

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL  
ALLAHABAD**

REGIONAL BENCH - COURT NO.I

**Customs Appeal No.70068 of 2026**

(Arising out of Order-In-Appeal No.NOI/CUSTOM/000/APP/213-214/25-26,  
dated 18/12/2025 passed by Commissioner (Appeals), CGST, Noida)

**M/s Daya Exports**

**.....Appellant**

(Plot No.13, 3<sup>rd</sup> Floor, Pocket-I, Sector-13,  
Dwarka, Delhi-110078)

*VERSUS*

**Commissioner, CGST & Customs, Noida**

**....Respondent**

(4<sup>th</sup> Floor, C-232A/2 to 232A/3, GST Bhawan  
Sector-48, Noida-201305)

**AND**

**Customs Appeal No.70107 of 2026**

(Arising out of Order-In-Appeal No.NOI/CUSTOM/000/APP/213-214/25-26,  
dated 18/12/2025 passed by Commissioner (Appeals), CGST, Noida)

**M/s Daya Exports**

**.....Appellant**

(Plot No.13, 3<sup>rd</sup> Floor, Pocket-I, Sector-13,  
Dwarka, Delhi-110078)

*VERSUS*

**Commissioner, CGST, Noida**

**....Respondent**

(4<sup>th</sup> Floor, C-232A/2 to 232A/3, GST Bhawan  
Sector-48, Noida-201305)

**APPEARANCE:**

Mrs. Stuti Saggi, Advocate for the Appellant

Mrs. Chitra Srivastava, Authorized Representative for the Respondent

**CORAM: HON'BLE MR. P.K. CHOUDHARY, MEMBER (JUDICIAL)  
HON'BLE MR. RAJEEV TANDON, MEMBER (TECHNICAL)**

**FINAL ORDER NOS. -70124-70125/2026**

DATE OF HEARING : 28.04.2026  
DATE OF DECISION : 05.05.2026

**P. K. CHOUDHARY:**

M/s Daya Exports, the Appellant herein assails the impugned order dated 18.12.2025 passed by the learned Commissioner, CGST (Appeals) Noida.

2. Since both the appeals are arising out of the impugned common Order-In-Appeal, both the appeals are taken up together for hearing and disposal.

3. Brief facts of the case are that the Appellant imported consignment of Computer Cabinet Cases vide 03(three) Bills of Entry viz. No.6842977 dated 23.11.2024, Bill of Entry No.7103875 dated 07.12.2024 & Bill of Entry No.7470384 dated 26.12.2024.

4. On examination by the officers on 09.12.2024, 10.12.2024 and 27.01.2025, it was found that the said consignment consisted of components such as motherboards, power supplies, cooling fans, heat sinks, original computer cases (cabinets) of brand viz. H.P., Dell, and Lenovo, wiring and other components except RAM, Hard Disk and Processor. The aforesaid goods also had branding labels affixed on them mentioned models such as Dell OptiPlex 3050, 6050 etc., Lenovo Thinkcentre, HP Elitedesk etc. with processor details such as Core 15, Core 17, Intel Pentium, Gold etc. The aforesaid goods also had visible mark of use such as wear & tear, scratches, stickers/labels and prints of the use of the institutes, labs etc., marks of paint job etc., due to which the said goods appeared to be previously used and prima facie appeared to be used/second hand.

5. For assessment and valuation of imported goods under BOE Nos.6842977 dated 23.11.2024 and 7103875 dated 07.12.2024, Chartered Engineer Shri Vinod Soorma joined the examination proceedings and submitted his detailed report dated 21.12.2024. He confirmed that the goods were old and used but not refurbished, and had a residual life of 4-5 years, subject to maintenance. Furthermore, the Chartered Engineer determined

the approximate market value of the Imported goods to be USD 25 per piece.

6. For assessment and valuation of Imported goods under BOE Nos. 7470384 dtd.26.12.2024, Chartered Engineer Shri Vinod Kumar Goel examined the goods at M/s Transworld Terminals Dadri Pvt. Ltd., ICD Dadri (INAPL6) and submitted his report dated 03.02.2025. He described the goods as 'old and unused computer cabinet cases having motherboards, power supplies, DVD. writers, cooling fans, and wiring circuits, but without processors, hard disks and RAM. The goods were valued at an estimated 12 USD per unit.

7. On the basis of the examination and the Chartered Engineer's Certificate it appeared to the Revenue that the importer had mis-declared and undervalued the goods. However, it was found that there is no violation of Waste Management Rules. The Appellant waved the issuance of Show Cause Notice. The Adjudicating Authority vide the impugned orders dated 08.04.2025 & 26.06.2025 passed the following order:-

1. Impugned Order dated 08.04.2025 with respect of BoE's. i.e. 6842977 dated 23.11.2024 & 7103875 dated 07.12.2024: -rejected the declared description of goods as Barebone System without Hard Disk & RAM for Data Processing Machines" and order to amend the description of goods as "Old & Used Barebone System without Hard Disk & RAM for Data Processing Machines" Imported against Bills of Entry No. 1) 6842977 dated 23.11.2024 and 7103875 dated 07-12.2024.

rejected the declared transaction value under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and re-determine the assessable value of the goods imported against Bills of Entry No. 1) 6842977 dated 23.11.2024 and 7103875 dated 07.12.2024 USD 25

per unit as Rs. 2,83,57,984/-based on the Chartered Engineer's report and contemporaneous imports, as per Rule 9 of the said Rules.

confiscated the goods imported against Bills of Entry No. 1) 6842977 dated 23.11.2024 and 7103875 dated 07.12.2024, under the provisions of Section 111(1), 111(m) and 111(0) of the Customs Act, 1962 and offered an option to the importer to redeem the sold goods on payment of a Redemption Fine of Rs. 5,00,000/- under Section 125(1) of the Customs Act, 1962 valid, within 30 days from the issuance of the order.

Imposed a penalty of Rs. 2,00,000 on the appellant, under Section 112(a)(1) of the Customs Act, 1962, for their acts of omission/commission rendering the impugned goods liable to confiscation under Section 111 of the Customs Act, 1962.

imposed a penalty of Rs. 1,00,000/- on the Appellant under Section 112(a) (ii) of the Customs Act, 1962 for their acts of omission/commission rendering the impugned goods liable to confiscation under Section 111 of the Customs Act, 1962.

also imposed a penalty of Rs. 3,00,000/- under Section 114AA of the Customs Act, 1962, for knowingly making false declarations and misrepresenting material particulars, particularly relating to the value and condition of the goods, with the intent to evade customs duty and circumvent the policy conditions.

ordered to re-assess the Bills of Entry No. 1) 6842977 dated 23.11.2024 and 7103875 dated 07.12.2024 under section 17 (4) of the Customs Act, 1962.

2. Impugned Order dated 06.06.2025 with respect of BoE No.7470384 dated 26.12.2024:

rejected the declared description of goods as Barebone System without Hard Disk & RAM for Data Processing

Machines" and order to amend the description of goods as "Old & Used Barebone System without Hard Disk & RAM for Data Processing Machines" imported against Bills of Entry No. 7470384 dated 26.12.2024.

- rejected the declared transaction value under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and re-determine the assessable value of the goods imported against Bills of Entry No. 7470384 dated 26.12.2024 @ USD 25 per unit as Rs. 95,40,450/- based on the Chartered Engineer's report and contemporaneous imports, as per Rule 9 of the said Rules.

re-determined the duty liability on the goods Imported under BOE No. 7470384 dated 26.12.2024 on the basis of assessable value of Rs. 95,40,450/-, ascertained at USD 25 per unit in accordance with the Chartered Engineer's Report pertaining to earlier consignment of identical goods from the same supplier. Accordingly, the total duty payable is determined at Rs. 17,17,281/-, resulting in a differential duty of Rs. 12,36,442/-.

confiscated the goods imported against BoE No. 7470384 dated 26.12.2024, under the provisions of Section 111(d), 111(m) and 111(0) of the Customs Act, 1962 and offered an option to the Importer to redeem the said goods on payment of a Redemption Fine of Rs. 9,00,000/- under Section 125(1) of the Customs Act, 1962 valid within 30 days from the issuance of the order.

imposed a penalty of Rs. 5,00,000/- on the appellant, under Section 112(a)(1) of the Customs Act, 1962, for their acts of omission/commission rendering the Impugned goods liable to confiscation under Section 111(d) of the Customs Act, 1962.

Imposed a penalty of Rs. 1,20,000/- on the appellant under Section 112(a)(ii) of the Customs Act, 1962 for their acts of omission/commission rendering the impugned goods liable to confiscation under Section 111(m) and 111(o) of the Customs Act, 1962.

also imposed a penalty of Rs. 5,00,000/- under Section 114AA of the Customs Act, 1962, for knowingly making false declarations and misrepresenting material particulars, particularly relating to the value and condition of the goods, with the intent to evade customs duty and circumvent the policy conditions.

ordered to re-assess the BOE No. 7470384 dated 26.12.2024 under section 17 (4) of the Customs Act, 1962.

8. On an appeal filed by the Appellant, the learned Commissioner (Appeals) upheld all the three adjudication orders of the Original Authority observing as under:-

*"In respect of mis-declaration of assessable value @ USD 25.00 (CIF) per Unit in both the cases, it is evident that as per the findings of Chartered Engineer that imported goods are old and used; incomplete form and value proposed by Chartered Engineer @ USD 25.00 (CIF) per unit for Old and Used Barebone System without Hard Disc and RAM for Data Processing Machine (Brand-HP/Dell/Lenovo) [A barebone system is partially assembled platform or an unassembled kit of computer parts allowing more customization and lower costs than a retail computer system), which has also been accepted by the importer vide letter dated 12.09.2024 without any dispute. I am of the view that Chartered Engineer's reports are a key piece of evidence in any case for re-determination of assessable value in respect of year of manufacture, condition (old/used/unused), remaining life, and depreciated value and being an official procedure under law, such certificates if they contain the prescribed*

*particulars, should be relied upon, which has also been accepted in various courts/ judgement.*

*In view of above, I hold that the Adjudicating Authority correctly re-determined the assessable value of consignment from Rs. 65,44,483/- (@ USD 7.00 per unit x 7827 + USD 4.00 per unit x 5432) to Rs. 2,83,57,984/- (@USD 25.00 per unit x 13259) and the re-determined duty liability amount from Rs. 11,78,007/-(declared duty liability) to Rs. 51,04,438/- vide impugned order dated 08.04.2025 and the assessable value of consignment from Rs. 26,71,326/- (@ USD 7.00 per unit x 4440) to Rs. 95,40,450/- (@ USD 25.00 per unit x 4440) and the re-determined duty liability amount from Rs. 4,80,838/- (declared duty liability) to Rs. 17,17,281/- vide impugned order dated 03.09.2025."*

Hence, the present appeals before the Tribunal.

9. It is the case of the Appellant that they have waived the issuance of Show Cause Notice in order to avoid detention and demurrage charges and as such it cannot be construed that the Appellant has accepted the contention of the department and that they have forgone the right to appeal. It is also submitted that the Revenue has opined that the import of Second Hand Desktop Computers, Spares can only be imported in India if the Importer possess the respective Authorization Issued in terms of para 2.31 of Foreign Trade Policy 2023 read with DGFT Notification No. 5/2015-2020 dated 07.05.2019. Since, in the Instant 2 (two) cases, the Importer has not provided any such authorization, hence the said goods appeared to be Prohibited goods in terms of Section 2(33) of the Customs Act, 1962 supra read with para 2.31 of Foreign Trade Policy, 2023 and the said goods are liable to be confiscated in terms of Section 111(d), 111(m) and Section 111(o) of the Customs Act, 1962 supra and for such act of omission and commission rendering the goods liable for

confiscation, the Importer is liable for penalty under Section 112(a)(ii) of the Customs Act, 1962.

10. It is further submitted that learned Adjudicating Authority has wrongly re-determined the value on the basis of Chartered Engineer's report. The learned Advocate further submits that the rejection of the value under Rule 12 is not warranted as there was no mis-declaration of value and revenue has not placed on record any proof that any amount over and above the price shown in the invoice has been paid to the foreign supplier. It is submitted that for the above reason, no confiscation can be done and no penalty can be imposed.

11. Learned Authorized Representative appearing on behalf of the Revenue reiterates the finding recorded in the impugned order and prays that the appeal filed by the Appellant being devoid of any merits may be dismissed.

12. Heard both the sides and perused the appeal records.

13. The brief issue that requires consideration in the instant appeals is whether there is mis-declaration of the quantity and value by the Appellant. We find that the importer has declared the value at USD 7 per piece/ USD 4 per piece where the Revenue determined the same at the rate of USD 25 per piece as suggested by the Chartered Engineer. On going through the Chartered Engineer's Report, we find that the Chartered Engineer has indicated the value in casual manner without any supporting evidence. There is no evidence put forth by the revenue that the similar/identical items are imported at the price comparable to the value being adopted. We also find that it is not the case of the Department that the importer has paid the foreign supplier in excess of the price shown in the invoices. Therefore, we find that no case has been made for redetermination of value.

14. Coming to the issue of classification of the impugned goods as incomplete computer systems, we find that the Adjudicating Authority and the Appellate Authority has not

recorded any reasons for coming to such conclusion. The Chartered Engineer, who is supposed to be an expert in the field has used the word 'Computer Cabinet Cases and bare bone systems interchangeably. We find that in the case of computer system cases with just a motherboard and a fan cannot be held to be unfinished/incomplete system. We find merit in the submissions of the Appellant that even an unfinished or incomplete computer system cannot be sold or purchased at a value of USD 25 per piece. We further find that without Central Processing Unit (CPU) the system cannot be said to have attained the essential character of a computer. Therefore, just a computer cabinet case for a computer system without CPU cannot be held to an incomplete or unfinished computer system. In the absence of any technical opinion placed/obtained and placed on record by the revenue, we find that the importer's declaration cannot be brushed aside. In view of the above, we find that the impugned orders cannot be sustained and are therefore, liable to be set aside.

15. In the result, the appeals are allowed with consequential relief, if any, as per law.

(Pronounced in open court on 05.05.2026)

**Sd/-**  
**(P. K. CHOUDHARY)**  
**MEMBER (JUDICIAL)**

**Sd/-**  
**(RAJEEV TANDON)**  
**MEMBER (TECHNICAL)**

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