

**IN THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL,
EAST REGIONAL BENCH : KOLKATA
Court No.1**

Customs Appeal No.75094 of 2020

(Arising out of Order-in-Appeal No.Kol/Cus/(Port)/AKR/725/2019 dated 13.11.2019 passed by Commissioner (Appeals), Kolkata)

Commissioner of Customs (Port), Kolkata
(15/1, Strand Road, Kolkata-700001)

Appellant

VERSUS

M/s Speed Impex

(Raja Ram Mohan Pally, Barasat, Dist.-24 Parganas (North), Kolkata-700124)

Respondent

Appearance:

Shri Faiz Ahmed, Authorized Representative for the Appellant-Revenue
None for the Respondent

CORAM:

HON'BLE MR.ASHOK JINDAL, MEMBER (JUDICIAL)

HON'BLE MR.K.ANPAZHAKAN, MEMBER (TECHNICAL)

DATE OF HEARING : 12 JUNE 2026

DATE OF DECISION : 12 JUNE 2026

FINAL ORDER NO.75741/2026

Per Ashok Jindal :

The Revenue is in appeal against the impugned order.

2. The facts of the case are that the respondent has imported six (06) consignment of different types of Christmas Light from China and filed six (06) Bills of Entry Nos.6698896 dated 12.09.2016, 6816940 dated 22.09.2016, 6816833 dated 22.09.2016, 6909351 dated 29.09.2016, 6978569 dated 05.10.2016 and 6978240 dated 05.10.2016 self-assessing the goods on declared value. The respondent declared Rs 0.137 to Rs 0.159/bulb for LED, Rs 0.075 to Rs 0.098/bulb for Non-LED Christmas lights.

2.1 On the basis of investigation, DRI recommended to accept the value of LED bulb and non-LED bulbs as Rs.0.55 per bulb and Rs. 0.30 per bulb respectively. However, since most of the importers did not

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agree but disputed such value, the department resorted to provisional assessment against PD bond backed by cash security / bank guarantee of 20% of differential duty. Accordingly, the impugned consignments were released provisionally against payment of admitted duty of Rs.21,79,377/- and bank guarantee of Rs.10,91,642/-. Subsequently, the department issued a notice dated 27.06.2018 proposing re-determination of value to Rs.2,79,23,793/- and differential duty as Rs. 52,34,839/-.

2.2 Thereafter, by way of the Order-in-Original dated 16.11.2018, the assessment of the impugned goods was finalized, the value of the impugned goods was re-determined and revised Customs duty as per the re-determined value arrived at by the Id. adjudicating authority was demanded from the respondent, along with interest thereon.

2.3 Being aggrieved, the respondent filed an appeal before the Ld. Commissioner (Appeals) who, vide the impugned order, has set aside order of enhancement of values of the impugned goods and directed assessment of the impugned Bills of Entry at the declared transaction values.

3. Aggrieved from the said order, the Revenue is before us.

4. Heard the Ld. Authorized Representative of the Revenue and perused the records.

5. We observe that an identical issue has already been dealt with by this Tribunal in the case of *Commissioner of Customs (Port), Kolkata v. M/s. Prabhu Electrical Industries* [Final Order No. 75543 of 2025 dated 28.02.2025 in Customs Appeal No. 76788 of 2019 – CESTAT, Kolkata], wherein it was held as under: -

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"2. The facts of the case are that the Respondent has imported "Christmas light" and others electrical items from China. After DRI Investigations it was felt the value is required to be enhanced. The Department adopted the NIDB data to enhance the values and revised the Customs Duty to be paid.

3. Being aggrieved, the Appellant-Revenue has filed an Appeal before the Commissioner (Appeals). The Ld. Commissioner (Appeals) set aside the enhancement of value. Against the said order, the Revenue is in appeal.

4. Heard both the parties and considered the submissions. 5. We find that the similar issue has been dealt by this Tribunal in the case of Commissioner of Customs (Port), Kolkata Vs. M/s Bajaj Writing Aid vide Final Order No.77599/2023 dated 31.10.2023 wherein this Tribunal has held as under :

"2. Being aggrieved the Appellant had filed an Appeal before the Commissioner (Appeals). The Commissioner (Appeals) has gone through the facts and statutory provisions and has held as under: 20. I also find that in the case of Commissioner of Customs (Port), Kolkata Vs. M/s. Krishna Wax Pvt. Ltd. wherein Hon'ble CESTAT has passed the final order vide no. FO/75466-75472 dated 21.03.2018 where it is held as follows:

"6. From the record, it also appears that the assessing officer has rejected the transaction value without any valid reasons and without new procedure as per Section 14 and valuation rules especially, there is nothing on record that the appellant has imported the secondary items but the value was considered for the fresh items. No speaking order was passed for enhancement of value. There is nothing on record to suggest that the buyers and sellers of the goods are related persons. Therefore the enhancement of the value is likely to be struck down and rightly struck down by the Commr. (Appeals)." [Emphasis Supplied]

7. Hence we do not find any reason to interfere with the impugned order and the same is hereby upheld along with reasons mentioned therein. 21. I also observe that the lower authority stated at Para 5 that as per NIDB data 1341 cases of similar goods were assessed at higher value during the period from July, 2016 to September 2017. However, the data for all those cases were not supplied to

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the appellant. Instead, data of only 88 cases were supplied to the appellant. Hence it is evident that the lower authority has adopted a pick and choose approach in the present case which is not the right way to adjudication. The Principal Bench of CESTAT, New Delhi in the case of *M/s Margra Industries Vs. Commissioner of Central Excise, Nodia* reported in 2007 (216) ELT 710 (Tri Del) has held as,

".....10. It is well recognized that quality and price of marble vary vastly depending upon place of occurrence. The Revenue authorities have made comparison of value without taking these aspects into account. The imports were of „Monaco Brown“, „Diano“, Mermer Royal Beize“ etc. The prices are also varying vastly. In fact, the price of „Monaco“ imported by the appellant under Bill of Entry No. 277105 was higher than the contemporaneous import of the same item at Euro 315. The Revenue has accepted that value and rejected all other values. Clearly, the effort is to assess imported goods at the higher end of the value spectrum. This is contrary to market reality as well as Valuation Rule. While market prices vary depending upon myriad factors, Rule 4 of Custom Valuation Rules specifically provides that transaction value should be the basis for the valuation of the consignment under assessment, unless the transaction value is not representing the full price for the reasons mentioned in the Rule itself. Law does not allow a pick and choose approach Revenue's acceptance of higher prices and rejection of lower prices for assessment is clearly illegal". [Emphasis Supplied] The Hon'ble Supreme Court has also supported the same view in its order reported in 2012 (275) ELT A83 (SC).

22. From the above it is found that the assessing officer has rejected transaction values without any valid basis/reasons and without following the due procedure as per section 14 and Valuation Rules, especially when there is nothing on record to suggest that the transaction value declared by the appellant was not the price actually paid for the good when sold for export to India. Also no evidence has been produced by the respondent that any amount, over and above the invoice values was paid by the appellant to the supplier of the goods. There is also nothing on record to suggest that the buyer and seller of

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the goods were related or price was not for the sole consideration for sale. Therefore, in these circumstances, the enhancement of assessable value is liable to be struck down and set aside and the bills of entry in the impugned appeal are to be assessed at value declared by the appellant.

23. Therefore, I have no hesitation to hold that the enhancement of values done in this case is without having any sanction of law and is thus liable to be set aside outrightly. [Emphasis Supplied]

24. In view of above, the enhancement of values in the present case is not sustainable in the eye of law and accordingly assessment of the impugned bills of entry is ordered at the values declared at invoice value. The appeal is accordingly liable to be allowed with consequential relief.” 3. After going through at the submissions of the Ld. Respondent, we find that the Department has not made any attempt to follow the procedure given under the Valuation (Determination of Value of Importers Goods) Rules 2007 and has simply adopted the NIDB data and selectively enhanced value. As discussed above, the Commissioner (Appeals), has given a detailed finding along with reasons while setting aside the Order-in-Original. We do not find any reason to interfere with the same. Accordingly, we dismiss the Appeal filed by the Revenue.”

6. Respectfully following the ratio of the above decision of this Tribunal, we find that the enhancement of values in the present case is not sustainable in the eyes of law. Accordingly, we do not find any infirmity in the order passed by the Ld. Commissioner (Appeals). Therefore, we do not find any reason to interfere with the same. Accordingly, the impugned order is upheld.

7. In the result, the appeal filed by the Revenue is dismissed.”

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6. Considering the fact that the issue has already been settled by this Tribunal in the case of M/s. Prabhu Electrical Industries (supra), we are of the view that the above ratio is squarely applicable to the present case. Therefore, by following the ratio laid down in the above decision, we hold that the enhancement of values in the present case is not sustainable in the eyes of law. In these circumstances, we do not find any infirmity in the impugned order passed by the Ld. Commissioner (Appeals) and accordingly, the same is upheld.

7. In the result, we do not find any merit in the appeal filed by the Revenue and therefore, the same is dismissed.

(Operative part of the order was pronounced in the open Court)

(Ashok Jindal)
Member (Judicial)

(K.Anpazhakan)
Member (Technical)

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