15. This present show cause notice is issued without prejudice to any other action that may be taken against the notice or any other firm(s) or person(s) under the provisions of the Customs Act, 1962 or any other law for the time being in force in the Union of India.

Anil Ramteke
4/2/26

(Anil Ramteke)

Commissioner of Customs
NS-V, NHAVA SHEVA, JNCH

M/s Apple India Pvt Ltd (IEC 0796001839),
19th Floor, Concorde Tower, UB City,
24, Vittal Mallya Road, Bangalore, Karnataka, 560001.

Copy to:

1. The Asst./Dy. Commissioner of Customs, CAC, JNCH (for adjudication)
2. The Dy. Commissioner of Customs, Circle- D3, Audit, JNCH
3. Notice Board (CHS Section).
4. Office.

Annexure E

Customs Site	BE Number	BE Date	Item Code	Country of Origin Name	Full Item Description	UOC	QUANTITY	Unit Price	CF Value Amount	Assessable Value Amount	BCD Rate	BCD Amount	Declared BCD Notification	Declared BCD Notification Serial Number	SCD Amount	IGST Rate	IGST Amount	BCD @ 20%	SWS @ 10% of BCD	IGST Assessable Value	IGST @ 28%	Differential BCD	Differential SWS	Differential IGST	Total duty recoverable
INNSA1	4894930	2/8/2021 0:00	85299090	JAPAN	UNIT FOR Small pill NOS	NOS	98	6486	48260310	48260310	10	4826031	050/2017	5168	482603.1	18	9642410	9652062	965206.2	58877579	16485722	4826031.058	482603.1058	6843311.995	12151946.16