

	<p>कार्यालय: प्रधान आयुक्त सीमा शुल्क, मुन्द्रा, सीमा शुल्क भवन, मुन्द्रा बंदरगाह, कच्छ, गुजरात- 370421 <b>OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421</b> <b>PHONE:02838-271426/271423 FAX:02838-271425</b> <b>Email: adj-mundra@gov.in</b></p>	
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Date: 15.01.2026

Show Cause Notice No.: 46/2025-26/COMM/N.S./Adjn/MCH

**SHOW CAUSE NOTICE**

[Issued under Section 28(4) read with 124 of the Customs Act, 1962]

Intelligence received and further developed by Directorate of Revenue Intelligence (DRI) Headquarters, New Delhi suggested that **M/s Hetro Hardware India (IEC:- AAKFH6703K)** was importing self-drilling screws, Power Tools & their accessories by resorting to undervaluation by declaring values much lower to their actual values before Indian Customs and evading applicable Customs duty payable. Accordingly, searches were conducted on 18.01.2024 at various residential/office/godown premises pertaining to M/s Hetro Hardware India. Searches were also conducted at the office premise of the CHA M/s Praveen and Company and the office cum residential premise of M/s SLG Fasteners Pvt Ltd. The details of the same are tabulated as under:-

S. No	Details of the premises searched	Address	Remarks
1.	M/s Hetro Hardware India (Office Premise)	Siraspur Road, Libaspur, Delhi-110042	Search was conducted vide Panchnama dated 18.01.2024 ( <b>RUD-1</b> ). During search, certain documents and two registers, on being found relevant to the investigation, were resumed and the goods lying at the premise were detained vide Detention Memo dated 18.01.2024 ( <b>RUD-2</b> ) and the same was handed over to the Supervisor vide Supurdginama dated 18.01.2024 ( <b>RUD-3</b> ).
2.	M/s Hetro Hardware India (Godown cum Factory Premise)	Khewat No. 151, Khata No. 222, Mundraja, Khasra (Kila) No. 54/8, Ramnagar, Tehsil Gannaur, Sonipat, Haryana-131039	Search was conducted vide Panchnama dated 18.01.2024 ( <b>RUD-4</b> ). The stock of various kinds of screws and power tools lying at the Godown was seized vide Seizure Memo dated 18.01.2024 ( <b>RUD-5</b> ) and the same was handed over to the

			Supervisor of M/s Hetro Hardware India vide Supurdginama dated 18.01.2024 <b>(RUD-6)</b> .
3.	Residential Premise of Sh Shakun Jain, Partner of M/s Hetro Hardware India	B-1, Satyawati Colony, Ashok Vihar, Phase-3, Delhi-110052	Search was conducted vide Panchnama dated 18.01.2024 <b>(RUD-7)</b> and relevant documents (sheet containing actual values of screws being imported from China with respect to 52 containers and proforma invoices of power tools reflecting contemporary actual values of the types of goods mentioned therein) along with two mobile phones belonging to Sh. Shakun Jain were resumed and the forensics examination of the aforesaid mobile phones was conducted in the presence of forensic expert on reasonable belief that the data extracted therein, would be required for further investigation.
4.	Office cum Residential Premise of Sh Mukesh Gupta, one of the Directors of M/s SLG Fasteners Pvt Ltd	D-62, Sector 48, Noida, Gautam Buddha Nagar, UP-201301	Search was conducted vide Panchnama dated 18.01.2024 <b>(RUD-8)</b> . During search, data pertaining to electronic devices and emails was resumed on reasonable belief that the same would be required for further investigation.
5.	Office premise of M/s Praveen and Company	D-1, Upper Ground Floor, Vishwakarma Colony, M.B. Road, New Delhi - 110044	Search was conducted vide Panchnama dated 18.01.2024 <b>(RUD-9)</b> and certain files on being found relevant to the investigation, were resumed on reasonable belief that the same would be required for further investigation.

**1.1** M/s Hetro Hardware India is a partnership firm bearing Sh. Shakun Jain and his wife Mrs. Megha Jain as the two Partners having its registered premise at Khewat No. 151, Khata No. 222, Mundraja, Khasra (Kila) No. 54/8, Ramnagar, Tehsil Gannaur, Sonipat, Haryana-131039 and branch address at Siraspur Road, Libaspur, Delhi-110042. It was also gathered that there was one more related firm in the name of M/s Rishab Sales Corporation (IEC:0509061753) located at 712,

Baratooti Chowk, Sadar Bazar, New Delhi-110006, in the proprietorship of Sh. Ramesh Kumar Jain, father of Sh. Shakun Jain

**Statements of key persons:**

**2.** Statement dated 19.01.2024 of Sh. Shakun Jain (**RUD-10**) was recorded, wherein, among other things, he *interalia* stated that M/s Hetro Hardware India is a partnership firm having himself and his wife Mrs Megha Jain as the partners, however, his wife is only a namesake partner and it is he who looks after all the business activities of the said firm. He stated that the firms M/s Hetro Hardware India and M/s Rishabh Sales Corporation were controlled by him. These firms were dealing in various types of screws, power tools and measuring instruments.

**2.1** He further stated that M/s Hetro Hardware India was engaged in importing various kinds of screws from China and Taiwan along with Power Tools from China. Also, he informed that M/s Rishabh Sales Corporation is a proprietorship firm having his father Sh. Ramesh Jain as the Proprietor, dealing in screws (both imported and indigenously manufactured/ purchased), power tools and its accessories (both imported and indigenously purchased), welding rods and joint tapes. However, he himself being the CEO of M/s Rishabh Sales Corporation, used to look after all business affairs of the said firm.

**2.2** On being asked about major Chinese suppliers for screws, he named 'Tianjin Realize Import & Export Trading Co.' as the major Chinese supplier. Further, with respect to Power Tools, major suppliers are 'Nantong Change Electric Tools' and 'Yongkang Hiyee I&E Co. Ltd'. Further, he stated that screws from Taiwan bearing brand 'SDHP' had also been imported in M/s Hetro Hardware India and the main supplier for the same was Tai One International Corp. However, all the activities including negotiations with the supplier, marketing and selling of screws imported from the said Taiwanese Supplier was managed by one Sh. Romil Gupta, Proprietor of M/s Sohan Lal Gupta and Controller of M/s SLG Fasteners Pvt Ltd, who also happened to be one of his family friends. The said commodity was being imported at Mundra SEZ in the name of M/s Hetro Hardware India but whole of the quantity was sold to M/s Sohan Lal Gupta and M/s SLG Fasteners Pvt Ltd by his firm.

**2.3** Further, on being asked about his major buyers, he stated that his major buyers of Taiwanese Screws include M/s Sohan Lal Gupta and M/s SLG Fasteners Pvt Ltd, both based in Noida (UP). Other than those, his major buyers of Chinese screws were M/s Vidhata Enterprises, Samalkha (Haryana), M/s Dreams International (Delhi), M/s AK International (Delhi), M/s Goyal Brothers (Delhi), Shree Ganpati Agencies (Jalandhar), etc. Further, he informed that with respect to power tools, his major buyers were M/s Nisha Electicals (Bhopal), Shree Ganpati Agencies (Jalandhar), Shri Durga Ispat (Jaipur), M/s Pragati Power Tools (Hyderabad), etc.

**2.4** On being asked about starting M/s Hetro Hardware India and the procedure adopted for importing screws and power tools by his company, he stated that after trying and facing loss in business ventures such as Gold refinery and

Apple trading around the time period of May 2017, he was looking for some better opportunity and since he had already been importing various kinds of screws then, he thought of setting up a manufacturing unit for various types of screws and measuring instruments. Thereafter only, he had opened M/s Hetro Hardware India and started importing semi- finished screws from China which used to be subjected to further processing such as threading, hardening, tempering (heat treatment) and quenching (oil dipping). However, due to low pricing of imported finished screws, he could not sustain in the market and therefore, around January 2022, he again started importing finished self- drilling screws and power tools from China in his firm M/s Hetro Hardware India. Further, around February 2023, Shri Romil Gupta and his father Shri Mukesh Gupta offered him to indulge in import of 'SDHP' brand of self-drilling screws from Taiwan by importing the same in the IEC of M/s Hetro Hardware India, to which he readily agreed.

**2.4.1** On being confronted with copy of documents which were made part of the made-up file containing pages from 1 to 10 resumed vide Panchnama dated 18.01.2024 drawn at his residential premises, he signed on each page of the documents as a token of its correctness and explained that Page No. 1-2 contain a table bearing material wise details of various types of screws imported from China by M/s Hetro Hardware India. The table had contents such as Invoice No., Item description, actual cost incurred in Chinese Yuan (RMB), Quantity, Container/ Seal No., Bill of Lading No., ETA, etc (The same is reproduced below for better understanding:

<b>HETTRO HARDWARE INDIA</b>						
<b>DELIVERED INVOICE NO</b>	<b>ITEM</b>	<b>AMOUNT (CNY )</b>	<b>Q'TY</b>	<b>Container / Seal NO</b>	<b>BL NO</b>	<b>ETA</b>
FIXIT-220511-SDM055	DWS	¥2,38,753.50	1*20 GP	MSMU1864415/ FX23179925	177MJH JHXPNN 2407	Declared
FIXIT-220505-SDM088-1	CSK SDS	¥2,70,373.80	1*20 GP	MEDU6386697/ FX23175103	177MSS SSXPNN 2506	Declared
FIXIT-220505-SDM088-2	CSK SDS	¥2,68,860.60	1*20 GP	MSMU2286306/ FX23192925 MSMU2286610/FX2 3192927	177MSS SSXPNN 2706	Declared
FIXIT-220511-SDM058	PAN + TRUS S SDS	¥2,13,324.00	1*20GP			
FIXIT-220524-SDM076	HEX SDS WITH	¥57,036.00				

	BLAC K WASH ER					
FIXIT- 220511- SDM059	CSK + TRUS S HEAD	¥5,35,424 .40	2*20 GP	MEDU6640266/ FX23215489 TEMU3982545/FX2 3215490	177MPP PPXPNN 2948	Declare d
FIXIT- 220511- SDM060	HEX HEAD SDS	¥2,68,128 .00	1*20 GP	MSCU1678051/ FX25016679	177MSS SSXPNN 3101	Declare d
	DWS + SDS	¥4,08,165 .00	2*20GP	TCKU1281201/ FX25027388 MEDU3336331/FX2 5027386	177MSS SSXPNN 3303	
FIXIT- 220802- SDM099-1	WING SCRE WS + RUBB ER	¥1,00,980 .00	1*20GP	TGHU0952045/ FX25054003	177MSS SSXPNN 3503	Declare d
FIXIT- 220519- SDM074-1	WASH ERS	¥2,44,800 .00				
FIXIT- 220519- SDM074-2	WING SCRE WS	¥1,32,804 .00	4*20GP	SEGU2895774 / FX25184743 MSDU2696198 / FX25184539 MEDU6390402 / FX25184566 MSMU2134520 / FX25184565	177MSS SSXQNN 0206	Declare d
FIXIT- 220802- SDM099-2	RUBB ER WASH ERS	¥1,00,980 .00				
FIXIT- 220715- SDM060-2	DWS + HEX SDS	¥7,43,142 .00				
FIXIT- 220511- SDM058-2	PAN HEAD + TRUS S HEAD SDS	¥45,417.0 0	3*20GP	TCKU1126910/ML- CN1494429	2917659 36	Declare d

FIXIT - 220519 - SDM074 - 3	WING SCRE WS	¥1,31,886 .00				
FIXIT- 220715- SDM060-3	DWS	¥70,563.6 0				
FIXIT- 220715- SDM060-3	SDS	¥4,68,690 .00		MRKU7154110/ML- CN1494350 MSKU3495064/ML- CN1494318	2917659 37	
FIXIT- 230130- SDM090	HEX HEAD SELF	¥2,16,562 .50		MEDU6732444/ FX26814558		
FIXIT- 230114- SDM088-1	DWS	¥3,69,750 .00	3*20GP	MEDU5188146/ FX26814556 MEDU3738834/FX2 6814519	177MSS SSXQNN 1706	Declare d
FIXIT- 220715- SDM060-4	SDS	¥56,100.0 0		MEDU3738834/ FX26814519 MEDU6732444/FX2 6814558		
FIXIT- 220715- SDM060-5	SDS+ DWS	¥4,30,147 .50	2*20 GP	DFSU1691786/ DFSU1348885	BSLTM2 30280	Declare d
FIXIT- 220715- SDM060-6	SDS+ DWS	¥4,64,010 .00	2*20 GP	TLLU2907002/ GESU3153116	BSLTM2 30270	Declare d
FIXIT- 230114- SDM088-2	DWS	¥5,39,617 .50		JSSU1391835		
FIXIT- 221226- SDM095	SDS	¥57,816.0 0	3*20GP	BSIU3253458/ JSSU1204507	BSLTM2 30310	Declare d
FIXIT- 220715- SDM060-7	DWS	¥18,922.5 0		BSIU3253458/ JSSU1204507		
FIXIT-	Hex	¥3,88,856	5*40HQ	SEGU4719861/	177MSF	Declare

230415-SDM098	Nails	.25				
FIXIT-230424-SDM099	CSK	¥4,47,840.00		BEAU5672221/ TGBU5870312/TRH U7531414/TCNU157 8940	SFXQNN 2906	d
FIXIT-230114-SDM088-3	DWS	¥36,540.00				
FIXIT-230621-SDM090-1	SDS	¥4,03,065.00				
FIXIT-230114-SDM088-4	DWS	¥37,845.00	4*40HQ	BEAU5870799/ TCLU5699141/ TCLU7863249/MSM U6639206	177MSF SFXQNN 3608	Declared
FIXIT-230626-SDM093	SDS	¥2,42,703.00				
FIXIT-230415-SDM098-2	Hex Nails	¥52,118.75				
FIXIT-230621-SDM090-2	SDS	¥3,81,600.00	4*40HQ	FFAU3194113/ CCLU7376795/ CBHU8998010/ FFAU3575280	COAU80 4402357 0	Declared
FIXIT-230823-SDM066-1	CSK + TRUS HEAD	¥3,11,664.00				
FIXIT-230823-SDM066-2	DWS+ SDS	¥8,48,299.20		GLDU5655228/ FX28632131 MEDU2676260/FX2 8632139 TTNU1790206/FX28 632156 MEDU1418847/FX2 8632141 MSMU1361832/FX2 8630699 MSMU1154753/FX2 8630698	177MSF SFXQNN 4706	12.24
FIXIT-230621-SDM090-3	SDS	¥3,71,106.00	6*20GP			
FIXIT-230621-SDM090-4	SDS	¥4,97,511.00	6*20GP	CRSU1462674/ FX28645765 MEDU5960347/FX2	177MSF SFXQNN 4806	2024.1.6

FIXIT-230823-SDM066-3	DWS + SDS	¥5,40,520.50		8645803 CXDU1450805/FX2 8645770 CLHU3906412/FX28 645761		
FIXIT-230925-SDM066-1	Hex Nails	¥1,79,820.00		MEDU6642696/FX2 8645878 UETU2640950/FX28 645874		
Air ticket		¥1,460.00				
	DELIVERED TOTAL	¥1,11,93,202.6	52*20G P			
	1ST TIME PAID	US\$12,020.00				Exchange Rate : 1:6.65
	2ND TIME PAID	US\$35,000.00	15TH, J ULY, 2022			Exchange Rate : 1:6.73
	3RD TIME PAID	¥2,49,950.00	9TH, AU G, 2022			Exchange Rate : 1:6.75
	4TH TIME PAID	US\$67,000.00	28TH, SEP, 2022			Exchange Rate : 1:7.14
	5TH TIME PAID	US\$44,913.45	30TH, NOV, 2022			Exchange Rate : 1:7.14
	6TH TIME PAID	US\$34,030.76	30TH, DEC, 2022			Exchange Rate : 1:6.9445
	7TH TIME PAID	US\$39,932.00	28TH, JAN, 2023			Exchange Rate : 1:6.7394

	8TH TIME PAID	US\$47,03 4.61	1ST,MA RCH,20 22			Exchan ge Rate : 1: 6.9173
	9TH TIME PAID	US\$35,55 8.81	7TH,API RL,2023			Exchan ge Rate : 1: 6.8634
	10TH TIME PAID	US\$49,94 0.00	14TH,A PIRL,20 23			Exchan ge Rate : 1:6.833 8
	11TH TIME PAID	US\$49,89 8.00	4TH MAY,20 23			Exchan ge Rate : 1:6.889 2
	12TH TIME PAID	US\$49,90 7.00	19TH MAY,20 23			Exchan ge Rate : 1:7.019 5
	13TH TIME PAID	US\$40,26 1.56	2ND,JU NE,202 3			Exchan ge Rate : 1:7.072 4
	14TH TIME PAID	US\$69,98 1.00	26TH,J UNE,20 23			Exchan ge Rate : 7.1891
	15TH TIME PAID	US\$99,92 0.00	6TH,JU LY,2023			Exchan ge Rate : 7.2363
	16TH TIME PAID	US\$49,86 0.00	13RD,J ULY,202 3			Exchan ge Rate : 7.1652
	17TH TIME PAID	US\$49,55 7.00	25TH,J ULY,202 3			Exchan ge Rate : 7.1701

	18TH TIME PAID	US\$49,97 7.00	11ST,A UGUST, 2023			Exchan ge Rate : 7.2238
	19TH TIME PAID	US\$18,00 0.00	15TH,A UGUST, 2023			Exchan ge Rate : 7.25
	20TH TIME PAID	¥ 1,00,00 0.00	27TH,S EP,2023			
	21TH TIME PAID	US\$61,27 3.00	7TH,OC T,2023			Exchan ge Rate : 7.2918
	22ND TIME PAID	US\$34,96 7.00	7TH,OC T,2023			Exchan ge Rate : 7.2918
	23RD TIME PAID	US\$39,45 5.18	19TH,O CT,2023			Exchan ge Rate : 7.3117
	24TH TIME PAID	US\$35,59 8.48	24TH,N OV,202 3			Exchan ge Rate : 7.1489
	25TH TIME PAID	US\$49,90 7.64	1ST.DE C,2023			Exchan ge Rate : 7.1342
	26TH TIME PAID	US\$39,98 0.00	15TH,D EC,202 3			Exchan ge Rate : 7.1248
	27TH TIME PAID	US\$79,95 7.00	29TH,D EC,202 3			Exchan ge Rate : 7.1296
	28TH TIME PAID	US\$79,93 2.00	5TH,JA N,2024			Exchan ge Rate : 7.16
	29TH TIME PAID	US\$50,40 7.00	10TH,J AN,2024			Exchan ge Rate : :

						7.1695
	BALA NCE UNTIL 10TH, JAN,2 024	¥15,14,084.83				

**2.4.1.1** Also, he stated that the prices declared by him before Indian Customs with respect to the said screws had been much lower than the actual cost incurred to him. Further, Page No. 3 was actually a Proforma Invoice with respect to different parts of Printing Machine used in the manufacturing of measuring instruments installed at his factory premise situated at Sonipat for which he was going to order for those parts in following days. Thereafter, Page No. 4-6 contained Packing List with respect to the various types of screws which were readily available (dated 15-01-2024) with the Chinese Manufacturer namely Tianjin Hengtong Mingtai Trade Co. Ltd and the said manufacturer would have immediately shipped the consignment if he had ordered for the same. Furthermore, Pages 7-8 contained a table showing recent stock of Power Tools available with the Chinese supplier having different sizes and their utility such as drill machine, screw driver, angle grinder, marble cutter, hammer, paint mixer, vibrator, car polisher, planner, chopsaw, car washer, welding machine, blower, chain saw, heat gun, etc. Furthermore, Pages 9 and 10 were two different proforma invoices issued by two different suppliers namely Danyang Hancheng Tools Co. Ltd (blades used in Power tools) and Hebei Xilde Metal Manufacturer Co. Ltd (screws) respectively. These proforma invoices reflected the actual values for the types of goods mentioned therein. He informed that no import of power tools by the suppliers namely Danyang Hancheng Tools Co. Ltd (blades used in Power tools) and Hebei Xilde Metal Manufacturer Co. Ltd (screws) was done by him (also corroborated by import data).

**2.5** With respect to the procedure of import adopted by him, he stated that around October 2019, he had visited few factories in China which were engaged in manufacturing of various types of screws and power tools and initially ordered screws and power tools (mixed quantity of both in one container). Thereafter, due to the onset of COVID-19 pandemic, he did not conduct any business activity with Chinese manufacturers and in the meanwhile, he had also developed Chinese contacts in different factories who used to approach him to provide them with orders of the said two commodities, i.e. screws and power tools and it was through those contacts only, he used to negotiate through whatsapp/ wechat and after finalisation of the price, he used to provide the order and the same gets despatched within 50 to 60 days and further takes upto 45 days to be delivered to his Godown. The Chinese suppliers used to manage all the documentation including preparing BL, invoice and Packing list and used to share the same with him through whatsapp/wechat. Further, with respect to import of screws from Taiwan, he stated

that Sh Romil Gupta used to look after all the import related activities including negotiation, invoicing, coordination with the Taiwanese supplier, etc. and he (Shakun) only used to manage the logistics and the customs clearance coordination with the CHA. The Bill of Lading was provided by Shipping Lines to the overseas supplier who in turn, provided the same to him through whatsapp/ wechat and once the consignment reached the designated warehouse (in Mundra SEZ), the CHA used to file Bill of Entry and used to ask him to transfer the duty amount for further payment of the same and after making the duty payment, the consignment used to get shipped to his godown after Customs clearance.

**2.6** On being asked about the different types of screws, he stated that he used to import different types of screws like Hex head self-drilling screws, CSK Phillips head (self-drilling and drywall screws), Pan Phillips head (self-drilling and drywall screws), Truss Phillips head (self-drilling and drywall screws), Drywall screws, etc. The hexagon head screws are mainly used in Roofing sheet, the drywall screws are mainly used in POP (false ceiling), the CSK, Truss and Pan Head screws have utilisation in false ceilings and aluminium sheet fitting. All screws imported were made of mild steel. The screws imported from China mainly had coating of black phosphate whereas the screws imported from Taiwan mainly had zinc coating.

**2.7** On being asked about the different types of power tools imported/ available with him in his stock, he stated that he had recent stock of Power Tools available having different sizes and their utility such as drill machine, screw driver, angle grinder, marble cutter, hammer, paint mixer, vibrator, car polisher, planner, chapsaw, car washer, welding machine, blower, chain saw, heat gun, etc.

**2.8** On being asked about the costing of imported screws and power tools, he stated that generally the CIF cost for drywall screws imported by him from China was around US\$ 0.8-1 per Kg. However, the value for the same declared by him was around Rs 49 per Kg. Further, the CIF cost for self-drilling screws imported by him from China was around US\$ 1 per Kg and the same was declared by him at around Rs 50 per Kg. Also, the CIF cost of CSK, Pan and Truss head screws was around US\$ 1-1.2 per Kg in China and the same was declared around Rs 50 per Kg by him. Further, the CIF cost for screws imported from Taiwan was not known to him, however, the same was declared at around Rs 53 per KG in CIF. He admitted of having committed undervaluation and further undertook to pay the differential duty amount within a stipulated period of time.

**2.8.1** Further, he stated that there was a large variety of items in power tools and there was different range of pricing for a particular product and therefore he needed to go through his records and check the values incurred for each particular product. He further stated that he would submit the details of prices of different types of power tools within a few days and admitted that he used to declare the prices around 40% to 50% lower before Indian Customs to save duty payment.

**2.9** On being confronted with the copies of Panchnama dated 18.01.2024 drawn at his office, factory cum godown and residential premises, he signed the same as a token of having seen the same and it's correctness.

**2.10** On being asked how the differential payment i.e difference between the actual value of imported screw and the declared value before Customs, was sent to suppliers/manufacturers in China, he informed that his Chinese supplier used to inform him about the person in India to whom the differential amount had to be given and that person used to collect cash. With respect to import of screws from Taiwan, he stated that the declared invoice amount before customs was sent through banking channels and the differential amount was managed by Sh. Romil Gupta and his father Sh. Mukesh Gupta.

**2.11** On being asked, he stated that he used to keep margin of approximately 4% to 5% excluding all expenses and used to sell the same in the local market. Further, he stated that he used to sell the goods in cash in proportion to the undervaluation committed by him.

**2.12** On being asked about the quantum of undervaluation, he stated that he needed to go through all his records and then quantify the undervaluation and the differential duty to be paid by him and he would submit the duty chart within a stipulated period of time.

**3.** Statement dated 19.01.2024 of Sh. Romil Gupta (**RUD-11**), Proprietor of M/s Sohan Lal Gupta, was recorded, wherein, among other things, he *inter alia* stated that M/s Sohan Lal Gupta is a proprietorship firm having himself as the Proprietor which was started around the year 2001 in Vaishali, Ghaziabad dealing in hardware products like paints, sanitary, electricals etc. and later shifted its business into import and trading of screws. He stated that he had started importing different types of screws mainly from Taiwan and small amounts from China initially and due to bad quality and complaints he stopped importing screws from China, and restricted import of screws only from Taiwan. After an investigation of Directorate of Revenue Intelligence, he stopped importing screws and the screws were then being procured from Indian domestic market and he was engaged in their trading.

**3.1** He further stated that the proprietorship firm M/s Sohan Lal Gupta was registered in B-165, Ground Floor, Industrial Area Phase-II, Noida, Uttar Pradesh and it had Additional Place of Business registered in GST at his residential premises i.e. D-62, Sector-48, Noida, Uttar Pradesh and it was he who was looking after all the daily affairs of M/s Sohan Lal Gupta.

**3.2** On being asked about M/s SLG Fasteners Private Limited, he stated that earlier he had been one of the directors in M/s SLG Fasteners Private Limited, and presently he is not a Director in the Company, however he is managing the business related work of M/s SLG Fasteners Private Limited. The directors of the company are- Sh. Mukesh Kumar Gupta (his father), Smt. Saakshi Gupta (his wife) and Ms. Sonakshi Gupta (his daughter). M/s SLG Fasteners Pvt. Ltd. had been engaged in the import and trading of various types of screws since its inception i.e. from 2021 and he was the one who was looking after all the daily affairs of this firm such as execution of business, communication with overseas suppliers and buyers, finance, etc.

**3.3** On being asked about the investigation of DRI against M/s Sohan Lal Gupta, he stated that an investigation was initiated against M/s Sohan Lal Gupta conducted by Directorate of Revenue Intelligence, Lucknow in January 2023. The said investigation was regarding undervaluation in imports of screw from Taiwan. Further, he denied the allegation of undervaluation in the imports of screws and stated that as a result of the investigation, he had stopped importing screws from Taiwan and was then procuring the same from the Indian domestic market. Furthermore, he stated that with respect to M/s Sohan Lal Gupta, he used to import screws from Taiwan from supplier namely Broaden Worldwide Company Limited who used to make screws of their brands namely "SDHP", "RX" for them, apart from brand "HT" in the past. He added that he had also imported some consignment from Taiwanese supplier namely Alex Screw Industrial Co. Ltd. around 3-4 years ago.

**3.3.1** Further, with respect to imports of screws from Taiwan made in the name of M/s SLG Fasteners Pvt. Ltd., the suppliers were Broaden Worldwide Company Limited, Tai-One International Corporation and Well Change Enterprise Co. Ltd.

**3.4** On being asked how he did get in touch with his overseas suppliers, he stated that they had been importing from Broaden Worldwide Company Limited since 2019, and they first met the company's representative during a trade fair of fasteners in Kaohsiung, Taiwan and since then, they had been importing their brands from them, mainly for M/s Sohan Lal Gupta and in some amount for M/s SLG Fasteners also. Further, they had also been importing from supplier Tai-One International Corporation since the beginning of 2023 and had also first met the company's representative during a trade fair of fasteners in Kaohsiung, Taiwan in 2019 only and later, as per their demand and understanding they had started importing their brands for M/s SLG Fasteners also. He informed that he used to contact one Sh. Sangam on his Mobile no. 8510057860 for booking of shipments who, further used to contact one Mr. Hans in Taiwan for booking the shipments. Furthermore, he stated that they had imported from the supplier Well Change Enterprise Co. Ltd. in very low amount, due to quality issues.

**3.5** On being asked about his major buyers, he stated that his major buyers were M/s Kapil Hardware and Tools (Indore), M/s AD Fasteners (Haryana), M/s Abhay Traders (Haryana), M/s Praveen Hardware (Jalgaon- Maharashtra), M/s Shriman Sales (Raipur) etc.

**3.6** On being asked about the different types of screws, he stated that he used to import different types of screws like Self-Drilling Screw (namely Hex Flange Head, Hex Washer Head), Dry wall Screw, CSK Head screw, Truss Head Screw. Self-Drilling Screws are used in roofing sheets and truck bodies; Drywall screws are used in Wooden furniture and POP item (false ceiling) etc.; CSK Head screws are used in ACP sheets, aluminium door frames, light iron work etc.; Truss Head Screws are used in wooden furniture, aluminium door frames etc. Further, he stated that all screws imported by them were made of carbon steel of various grades of wires viz. 1022, 1018, 1015 etc. and possessed different types of coating like zinc coating, silver coating, 3um coating, black phosphate etc and the price of

screws depended on size, weight, quality of input material, type of head and coating. Further, he stated that he used to get the quality of random batches of screws checked by himself or through his people by manually drilling the same on iron structures also by asking for the videos of the product testing, in order to maintain the quality of the screws which were imported by Sohan Lal Gupta/SLG Fasteners. Furthermore, he stated that he was the owner of brands SDHP, HT and RX and the brand name, brand logo, size, its uses and applications used to be mentioned on the packets and inner boxes while packing the goods by the manufactures.

**3.7** On being asked about the domestic supplier of screws, he stated that since he was not importing screws then, the same was being procured from M/s Hetro India Hardware, which was a Sonipat based firm. M/s Hetro India Hardware was procuring screws of SDHP brand from Taiwan and selling the same to him (Sh Romil), as he had only allowed M/s Hetro Hardware India to import screws of his brand from Taiwan. Further, he stated that the quality and variety of screws were of similar type as imported by him (Sh. Romil) in the past. He added that he used to import the screws from Taiwan at the rate of Rs. 90-110 per kg (depending on type and quality etc.) in his firm Sohan Lal Gupta and these were the same rates at which they were then being imported in M/s SLG Fasteners (price variation depending on type and quality etc.). He also stated that then they were purchasing the screws from Hetro India Hardware in pieces and it costed them lesser.

**3.8** On being asked about the price at which M/s Hetro Hardware India was importing screws and its port of import, he stated that M/s Hetro Hardware India was importing from Mundra. He also stated that prior to investigation initiated by this office against M/s Hetro Hardware India, he had no idea regarding the price at which M/s Hetro Hardware India had been importing the screws. He also stated that he chose to get the screws from M/s Hetro Hardware India as they had promised him lesser price, citing lower cost of container, transportation and freight.

**3.9** On being asked to comment on how M/s Hetro Hardware India was importing screws at USD 0.56/Kg from Taiwanese Supplier M/s Tai-One International, as his firms were importing the same at USD 1.1 to 1.4 /Kg, he stated that he had no idea about how M/s Hetro India Hardware imports at such low prices and further stated that the prices shown by them before customs during import in SLG Fasteners were actual prices.

**3.10** On being asked, he stated that he was selling screws keeping a margin of approximately 3-4% excluding all expenses. He further added that he was selling the goods via online transactions (RTGS, NEFT) and cash sale was nearly zero, and if there had been any cash sale, it was only for retail sale.

**4.** Statement dated 19.01.2024 of Sh. Praveen Chand Kaushik (**RUD-12**), Proprietor of M/s Praveen and Company was recorded, wherein among other things, he *interalia* stated that during 2001-2002, he worked as Documentation In-charge in a CHA firm namely M/s P. C. India shipping agency and thereafter, he started his own business firm in the name of M/s Praveen and Company in 2002.

**4.1** On being asked about his major clients, he stated that his major clients were M/s Pulkit Traders, M/s Hetro Hardware India, M/s Radhe Krishna, M/s SS enterprises, M/s Ashoka traders, etc. and he provided custom clearance and transportation services including foreign freight forwarding to his clients at Mundra SEZ.

**4.2** On being asked about how he got to know Sh. Shakun Jain, he stated that that he had known Sh. Shakun Jain for last 9-10 years and came in his contact through marketing. In the past, he had provided services to Sh. Shakun Jain but not in big volume and thereafter, he again contacted Sh. Shakun Jain in 2021 and started the services of custom clearance for the imports made by Sh. Shakun Jain at Mundra SEZ and transportation services through outsourced transport companies.

**4.3** On being asked about how he got to know Romil Gupta/ Mukesh Gupta/ M/s Sohan Lal Gupta/M/s SLG Fastners, he stated that he had gotten to know Sh. Romil Gupta through Sh. Shakun Jain and Sh. Mukesh Gupta as Sh. Sattu, father of Sh. Romil Gupta. He further stated that he had also met Sh. Romil Gupta 3-4 times when he accompanied Sh. Shakun Jain to his office for customs clearance work. Further, he stated that he didn't know about M/s Sohan Lal Gupta/M/s SLG Fastners.

**4.4** On being asked about the price at which screws were being imported by M/s Hetro Hardware India, he stated that the screws were being imported at around US\$ 0.56/ Kg -0.6/- Per Kg by M/s Hetro Hardware India.

**4.5** Further, on being asked about the Minimum Import Price (MIP) on screws, he stated that he had been aware of the Notification No. 55/2023 dated 03.01.2024 issued by DGFT regarding Minimum Import Price on screws due to which screws could only be imported at value greater than Rs. 129/- per Kg.

**4.6** He also informed that M/s Hetro Hardware India was importing Power tools from China and different types of screws from China and Taiwan and he used to get the goods cleared based on documents provided by them. He informed that he had only come to know about undervaluation committed by him after the DRI team visited his office premises the previous day to conduct search.

**5.** Statement dated 28.02.2024 of Sh. Romil Gupta (**RUD-13**), Proprietor of M/s Sohan Lal Gupta, was recorded, wherein, among other things, he *interalia* stated that the screws supplied by M/s Hetro Hardware India to both their firms M/s Sohan Lal Gupta and M/s SLG Fasteners Pvt Ltd were not only from Taiwan but also from China, wherein the screws imported from Taiwan were mainly self-drilling screws and the screws imported from China were drywall screws, CSK Truss Head screws and self-drilling screws (in a little quantity).

**5.1** On being shown statement dated 19.01.2024 tendered by Sh. Shakun Jain, wherein he had stated that it was Sh. Romil Gupta who had been looking after the negotiation with overseas supplier, marketing and selling of the screws imported from Tai-One International Corp and the whole quantity of screws imported from

Taiwan had been sold to M/s Sohan Lal Gupta and M/s SLG Fasteners Pvt Ltd, he denied looking after the negotiation with overseas supplier, marketing and selling of the screws imported in M/s Hetro Hardware India from Tai-One International Corp. He stated that it was around March 2023 when Sh. Shakun Jain offered that he would import the screws of brand 'SDHP' from Taiwan which would save them the transportation cost from the port to their warehouse in Noida by Rs 25,000/- per container. Sh. Romil Gupta agreed to this proposal and started buying screws from Sh. Shakun Jain. Sh. Romil Gupta informed that he only suggested names of a few Taiwanese suppliers namely Tai-One International Corp., Alex Screw Industrial Co. Ltd., Well Change Enterprise Co. Ltd, etc. but it was Sh. Shakun Jain only who negotiated with the Taiwanese suppliers with respect to imports in his firm M/s Hetro Hardware India.

6. Statement dated 19.04.2024 of Mrs. Megha Jain (**RUD-14**), wife of Sh. Shakun Jain who is the other partner in M/s Hetro Hardware India besides Sh. Shakun Jain, was recorded wherein among other things, she *inter alia* stated that she had been just a namesake partner and all the business activities were being managed by her husband Sh. Shakun Jain only.

#### **Further Progress in the Investigation:**

7. Letter dated 24.01.2024 (**RUD-15**) was forwarded to DC/AC (APSEZ), Mundra for withholding consignments of screws being imported by M/s Hetro Hardware India wherein the declared assessable value was less than Rs. 129 per Kg, which was the minimum import price as per the Notification No. 55/2023 dated 03.01.2024 issued by Ministry of Commerce.

8. Also, seizure Memo dated 25.01.2024 (**RUD-16**) was issued in respect of goods detained vide Detention Memo dated 18.01.2024 under Panchnama dated 18.04.2024 drawn at branch address of M/s Hetro Hardware India situated at Khasra No. 28/28, Siraspur Road, Libaspur, Delhi-110042.

9. During the search conducted at the residential premises of Sh. Shakun, a chart containing details of various types of screws imported from China by M/s Hetro Hardware India was resumed (mentioned in para 2.3.1 above). The said chart contains details such as Invoice No., Item description, actual cost incurred in Chinese Yuan (RMB), Quantity, Container/ Seal No., Bill of Lading No., ETA, etc. Further, the said chart also contains payments made in foreign currency (US Dollars and Chinese Yuan) on different dates with respect to the consignments mentioned therein along with the exchange rates from CNY to USD. Accordingly, based on the container numbers mentioned in the above said chart, corresponding Bills of Entry details were retrieved and it came forth that out of total 52 containers mentioned therein, 39 containers were imported by M/s Hetro Hardware and 13 containers were imported by M/s Shree Balaji Exim (IEC: AQHPG6932A), GF, Property No.51, Kh No. 121, 123 & 125, Block A, Village Sarai Pipal Thala, Near Adarsh Nagar Metro, North Delhi, Delhi-110033. The correlation of the container nos. with the corresponding Bills of Entry is made as (**RUD-17**).

**9.1** Accordingly, import data analysis of M/s Shree Balaji Exim was done and it was observed that Shree Balaji Exim mainly imports fruits from Afghanistan at Atari Border LCS and had imported only 3 consignments of screws containing 13 containers at APSEZ Mundra.

**9.2** This office vide email dated 20.02.2024 (**RUD-18**) requested APSEZ Mundra authorities put on hold all consignments imported by M/s Shree Balaji Exim & M/s Hetro Hardware India pending clearance/lying at APSEZ, Mundra if the declared assessable value was less than Rs. 129 per Kg, which was the minimum import price as per the Notification No. 55/2023 dated 03.01.2024 issued by Ministry of Commerce. The APSEZ Mundra authorities vide letter dated 28.02.2024 (**RUD-19**) informed that there were 2 consignments in respect of M/s Hetro Hardware India (DTA BE No. 2000950 dated 11.01.2024 consisting of screws and DTA BE No. 2003402 dated 10.02.2024 consisting of Demolition and Rotary Hammer) and one consignment in respect of M/s Shree Balaji Exim (DTA BE No. 2003481 dated 12.02.2024 consisting of abrasive wheels) were pending clearance. It was also informed that the declared value in respect of DTA BE No. 2000950 dated 11.01.2024 was above Rs. 129/Kg. The details of the said three consignments are as under:

**Table-1**

<b>S.No</b>	<b>DTA BE no.&amp; date</b>	<b>Importer</b>	<b>Goods description/CTH</b>
1.	2000950** dt 11.01.2024	M/s Hetro Hardware India	Screws/73181400
2.	2003402 dt 10.02.2024	M/s Hetro Hardware India	Demolition Hammer HET & Rotary Hammer HET/ 84672900
3.	2003481 dt 12.02.2024	M/s Shree Balaji Exim	Abrasive wheels (various dimensions)/ 68042290

*\*\* - Declared value of screw for this BE was above INR 129/Kg and hence this BE was not included in the scope of investigation*

**Previous DRI Investigation against Shri Shakun Jain:**

**10.** During the course of investigation, it came to light that an investigation had already been initiated by DRI, Delhi Zonal Unit against M/s Paras International (IEC-0509061460) for undervaluation in the imports of Screws from China, which was a proprietorship firm of Smt. Sunita Jain (mother of Shri Shakun Jain) and an SCN dated 02.09.2019 (**RUD-20**) was issued by DRI DZU in the matter. During the course of the said investigation, Shri Shakun Jain stated that he had started the said firm in the proprietorship of his mother and he himself was the authorized representative of the firm. The SCN dated 02.09.2019 also covered undervaluation

in the import of screws from China by M/s Rishabh Sales Corporation (IEC-0509061753), which was a proprietorship firm of Sh. Ramesh Kumar Jain (father of Shri Shakun Jain). During the course of the said investigation, Shri Shakun Jain admitted that he looked after all the business activities of the firm and was the authorized representative of the firm.

**10.1** The SCN dated 02.09.2019 was adjudicated by the Pr Commissioner (Import), Tughalakabad ICD vide OIO No.15/2020/M.K.S./Pr.Commr./ICD-Import/ TKD dated 31.07.2020 (**RUD-21**) wherein demand of duty of Rs. 77,87,659/- was confirmed against M/s Paras International and demand of duty of Rs. 20,63,507/- was confirmed against M/s Rishabh Sales Corporation along with imposition of penalties on both the firms and Sh. Shakun Jain. The penalties were imposed as under:

S. No.	Person/Firm name	Penalty u/s 114A (INR)	Penalty u/s 114AA(INR)	Penalty u/s 112(INR)
1	Paras International	77,87,659	15,00,000	
2	Rishab Sales Corporation	20,63,507	4,00,000	
3	Shakun Jain		10,00,000	5,00,000

#### **Further statement of Sh. Shakun Jain:**

**11.** Statement dated 06.02.2024 of Sh. Shakun Jain (**RUD-22**) was recorded, wherein on being shown his previous statement dated 19.01.2024, he signed each page of the same as a token of having seen the same and added that he used to get discounts based on the quantity of screws imported from the Chinese supplier Tianjin Hengtongmingtai Trade Co. Ltd.

**11.1** On being asked, he informed that screws were imported from Taiwan at around 0.56 USD per Kg (Rs 50 per Kg) by him and the same was sold to M/s SLG Fasteners Pvt Ltd and M/s Sohan Lal Gupta at average price of Rs 150 per Kg.

**11.2** On being asked about the status of the investigation initiated by DRI Delhi Zonal Unit in the past against the two firms M/s Paras International and Rishab Sales Corporation controlled by him, he stated that he had not been aware of the status of the said investigation as his lawyer Sh B. K. Singh had been handling the same (who by then had already moved to USA). Also, on being asked to inform the status of goods seized by DRI Delhi Zonal Unit at his premises situated at 28/28,

Siraspur Road, Libaspur, Delhi- 110042, he informed that the goods seized by DRI Delhi Zonal Unit had been lying packed in gunny bags and cartons at the said premises.

**11.3** On being shown his Whatsapp chat with Mobile No. +917052580902 (**RUD-23**) (in the name of 'Jai Maha Kal') and TT (Telegraphic Transfer) copy dated 16.01.2024 found therein, reflecting transfer of USD 86,245 to the account of 'Yongkang Runpower Trading Co. Ltd' (recovered during the forensic analysis of the mobile phone belonging to Sh. Shakun Jain), he signed on each page as a token of having seen the same and stated that he did not know the person having Mobile No. +917052580902 and the same had been provided by one Sh. Chanchal Chawala who happened to be one of his knowns. He explained that the chat and the TT copy had been purposely created by him with a purpose of showing the same to one of his customers namely Sh. Pankaj Ji from Raipur, Chhattisgarh pretending that he had made foreign remittance and as a result of the same, he (Shakun) needed payment from him.

(The relevant excerpt of the whatsapp chat has been reproduced below):

From: 918800086000@s.whatsapp.net Shakun (owner)  
To: 917052580902@s.whatsapp.net Jai Maha Kal

86245@ 87.95

Participant	Delivered	Read	Played
917052580902@s.whatsapp.net Jai Maha Kal	16-01-2024 05:23:32(UTC+0)	16-01-2024 05:23:32(UTC+0)	

Status: Read

Platform: Mobile

16-01-2024 05:20:05(UTC+0)

Source Info:  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B3850D (Table: ZWAMESSAGE, ZWAPROFILEPUSHNAME; Size: 45047808 bytes)  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/Library/Preferences/group.net.whatsapp.WhatsApp.shared.plist : 0x12C8 (Size: 27318 bytes)  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0xF8361 (Table: ZWAADDRESSBOOKCONTACT; Size: 1601536 bytes)

From: 917052580902@s.whatsapp.net Jai Maha Kal

Ok

Status: Read

Platform: Mobile

16-01-2024 05:24:50(UTC+0)

Source Info:  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B39FA7 (Table: ZWAMESSAGE, ZWAPROFILEPUSHNAME; Size: 45047808 bytes)  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0xF8361 (Table: ZWAADDRESSBOOKCONTACT; Size: 1601536 bytes)

From: 917062680902@s.whatsapp.net Jai Maha Kal  
 Done  
 Status: Read  
 Platform: Mobile  
 16-01-2024 06:24:52(UTC+0)

Source Info:  
 Shakun's  
 iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B38158 (Table: ZWAMESSAGE, ZWAPROFILEPUSHNAME; Size: 45047808 bytes)  
 Shakun's  
 iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0xF8361 (Table: ZWAADDRESSBOOKCONTACT; Size: 1601536 bytes)

From: 917062680902@s.whatsapp.net Jai Maha Kal  
 Please send me account number  
 Status: Read  
 Platform: Mobile  
 16-01-2024 06:24:59(UTC+0)

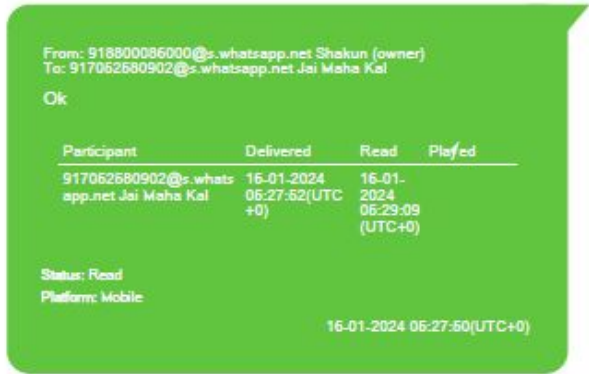
Source Info:  
 Shakun's  
 iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B380A7 (Table: ZWAMESSAGE, ZWAPROFILEPUSHNAME; Size: 45047808 bytes)  
 Shakun's  
 iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0xF8361 (Table: ZWAADDRESSBOOKCONTACT; Size: 1601536 bytes)

From: 918800086000@s.whatsapp.net Shakun (owner)  
 To: 917062680902@s.whatsapp.net Jai Maha Kal  
 YONGKANG RUNPOWER TRADING CO., LTD.Inward Remittance For USD(美元)  
 Beneficiary Bank: BANK OF CHINA YONGKANG SUB-BRANCH(SWIFT CODE: BKCHCNBJ92H )Bank Address: NO.28 LIZHOU MIDDLE RD YONGKANG ZHEJIANG CHINA  
 Account Number ( 帐号 ) : 380577152363Name ( 名称 ) : YONGKANG RUNPOWER TRADING CO., LTD. 永康市润能商贸有限公司 Address(地址) : NO. 315 2ND BUILDING XIZHONG EAST ROAD YONGKANG ZHEJIANG CHINA  
 INTERMEDIARY BANK : BANK OF CHINA NEWYORK BRANCH ( SWIFT CODE : BKCHUS33XXX )

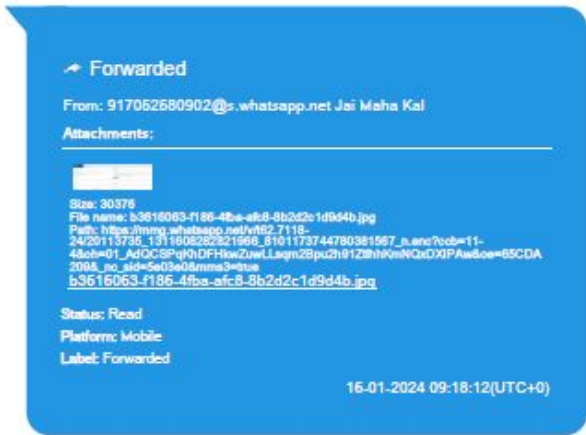
Participant	Delivered	Read	Played
917062680902@s.whatsapp.net Jai Maha Kal	16-01-2024 06:26:55(UTC+0)	16-01-2024 06:26:34(UTC+0)	

Status: Read  
 Platform: Mobile  
 16-01-2024 06:26:54(UTC+0)

Source Info:  
 Shakun's iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B39CEE (Table: ZWAMESSAGE, ZWAPROFILEPUSHNAME; Size: 45047808 bytes)  
 Shakun's iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/Library/Preferences/group.net.whatsapp.WhatsApp.shared.plist : 0x12C8 (Size: 27318 bytes)  
 Shakun's iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0xF8361 (Table: ZWAADDRESSBOOKCONTACT; Size: 1601536 bytes)



Source Info:  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B39A34 (Table: ZWAMESSAGE, ZWAPROFILEPUSHNAME, Size: 45047808 bytes)  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/Library/Preferences/group.net.whatsapp.WhatsApp.shared.plist : 0x12C8 (Size: 27318 bytes)  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0xF8961 (Table: ZWAADDRESSBOOKCONTACT, Size: 1601536 bytes)



Source Info:  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B43E17 (Table: ZWAMESSAGE, ZWAPROFILEPUSHNAME, ZWAMEDIAITEM, Size: 45047808 bytes)  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0xF8961 (Table: ZWAADDRESSBOOKCONTACT, Size: 1601536 bytes)  
Shakun's  
iPhone/mobile/Containers/Shared/AppGroup/group.net.whatsapp.WhatsApp.shared/MessageMedia/917062680902@s.whatsapp.net/b3616063-f186-4fba-af8-8b2d2c1d9d4b.jpg : (Size: 30378 bytes)

SUMMARY	
YOUR REFERENCE P19HK3942AA000794	PAYMENT REFERENCE Q00000794
PAY FROM LINGOENG LIMITED-40700982666-USD-LINGOENG LIMITED LINGOENG LIMITED-SCBLHKH-HKX-HK	PAY TO YONGKANG RUNPOWER TRADING CO., LTD-380577152363-YONGKANG RUNPOWER TRADING CO., LTD-BKCHUS33XXX-BANK OF CHINA YONGKANG
PAYMENT METHOD ACCOUNT	YONGKANG RUNPOWER TRADING CO., LTD-BANK OF CHINA-BKCHUS33XXX <a href="#">One-Time Payee</a> <a href="#">View Payee Details</a>
GROSS AMOUNT	
PAYMENT AMOUNT USD 86,245.00	CHARGES TO BE PAID BY PAYER
PAYMENT SCHEDULE	PAYMENT TYPE TT (Telegraphic Transfer)
DEBIT DATE 16/01/2024	PAYMENT DATE 16/01/2024

TT (Telegraphic Transfer) reflecting transfer of USD 86,245

**11.4** On being shown certain entries mentioned after consignment details in the chart resumed from his residential premises during the search conducted on 18.01.2024 (entries have been produced below for better understanding), and asked to inform how and to whom those payments were made along with the purpose for the same, he responded that those payments were related to import of screws from China from supplier Tianjin Hengtongmingtai trade Co. Ltd and he needed to check his records to provide exact answer.

<b>1ST TIME PAID</b>	<b>US\$12,020.00</b>		<b>Exchange Rate : 1:6.65</b>
<b>2ND TIME PAID</b>	<b>US\$35,000.00</b>	<b>15TH,JULY,2022</b>	<b>Exchange Rate : 1:6.73</b>
<b>3 RD TIME PAID</b>	<b>¥2,49,950.00</b>	<b>9TH,AUG,2022</b>	<b>Exchange Rate : 1:6.75</b>
<b>4TH TIME PAID</b>	<b>US\$67,000.00</b>	<b>28TH, SEP, 2022</b>	<b>Exchange Rate : 1:7.14</b>
<b>5TH TIME PAID</b>	<b>US\$44,913.45</b>	<b>30TH,NOV,2022</b>	<b>Exchange Rate : 1: 7.14</b>
<b>6TH TIME PAID</b>	<b>US\$34,030.76</b>	<b>30TH.DEC,2022</b>	<b>Exchange Rate : 1: 6.9445</b>
<b>7TH TIME PAID</b>	<b>US\$39,932.00</b>	<b>28TH,JAN,2023</b>	<b>Exchange Rate : 1: 6.7394</b>
<b>8TH TIME PAID</b>	<b>US\$47,034.61</b>	<b>1ST,MARCH,2022</b>	<b>Exchange Rate : 1: 6.9173</b>
<b>9TH TIME PAID</b>	<b>US\$35,558.81</b>	<b>7TH,APIRL,2023</b>	<b>Exchange Rate : 1: 6.8634</b>
<b>10TH TI ME PAI D</b>	<b>US\$49, 940. 00</b>	<b>14TH, API RL, 2023</b>	<b>Exchange Rate : 1: 6. 8338</b>
<b>11TH TI ME PAI D</b>	<b>US\$49, 898. 00</b>	<b>4TH MAY, 2023</b>	<b>Exchange Rate : 1: 6. 8892</b>
<b>12TH TI ME PAI D</b>	<b>US\$49, 907. 00</b>	<b>19TH MAY, 2023</b>	<b>Exchange Rate : 1: 7. 0195</b>
<b>13TH TI ME PAI D</b>	<b>US\$40, 261. 56</b>	<b>2ND, J UNE, 2023</b>	<b>Exchange Rate : 1: 7. 0724</b>
<b>14TH TI ME PAI D</b>	<b>US\$69, 981. 00</b>	<b>26TH, J UNE, 2023</b>	<b>Exchange Rate : 7. 1891</b>
<b>15TH TI ME PAI D</b>	<b>US\$99, 920. 00</b>	<b>6TH, J ULY, 2023</b>	<b>Exchange Rate : 7. 2363</b>
<b>16TH TI ME PAI D</b>	<b>US\$49, 860. 00</b>	<b>13RD, J ULY, 2023</b>	<b>Exchange Rate : 7. 1652</b>
<b>17TH TI ME PAI D</b>	<b>US\$49, 557. 00</b>	<b>25TH, J ULY, 2023</b>	<b>Exchange Rate : 7. 1701</b>
<b>18TH TI ME PAI D</b>	<b>US\$49, 977. 00</b>	<b>11ST, AUGUST, 2023</b>	<b>Exchange Rate : 7. 2238</b>
<b>19TH TI ME PAI D</b>	<b>US\$18, 000. 00</b>	<b>15TH, AUGUST, 2023</b>	<b>Exchange Rate : 7. 25</b>
<b>20TH TI ME PAI D</b>	<b>¥ 1, 00, 000. 00</b>	<b>27TH, SEP, 2023</b>	
<b>21TH TI ME PAI D</b>	<b>US\$61, 273. 00</b>	<b>7TH, OCT, 2023</b>	<b>Exchange Rate : 7. 2918</b>
<b>22ND TI ME PAI D</b>	<b>US\$34, 967. 00</b>	<b>7TH, OCT, 2023</b>	<b>Exchange Rate : 7. 2918</b>
<b>23RD TI ME PAI D</b>	<b>US\$39, 455. 18</b>	<b>19TH, OCT, 2023</b>	<b>Exchange Rate : 7. 3117</b>
<b>24TH TI ME PAI D</b>	<b>US\$35, 598. 48</b>	<b>24TH, NOV, 2023</b>	<b>Exchange Rate : 7. 1489</b>
<b>25TH TI ME PAI D</b>	<b>US\$49, 907. 64</b>	<b>1ST. DEC, 2023</b>	<b>Exchange Rate : 7. 1342</b>
<b>26TH TI ME PAI D</b>	<b>US\$39, 980. 00</b>	<b>15TH, DEC, 2023</b>	<b>Exchange Rate : 7. 1248</b>
<b>27TH TI ME PAI D</b>	<b>US\$79, 957. 00</b>	<b>29TH, DEC, 2023</b>	<b>Exchange Rate : 7. 1296</b>
<b>28TH TI ME PAI D</b>	<b>US\$79, 932. 00</b>	<b>5TH, JAN, 2024</b>	<b>Exchange Rate : 7. 16</b>
<b>29TH TI ME PAI D</b>	<b>US\$50, 407. 00</b>	<b>10TH, JAN, 2024</b>	<b>Exchange Rate : 7. 1695</b>
<b>BALANCE UNTIL 10TH,JAN,2024</b>	<b>¥15,14,084.83</b>		



**11.5 On being shown the image of an excel sheet found in the whatsapp group chat (in whatsapp group UK-Hettro) shared by Mobile No. 8617703850342 (contact saved in the name of JaneZhu-UK Abrasive), wherein details of various types of power tools along with their size, brand, packing, quantity, price in RMB, dimensions, volume, weight, etc. were mentioned, which had been retrieved from his mobile phone data after the forensics examination, he stated that it was the stock of different types of power tools pertaining to M/s Hettro Hardware such as cutting wheel, flap disc, velcro disc and non-woven wheel and their corresponding prices and he further added that he used to get around 13% discount on the prices mentioned therein. The picture is reproduced below for better understanding:**

No	Size	Net	Colour	BRAND	Packing			Qty	UNIT PRICE	TOTAL	MEAS	CBM	N.W.	G.W.	Total	Total	Total
					Pcs/ Box	Pcs/ Ctn	CTNS										
	(80 MIS)																
<b>CUTTING WHEEL</b>																	
1	107x1x16 1NET	1	GREEN	HETTRO FLY	100	800	225	180000	0.46	82800	49*26*18.5	0.0236	23.5	24.3	5.310	5287.50	5467.50
2	180x1.5x22 2NET	2	GREEN	HETTRO FLY	25	200	79	15800	1.95	30810	39*23*20.5	0.0184	18.5	19.4	1.454	1461.50	1532.60
3	125x1.2x22 2NET	2	RED	HETTRO FLY	50	400	248	99200	0.82	81344	57*30*11.5	0.0197	14	14.9	4.886	3472.00	3695.20
4	107*1.0*16 2NET	2	GREEN	HETTRO FLY	100	800	75	60000	0.42	25200	49*25.7*18.5	0.0233	19.2	21.4	1.747	1440.00	1605.00
5	107*1.0*16 2NET	2	RED	HETTRO FLY	100	800	115	92000	0.42	38640	49*25.7*18.5	0.0233	19.2	21.4	2.679	2208.00	2461.00
6	355x2.5x25.4	2	RED	HETTRO FLY	25	50	80	4000	4.5	18000	41*38.5*19	0.0300	31.80	33.4	2.399	2544.00	2672.00
7	355x2.5x25.4	2	BLACK	HETTRO FLY	25	50	300	15000	4.5	67500	41*38.5*19	0.0300	31.80	33.4	8.997	9540.00	10020.00
8	355x2.5x25.4	1	BLACK	HETTRO FLY	25	50	100	5000	4.5	22500	41*38.5*19	0.0300	29	30.5	2.999	2900.00	3050.00
9	355x2.5x25.4	1	BLACK	HETTRO GERMAN	X	25	500	12500	5.2	65000	36.6*36.6*8.5	0.0114	14.50	15	5.693	7250.00	7500.00
10	355x2.5x25.4	2	BLACK	HETTRO GERMAN	X	25	0	0	5.2	0	36.7*36.7*9	0.0121	15.70	16.4	0.000	0.00	0.00
11	355x2.5x25.4	2	GREEN	HETTRO GERMAN	X	25	501	12525	5.3	66382.5	36.7*36.7*9	0.0121	15.70	16.4	6.073	7865.70	8216.40
12	355x2.5x25.4	1	GREEN	HETTRO GERMAN	X	25	264	6600	5.3	34980	36.6*36.6*8.5	0.0114	14.50	15	3.006	3828.00	3960.00
<b>FLAP DISC plastic cover 21*17</b>																	
	100x16 A60		BROWN	HETTRO FLY	20	200	0	0	0.85	0	54.5x22x27.8	0.0333	12.90	14.5	0.000	0.00	0.00
	100x16 A80		BROWN	HETTRO FLY	20	200	0	0	0.85	0	54.5x22x27.8	0.0333	12.25	13.85	0.000	0.00	0.00
<b>VELCRO DISC</b>																	
1	125MM WITH 8HOLE A60	A60	BROWN	HETTRO FLY	100	2000	150	300000	0.14	42000	63*27.4*27.4	0.047	19.2	20	7.095	2880	3000
2	125MM WITH 8HOLE A80	A80	BROWN	HETTRO FLY	100	2000	230	460000	0.14	64400	63*27.4*27.4	0.047	16	17.3	10.879	3680	3979
3	125MM WITH 8HOLE A100	A100	BROWN	HETTRO FLY	100	2000	98	196000	0.14	27440	53*27.4*27.4	0.040	15.3	16	3.899	1499.4	1568
4	125MM WITH 8HOLE A120	A120	BROWN	HETTRO FLY	100	2000	99	198000	0.14	27720	53*27.4*27.4	0.040	14.6	15	3.939	1445.4	1485
6	125MM WITH 8HOLE A60	A80	BROWN	HETTRO GERMAN	100	2000	110	220000	0.147	32340	63*27.4*27.4	0.047	19.2	20.000	5.203	2112.00	2200
5	125MM WITH 8HOLE A80	A60	BROWN	HETTRO GERMAN	100	2000	135	270000	0.147	39690	63*27.4*27.4	0.047	16	17.300	6.385	2160.00	2335.5
<b>NON-WOVEN WHEEL</b>																	
1	100X13X39.5 U3	METAL	RED	NO LABEL	X	400	60	24000	1.15	27600	52*41*27.5	0.0586	13	14	3.516	780.00	840.00
2	100X13X39.5 U5	METAL	RED	NO LABEL	X	400	110	44000	1.25	55000	52*41*27.5	0.0586	14.5	15.5	6.446	1595.00	1705.00
<b>TOTAL</b>							<b>3479</b>			<b>849347</b>					<b>92.606</b>		<b>67292.20</b>

**11.6** On being asked about his business relations with M/s Shree Balaji Exim and how come he had been managing the record keeping for the consignments imported by M/s Shree Balaji Exim, he stated that he had sold those screws to M/s Shree Balaji Exim in China directly after keeping commission of 3% for himself in cash, hence the Chinese supplier was showing those consignments in his records.

**12.** In light of the evidences and corroborative statements gathered by this Office, Sh. Shakun Jain was placed under arrest under Section 104 of the Customs Act, 1962 for violating provisions of Customs Act, 1962 under Section 132 and Section 135(1)(a) & (b) under Arrest Memo dated 06.02.2024 (**RUD-24**) and he was later released on bail vide order dated 18.03.2024 (**RUD-25**).

### **Investigation into the role of M/s Shree Balaji Exim:**

**13.** Searches were conducted at residential premises of Mrs. Bhumi Gaba, proprietor of Shree Balaji Exim and its office located at Adarsh Nagar, New Delhi under Panchnama dated 16.02.2024 (**RUD-26**). Statement dated 16.02.2024 (**RUD-27**) of Ms. Bhumi Gaba was recorded, wherein she informed that she had been just a namesake proprietor and all import related work was being managed by Sh. Girish Gaba, her husband's elder brother and local sales related work was being managed by her husband Sh. Manish Gaba. She informed that being the Proprietor, she used to sign on any document on the insistence of Sh. Girish Gaba and Sh. Manish Gaba. She also stated that Sh. Kapoor, who was an employee of Sh. Shakun Jain, used to get her signatures on some documents.

**14.** Statement dated 19.02.2024 of Sh. Girish Gaba (**RUD-28**), M/s Shree Balaji Exim was recorded wherein among other things, he *interalia* stated that the 3 consignments of screws had been imported by M/s Shree Balaji Exim on behalf of Sh. Shakun Jain. He informed that he had not been aware about the arrival of the said consignments at the port and upon their arrival, Sh. Shakun Jain used to send his employee Sh. Kapoor to his residence to get the documents required for Customs Clearance, signed by Mrs. Bhumi Gaba. Sh. Shakun Jain used to transfer the amount in the Bank account of M/s Shree Balaji Exim and Sh. Kapoor used to get the form A1 (for sending outward remittance) and FEMA declaration signed by Mrs Bhumi Gaba and submit the same in the Bank. The amount to be paid to clearing agent/CHA was transferred by Sh. Shakun Jain to the Bank account of M/s Shree Balaji Exim. Sh. Shakun Jain used to call and used to ask them to issue invoice against his firm M/s Hettro Hardware India at the rate provided by him only. Before getting arrested, Sh. Shakun Jain informed Sh. Girish Gaba on call that he had also imported one consignment of power tools in the name of M/s Shree Balaji Exim.

**14.1** On being asked his personal and business relationship with Sh. Shakun Jain, he stated that Sh. Shakun Jain had been an old family friend and he had helped them monetarily during their tough times and therefore was considered as a well-wisher. He also informed that in 2017, Sh. Shakun Jain had invested in their business of trading apples in M/s KLG which had been discontinued due to

incurring heavy losses. Further with respect to 3 consignments of screws and 1 consignment of power tools, he stated that there was no business relationship as Sh Shakun Jain had imported those in the name of M/s Shree Balaji Exim and Sh Shakun Jain had only coordinated with the overseas supplier, CHA, bank and buyers and Mrs Bhumi Gaba had only signed the relevant documents and invoices had been issued as per Sh Shakun Jain's instructions.

**14.2** On being shown Shakun Jain's statement dated 06.02.2024 wherein he had stated that the screws had been sold to M/s Shree Balaji Exim in China directly by him after keeping commission of 3% for himself in cash, he denied and stated that had those screws been sold by him in China only at a margin of 3%, why would they (M/s Shree Balaji Exim) again issue the invoices to his firm M/s Hettro Hardware India. He added that it had been only due to his favours in the past that they allowed Sh. Shakun Jain to import of screws and power tools in the name of M/s Shree Balaji Exim.

**15.** Statement dated 19.02.2024 of Sh. Manish Gaba, M/s Shree Balaji Exim (**RUD-29**) was recorded and in his statement his responses were on similar lines as the response provided by Sh. Girish Gaba.

**16.** Statement dated 21.02.2024 of Sh. Rajiv Kumar Safaya (**RUD-30**), F-Card holder of M/s MRS Shipping LLP, 101, Shakti Plaza, Dhruv, Mundra, Gujarat-370205 (who was the clearing agent for M/s Shree Balaji Exim with respect to the consignments imported at APSEZ Mundra) was recorded, wherein among other things, he *interalia* stated that Sh. Shakun Jain introduced himself as representative of M/s Shree Balaji Exim and he had shared the KYC of M/s Shree Balaji Exim with them. He also stated that Sh. Shakun Jain had coordinated with respect to providing the documents required for clearance of the consignments. He also informed that the payment in lieu of the clearance had been made through proper banking channel from the account of M/s Shree Balaji Exim. He also stated that Sh. Shakun Jain had also provided E-way Bill through Whatsapp to them for transportation purpose.

**17.** Statement dated 01.05.2025 (**RUD-31**) of Sh. Rohit Kumar, G-Card holder of M/s Sun India Shipping and Logistics, Amritsar (who was the clearing agent for M/s Shree Balaji Exim with respect to the consignments of fruits imported at Atari Border) was recorded wherein among other things, he *interalia* stated that M/s Sun India Shipping and Logistics had been registered at Ludhiana and Amritsar providing Customs Clearance services majorly for imports of fresh and dry fruits from Afghanistan at Attari Border. On being asked about M/s Shree Balaji Exim, he informed that the firm had been in the proprietorship of Mrs Bhumi Gaba, however her husband's elder brother Sh. Girish Gaba had been managing customs clearance related work.

**18.** Statement dated 01.05.2025 (**RUD-32**) of Sh. Manmeet Singh, G-Card holder of M/s Rubal Logistics Pvt Ltd, Amritsar (who was the clearing agent for M/s Shree Balaji Exim with respect to the consignments of fruits imported at Atari Border) was recorded wherein among other things, he *interalia* stated that M/s Rubal

Logistics Pvt Ltd had its head office registered at New Delhi and branches at Ghaziabad, Mumbai, Jaipur and Amritsar, wherein the Amritsar branch was providing Customs Clearance services majorly for imports of fresh and dry fruits from Afghanistan at ICP Attari. On being asked about M/s Shree Balaji Exim, he informed that Sh. Girish Gaba introduced himself as owner of the firm however, her brother's wife Mrs Bhumi Gaba had been the proprietor. He informed that Sh. Girish Gaba had coordinated with respect to clearance of consignments imported by M/s Shree Balaji Exim.

**19.** Statement dated 14.05.2024 (**RUD-33**) of Sh. Shakun Jain was recorded wherein among other things, he *interalia* stated that he had a business relationship with M/s Shree Balaji Exim and he had helped Sh. Manish Gaba in importing screws and furniture from his Chinese supplier Tianjin Hengtongmigtai Trade Co. Ltd. which were sold to his firm M/s Hetro Hardware India and further by him to M/s RSE India Pvt Ltd.

**19.1** On being shown copy of statement dated 16.02.2024 tendered by Mrs Bhumi Gaba, wherein she stated that Sh. Shakun Jain used to send his employee Sh. Kapoor to get her signatures on some documents, he stated that Sh. Kapoor had visited Mrs Bhumi Gaba's residence to get her signatures on the invoices issued by M/s Shree Balaji Exim to M/s Hetro Hardware India.

**19.2** On being shown copy of statement dated 19.02.2024 tendered by Sh. Girish Gaba, he stated that he had just helped Sh. Manish Gaba in importing screws and furniture from China. He denied that his employee Sh. Kapoor used to get the form A1 (for sending outward remittance) and FEMA declaration signed by Mrs Bhumi Gaba and submit the same in the Bank. He denied that he had instructed M/s Shree Balaji Exim to issue any invoice to M/s Hetro Hardware India or M/s RSE India Pvt. Ltd.

**19.3** On being shown copy of statement dated 19.02.2024 tendered by Sh. Manish Gaba, he stated that he had just helped Sh. Manish Gaba in importing screws and furniture from China. He denied that the said consignments had been imported by him for his own firm.

**19.4** On being shown copy of statement dated 21.02.2024 tendered by Sh. Rajiv Safaya, he denied sharing any documents with the CHA firm of Sh. Rajiv Safaya and stated that he had just been helping Sh. Manish Gaba in importing those 3 consignments. He stated that he had shared the Eway Bill details with the CHA as Sh. Manish Gaba had asked him to do so.

**19.5** On being asked to provide the original values of the imported goods seized by this office, to facilitate the provisional release as requested by him vide his letter dated 30.04.2024, he stated that it was a time taking process and requested this office to finalize the values.

**20.** Statement dated 28.05.2024 of Sh. Nand Kishor (**RUD-34**), Director of M/s RSE India Pvt. Ltd was recorded wherein among other things, he *interalia* stated

that he had purchased 'Chairs' and 'Chair Lifters' from M/s Hetro Hardware India in February 2024 and he had come in contact with Sh. Shakun Jain through one person Shri Happy who was a loader in China. He stated that it was Sh. Shakun Jain only, who had supplied goods to him through M/s Shree Balaji Exim and he had never come in touch with the owner of M/s Shree Balaji Exim.

### Request for Provisional Release:

**21.** M/s Hetro Hardware India vide their letter dated 30.04.2024 **(RUD-35)** made a request for grant of provisional release of imported goods seized vide Seizure Memos dated 18.01.2024 and 25.01.2024. M/s Hetro Hardware India vide their letter dated 30.05.2024 **(RUD-36)** again requested for grant of provisional release of imported goods seized vide Seizure Memos dated 18.01.2024 and 25.01.2024.

**22.** This office vide letter dated 05.07.2024 **(RUD-37)** requested DRI Gandhidham Regional Unit to conduct 100% examination of the following consignments:

**Table-2**

<b>S.No</b>	<b>DTA BE no.&amp; date</b>	<b>Importer</b>	<b>Goods description/CTH</b>
1.	2003402 dt 10.02.2024	M/s Hetro Hardware India	Demolition Hammer HET & Rotary Hammer HET/ 84672900
2.	2003481 dt 12.02.2024	M/s Shree Balaji Exim	Abrasive wheels (various dimensions)/ 68042290

**23.** As the Show Cause Notice for seizure of goods could not be issued within the stipulated time as prescribed under Section 110(2) of the Customs Act, 1962, i.e. 6 months from the date of first Seizure Memo dated 18.01.2024, therefore, with the approval of competent authority, this office vide letter dated 15.07.2024 **(RUD-38)** informed the importer of the extension of the time period for issuance of SCN by another 6 months.

**24.** This office received a letter dated 17.07.2024 **(RUD-39)** from M/s Shree Balaji Exim requesting to grant NOC for the release of consignment imported vide DTA BE No. 2003481 dated 12.02.2024. It is pertinent to mention here that in the paras 13, 14, 14.1, 14.2 and 15 above, the stance of key persons associated with M/s Shree Balaji Exim was such that the consignments imported in their firm other than fresh fruits, belonged to Sh. Shakun Jain.

**25.** The consignments mentioned in the Table-2 above (DTA BE No. 2003402 dated 10.02.2024 imported by M/s Hetro Hardware India and BE No. 2003481 dated 12.02.2024 imported by M/s Shree Balaji Exim) were examined vide Panchnamas dated 19.07.2024 and 13.08.2024 **(Both Panchanama collective RUD-40)** by the officers of DRI Gandhidham Regional Unit.

**25.1** Subsequently, this office requested Sh. Tushar Zankat, Customs empanelled Chartered Engineer vide letter dated 30.08.2024 (**RUD-41**) to get the valuation done of the representative samples. Sh. Tushar Zankat vide email dated 12.09.2024 submitted the valuation reports (**RUD-42**). The values submitted by him were as under:

**Table-3**

<b>S. N.</b>	<b>As per supplier invoice/declaration before Customs</b>	<b>Imported by</b>	<b>BE No. &amp; date</b>	<b>Chinese Supplier</b>	<b>Decl. value (USD) / piece</b>	<b>Value as per CE USD/piece</b>
1	HT-14-20R Rotary Hammer Drill	M/s Hetro Hardware India	2003402 dt 10.02.20 24	Zhejiang Hangbo Power Tools Co. Ltd	11.72	11.50-12
2	HET-2-26 Rotary Hammer Drill				16.53	16.5-17
3	HET-2-20 Rotary Hammer Drill				11.58	11.5-12
4	HET 11 E Demolition Hammer				67.87	67.5-69
5	Abrasive Wheel 5inch Velcro Disc	M/s Shree Balaji Exim			0.006	0.02
6	Abrasive Wheel 4inch Flap Disc		2003481 dt	U and K Science &	0.045	0.12

		12.02.20 24	Tech Co. Ltd		
7	Abrasive Wheel 4inch Cutting Disc			0.016	0.06
8	Abrasive Wheel 14inch Cutting Disc			0.22	0.63

As seen from the comparative analysis in the Table-3 above, values declared by M/s Shree Balaji Exim with respect to the abrasive wheels are comparatively lower than the values ascertained by the Chartered Engineer. Consequently, the goods imported vide BE No. 2003481 dated 12.02.2024 by M/s Shree Balaji Exim was seized vide Seizure Memo dated 26.09.2024 **(RUD-43)**.

**26.** This office also requested Sh. R K Aggarwal, Customs empanelled Chartered Engineer vide letter dated 24.09.2024 **(RUD-44)** to carry out valuation of the representative samples of Power Tools & accessories imported by M/s Hetro Hardware India and drawn under Panchnama dated 18.01.2024. Sh. R K Aggarwal vide email dated 09.10.2024 submitted the valuation report **(RUD-45)**. The details of the values provided by Chartered Engineer for the purpose of duty calculations, are as under:

**Table-4**

S. No	Item	Unit	Declared Value in USD as per BE	Value provided by CE in USD
1	Demolition Hammer (HT-17-835)	Pc	10.5	37.5
2	Marble Cutter (HT-05-110A)	Pc	3	12
3	Screwdriver drill (HTSD10C)	Pc	1.9	8.75
4	Velcro Disc 125 mm	Pc	0.006	0.02
5	Cutting Wheel 107*1*16mm	Pc	0.016	0.06
6	Cutting Wheel 14"	Pc	0.22	0.60

7	Cutting Wheel, Single Net 14"	Pc	0.22	0.72
8	Cutting Wheel, Single Net 12"	Pc	0.22	0.60
9	Demolition Hammer (HT-17-855)	Pc	8	42.60
10	Electric Polisher 125mm	Pc	3.5	16.50
11	Cutting Wheel 5"	Pc	0.0165	0.06
12	Flap wheel 100*16 mm	Pc	0.055	0.12
13	Electric Planner	Pc	4	13
14	Cut off machine	Pc	10.5	32
15	Marble Cutter, German 110mm	Pc	0.0471	0.05
16	Grinding Wheel 125*6*22.5	Pc	0.074	0.14
17	Grinding Wheel 100*2.5*16	Pc	0.055	0.10
18	Non-Woven Wheel (100*13*29.5)	Pc	0.016	0.06
19	Fiber Disc 5"	Pc	0.018	0.08
20	Aviation Snips 250mm	Pc	0.339	1.60

**27.** Statement dated 26.09.2024 (**RUD-46**) of Ms. Bhumi Gaba was recorded wherein among other things, she *interalia* stated that she had signed the letter dated 17.07.2024 submitted in this office by M/s Shree Balaji Exim requesting to grant NOC for the release of consignment imported vide BE No. 2003481 dated 12.02.2024, on the insistence of Sh. Girish Gaba.

**28.** Statement dated 26.09.2024 (**RUD-47**) of Sh. Girish Gaba was recorded wherein among other things, he *interalia* stated that letter dated 17.07.2024 submitted in this office by M/s Shree Balaji Exim requesting to grant NOC for the

release of consignment imported vide BE No. 2003481 dated 12.02.2024, had been prepared by him. He stated that he had once asked Sh. Shakun Jain to suggest him to import something so that he could also make some profit to which Sh. Shakun Jain had suggested him that importing abrasive wheels could give him a profit of Rs 1-1.5 Lakh per consignment. Lured by the profit margin he thought of trying it and asked Sh. Shakun Jain to book one consignment for him as well. He added that during his previous statement dated 19.02.2024, he did not inform DRI about the said consignment due to the fear of any adverse action against him. He admitted his mistake and took full accountability of the consignment.

**28.1** On being asked who would be liable to pay any differential duty, fine and penalty in respect of the said consignment, he stated that he would be liable to pay the same. He also added that all the previous imports of screws and furniture in the name of M/s Shree Balaji Exim had been made by Sh. Shakun Jain only and he (Sh. Girish) or any of his family members had nothing to do with that.

**29.** Vide email dated 10.04.2024 (**RUD-48**), Sh. Shakun Jain provided the details of origin of seized goods (Imported/Domestically procured). On perusal of the details submitted, it was observed that Sh. Shakun Jain had shown majority of the seized goods as domestically purchased by M/s Hetro Hardware India from M/s Rishab Sales Corporation and vice versa. However, the investigation had revealed that Sh Shakun Jain is a Partner in M/s Hetro Hardware India and is the controller /owner of M/s Rishab Sales Corporation. Therefore, it appeared that the goods supplied amongst each other were likely to be the imported goods. Further, he also categorised the screws imported by M/s Shree Balaji Exim as domestically procured goods, however, investigation had revealed that it was actually Sh. Shakun Jain who had imported screws in the name of M/s Shree Balaji Exim.

**29.1** Sh. Shakun Jain submitted the details of the seized screws wherein the total quantity of seized screws is 3,61,940 Kgs. The breakup of the seized screws was as under:

- i. 1,56,690 Kgs imported by M/s Hetro Hardware India;
- ii. 1,48,440 Kgs imported by M/s Shree Balaji Exim (Sh. Shakun Jain being the beneficial owner);
- iii. 50,960 Kgs sold by M/s Hetro Hardware India to M/s Rishab Sales Corporation;
- iv. 5850 Kgs shown as procured domestically from one M/s Nitin Enterprises.

**30.** Statement dated 03.10.2024 (**RUD-49**) of Sh. Shakun Jain was recorded wherein, among other things, he *inter alia* stated that since the screws had been purchased by him from M/s Shree Balaji Exim and had been lying seized under his custody, the same might be considered as imported by him (Sh. Shakun Jain).

**31.** On being asked to provide the details of all the screws manufactured by M/s Hetro Hardware India from 01.01.2020 onwards, along with raw materials used in manufacturing the same, he stated that he was not able to provide the details as he

had not maintained any record of production of screws. He also requested that 50,960 Kgs of screws as manufactured in his factory might also be considered as imported by him for the purpose of allowing provisional release. Thus for the purpose of provisional release, 50,960 Kgs of screws were considered as imported vide DTA BE 2017077 dated 06.09.2023 on the basis of first in, first out logic.

**32.** Statement dated 03.04.2025 **(RUD-50)** of Sh. Chanchal Chawla was recorded wherein, among other things, he *interalia* stated that around two years ago, Sh. Shakun Jain had been introduced to him by Sh. Mukesh Gupta, Director of M/s Sohan Lal Gupta.

**32.1** On being confronted with Shakun Jain’s Statement dated 06.02.2024 wherein he stated that Mobile No. +917052580902 had been provided by him (Sh. Chanchal Chawala), he denied the same and stated that he had no knowledge of the said mobile no.

**32.2** On being shown copy of his whatsapp chat with Sh. Shakun Jain, he stated that Sh. Shakun Jain used to import goods by committing undervaluation and therefore he could only send that much portion of remittance which had been declared by him while filing Bill of Entry and the remaining remittances were sent through unofficial channel and he (Sh. Chanchal) helped him (Sh. Shakun) in sending remittances through unofficial channel. He also informed that he shared in the whatsapp chat, an image of a ledger of account in respect of Sh. Shakun Jain detailing cash paid by him (Sh. Shakun Jain) and the corresponding foreign remittance. The image of the ledger account as mentioned above is reproduced below:

		MOHANLAL JI	DR	CR	
	27-Dec	79850*88.30	7050755		
	28-Dec	48000*88.30	4238400		
	28-Dec	CASH		1600000	SHAGUN
	28-Dec	CASH		5000000	SHAGUN
	29-Dec	91000*88.30	8035300		
	29-Dec	CASH RECIVE		4400000	SHAGUN
	02-Jan	CASH RECIVE		4800000	SHAGUN
	03-Jan	CASH RECIVE		3200000	SHAGUN
	11-Jan	<u>51340@88.20</u>	4528188		
<b>PROCESS</b>	11-Jan	<u>30000@88.20</u>	2646000		
			26498643	19000000	7498643

**33.** Statement dated 07.01.2026 **(RUD-51)** of Sh. Shakun Jain was recorded wherein, among other things, on being shown TT copy dated 16.01.2024 reflecting transfer of USD 86,245 to the account of ‘Yongkang Runpower Trading Co. Ltd’, he

reiterated that the TT copy had been made purposely to show it to their customers of power tools with an intent to get payments from them.

**33.1** On being shown copy of his wechat messenger chat with user name 'loumeili002 Rose.Will', wherein the screenshot of the same TT Copy as mentioned in para 33 above, was shared by him asking the other person to confirm the receipt, he stated that it had been shared with Rose (representative of Yongkang Runpower Trading Co. Ltd) so that she could release the container on the basis of this screenshot reflecting transfer into the account of Yongkang Runpower Trading Co. Ltd through unofficial channel.

**33.2** On being shown copy of statement dated 03.04.2025 tendered by Sh. Chanchal Chawala, he denied his statement dated 03.04.2025 and stated that he does not know him and he had only met him once through Sh. Mukesh Gupta, Director of M/s Sohan Lal Gupta.

**33.3** On being shown copy of his whatsapp chat with Sh. Chanchal Chawala, he stated that he does not know him personally and he had no idea about the image of the ledger (mentioned in para 32.2 above) shared by Sh. Chanchal Chawla in that chat.

**33.4** On being shown copy of the whatsapp group chat namely 'Hetro Hardware India Grp', wherein images of documents such as Commercial Invoice, Packing List (both bearing same no. '23ZM0480') and Bill of Lading were recovered bearing his signatures, in the name of the Chinese Supplier 'Yongkang Runpower Trading Co. Ltd', he stated that those were pertaining to a shipment of power tools from Chinese Supplier 'Yongkang Runpower Trading Co. Ltd' and it had been shared for the purpose of filing Bill of Entry.

**33.5** On being shown the image of an excel sheet found in the whatsapp group chat UK-Hetro, containing details of various types of power tools along with their size, brand, packing, quantity, price in RMB, dimensions, volume, weight, etc. (as mentioned in para 11.5 above), he informed that the products mentioned therein were manufactured by Chinese Supplier 'U and K Science & Tech Co Ltd'.

**33.6** He also stated that he used to make the payments to M/s Shree Balaji Exim first and then the same used to get paid by M/s Shree Balaji Exim in respect of the payments related to Chinese Supplier/ Customs duty/ Freight forwarder.

#### **34. PROVISIONAL RELEASE:**

**34.1** The goods were seized vide three different seizure memos. The seizure memo dated 18.01.2024 was issued in lieu of the goods seized at the factory cum godown premise of M/s Hetro Hardware India situated at Khewat No. 151, Khata No. 222, Mundraja, Khasra (Kila) No. 54/8, Ramnagar, Tehsil Gannaur, Sonipat, Haryana-131039. Another seizure memo dated 25.01.2024 was issued in respect of the goods detained vide Detention memo dated 18.01.2024 lying at the office cum godown premise of M/s Hetro Hardware India situated at Siraspur Road, Libaspur, Delhi-110042. The third seizure memo 26.09.2024 was issued to M/s Shree Balaji

Exim in respect of the live consignment pertaining to abrasive wheels imported vide DTA BE No. 2003481 dated 12.02.2024 pending clearance at APSEZ Mundra.

**34.2** This office vide two letters both dated 20.12.2024 (**both letter collective RUD-52**), granted NOC in respect of allowing provisional release of the seized goods in respect of M/s Hetro Hardware India lying at its factory cum godown and office cum godown premises, along with the live consignment of M/s Shree Balaji Exim pending clearance at APSEZ Mundra, based on the evidences recovered during the search/ forensic analysis of electronic devices and the valuation ascertained by Chartered Engineers. The same is tabulated as under:-

i. Screws.

<b>Weight of seized screws (Kgs)</b>	<b>Declared Assessable Value (Rs.)</b>	<b>Duty paid (Rs.)</b>	<b>Re-determined Assessable Value* (Rs.)</b>	<b>Duty payable on re-determined value (Rs.)</b>	<b>Differential Duty (Rs)</b>
3,56,090	1,38,69,022	51,96,723	3,83,73,441	1,43,78,529	91,81,806

\* Duty was re-determined on the basis of the Chart recovered in the form of evidence during search dated 18.01.2024 conducted at the residential premises of Sh. Shakun Jain.

The details of the corresponding Bills of Entry are as under:

<b>S No.</b>	<b>Port of import</b>	<b>DTA BE and Date</b>	<b>Declared Item</b>	<b>Unit (Kg/Pcs )</b>	<b>Total Net Weight of seized goods (Kg)</b>
1	APSEZ MUNDR A	2000412/ 06-01-2024	Screws	KG	13383 0
2		2015530/ 16-08-2023	Screws	KG	22860
3		2017077/ 06-09-2023	Screws	KG	51351
4		2021098/ 19-10-2023	Screws	KG	69246
5		2026476/ 18-12-2023	Screws	KG	78803

ii. Power tools and their accessories:

<b>Declared Assessable Value (Rs.)</b>	<b>Duty paid (Rs.)</b>	<b>Assessable Value by Chartered Engineer (Rs.)</b>	<b>Duty payable on re-determined value (Rs.)</b>	<b>Differential Duty (Rs)</b>
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22 90,679	6,81,843	77,90,709	23,08,108	1 6,26,265
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The details of the corresponding Bills of Entry are as under:

S. No.	Item	QUANTITY SEIZED	Unit	Actual Supplier	BE details	Port
1	Demolition Hammer (HT-17-835)	4	Pc	Yongkan g Runpow er Trading Co. Ltd, China	2016322 dated 26.08.20 23 (101668 8)	APSEZ Mundra
2	Marble Cutter (HT-05-110A)	180	Pc			
3	Screwdriver drill (HTSD10C)	150	Pc	Zhejiang World Technol ogy Compan y, China	2025478 dated 08.08.20 23 (101557 0)	APSEZ Mundra
4	Velcro Disc 125 mm	54000	Pc	U and K Science & Tech. Co. Ltd, China	2026732 dated 20.12.20 23 (102673 1)	APSEZ Mundra
5	Cutting Wheel 107*1*16 mm	288800	Pc		7113821 dated 29.07.20 23	INBDM6
6	Cutting Wheel 14"	3750	Pc		8129463 dated 04.10.20 23	INBDM6
7	Cutting Wheel,	5350	Pc	U and K Science	8842778 dated	INBDM6

	Single Net 14"			& Tech. Co. Ltd, China	20.11.20 23	
8	Cutting Wheel, Single Net 12"	720	Pc			
9	Demolition Hammer (HT-17- 855)	315	Pc	Yongkan g Runpow er Trading Co. Ltd, China	2024010 dated 21.11.20 23 (102400 2)	APSEZ Mundra
10	Electric Polisher 125mm	120	Pc			
11	Cutting Wheel 5"	24000	Pc	U and K Science & Tech. Co. Ltd, China	8842778 dated 20.11.20 23	INBDM6
12	Flap wheel 100*16 mm	55660	Pc		2007590 dated 03.05.20 23 (100726 7)	APSEZ Mundra
13	Electric Planner 82 mm	68	Pc	Yongkan g Runpow er Trading Co. Ltd, China	2024010 dated 21.11.20 23 (102400 2)	APSEZ Mundra
14	Cut off machine	171	Pc	Zhengzh ou U and K Imp and Exp, China	2002201 dated 03.02.20 23 (100157 1)	APSEZ Mundra
15	Marble Cutter, German 110mm	16200	Pc	Danyan g Hongma Tools	1010809 dated 17.08.20 22	APSEZ Mundra

				Co. Ltd		
16	Grinding Wheel 125 mm	17700	Pc	U and K Science & Tech. Co. Ltd, China	2007590 dated 03.05.2023 (1007267)	APSEZ Mundra
17	Grinding Wheel 100*2.5*16	32700	Pc		8842778 dated 20.11.2023	INBDM6
18	Non Woven Wheel (100*13*29.5)	16000	Pc		7113821 dated 29.07.2023	INBDM6
19	Fiber Disc 125*22	26400	Pc		8129463 dated 04.10.2023	INBDM6
20	Aviation Snips 250mm	5400	Pc	Fusen Technology Company, China	7211824 dated 24.01.2022	INPPG6
21	#Cutting Wheel German 107*1*16 mm	157600	Pc	U and K Science & Tech. Co. Ltd, China	8129463 dated 04.10.2023	INBDM6
		52800			7344364 dated 14.08.2023	INBDM6

iii. Live consignments pending clearance at APSEZ Mundra:

Name of Importer	DTA BE No. & date	Declared Assessable Value (Rs.)	Duty paid (Rs.)	Re-determined Assessable Value	Duty payable on re-determined value	Differential Duty (Rs)
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				(Rs.)	(Rs.)	
M/s Hetro Hardware India	2003402 dated 10-02-2024	66,00,321	18,30,599	66,00,321	18,30,599	-
M/s Shree Balaji Exim	2003481 dated 12-02-2024	24,27,242	7,51,959	72,76,782	22,54,347	15,02,388

**34.3** The Mundra Port authority vide email dated 16.01.2025 forwarded the letters dated 15.01.2025 in respect of provisional release request acceptance for M/s Hetro Hardware India (**RUD-53**) in lieu of Bond for full value of goods and Bank Guarantee amounting to **Rs. 1,65,00,000/-** and **letter dated 15.01.2025 in respect of** provisional release request acceptance for M/s Shree Balaji Exim (**RUD-54**) in lieu of Bond for full value of goods and Bank Guarantee amounting to Rs. 24,00,000/-. However, it has also been informed by the port authorities vide email dated 29.12.2025 (**RUD-55**) that the subject importers did not submit any Bond and Bank Guarantee in respect of the provisional release.

#### **Analysis and Findings:**

**35.** Now, therefore, from the investigation conducted by this Directorate, it appears that Sh. Shakun Jain, Partner and Owner/ Controller of M/s Hetro Hardware committed undervaluation for goods (screws and power tools & their accessories) imported by him on the IEC of M/s Hetro Hardware (IEC:-AAKFH6703K) as well as on the IEC of M/s Shree Balaji Exim, i.e AQHPG6932A (other than 1 consignment of abrasive wheels imported vide BE No. 2003481 dt 12.02.2024). During the search dated 18.01.2024, a chart containing details such as Invoice No., Item description, actual cost incurred in Chinese Yuan (RMB), Quantity, Container/ Seal No., Bill of Lading No., ETA, etc. along with payment made, was recovered from the residential premise of Sh. Shakun Jain. This chart is corroborative evidence of undervaluation with respect to the import of screws from China by M/s Hetro Hardware India. For ease of illustration, the chart found during search dated 18.01.2024, along with the correlation to the DTA Bill of Entry filed is reproduced below.

<b>Details of chart obtained during search dated 18.01.2024</b>	<b>Details of DTA BE</b>

DELIVERED INVOICE NO	ITEM	AMOUNT (CNY)	Q'TY	Container / Seal NO	BL NO	ETA	DTA Bill of Entry No.	Importer name	Value declared before Customs (in CNY)
FIXIT-220511-SDM055	DWS	¥2,38,753.50	1*20 GP	MSMU1864415/ FX23179925	177MJH JHXPNN 2407	Declared	2010886 dt. 28.07.2022	Hetro Hardwar e India	96,658.56
FIXIT-220505-SDM088-1	CSK SDS	¥2,70,373.80	1*20 GP	MEDU6386697/ FX23175103	177MSS SSXPNN 2506	Declared	2012061 dt. 12.8.2022	Hetro Hardwar e India	99,957.58
FIXIT-220505-SDM088-2	CSK SDS	¥2,68,860.60	1*20 GP	MSMU2286306/ FX23192925 MSMU2286610/ FX23192927	177MSS SSXPNN 2706	Declared	2015644 dt. 12.10.2022	Hetro Hardwar e India	2,07,455.13
FIXIT-220511-SDM058	PAN + TRUS S SDS	¥2,13,324.00	1*20 GP						
FIXIT-220524-SDM076	HEX SDS WITH BLAC K WAS HER	¥57,036.00							
FIXIT-220511-SDM059	CSK + TRUS S HEA D	¥5,35,424.40	2*20 GP	MEDU6640266/ FX23215489 TEMU3982545/ FX23215490	177MPP PPXPNN 2948	Declared	2005039 dt. 23.03.2023	Hetro Hardwar e India	2,01,743.11
FIXIT-220511-SDM060	HEX HEA D SDS	¥2,68,128.00	1*20 GP	MSCU1678051/ FX25016679	177MSS SSXPNN 3101	Declared	2015326 dt. 07.10.2022	Hetro Hardwar e India	99,102.07
	DWS + SDS	¥4,08,165.00	2*20 GP	TCKU1281201 / FX25027388 MEDU3336331/ FX25027386	177MSS SSXPNN 3303		2016049 dt. 17.10.2022	Hetro Hardwar e India	1,89,472.74

FIXIT-220802-SDM099-1	WIN G SCREWS + RUBBER WASHERS	¥1,00,980.00	1*20 GP	TGHU095 2045/ FX250540 03	177MSS SSXPNN 3503	Declared	2016691 dt. 28.10.2022	Hetro Hardwar e India	97,962.53
FIXIT-220519-SDM074-1		¥2,44,800.00							
FIXIT-220802-SDM099-2	RUBBER WASHERS	¥1,00,980.00	4*20 GP	SEGU289 5774 / FX251847 43 MSDU269 6198 / FX25184 539 MEDU639 0402 / FX251845 66 MSMU213 4520 / FX25184 565	177MSS SSXQNN 0206	Declared	2004267 dt. 06.03.2023	Hetro Hardwar e India	3,36,746.13
FIXIT-220519-SDM074-2	WIN G SCREWS	¥1,32,804.00							
FIXIT-220715-SDM060-2	DWS + HEX SDS	¥7,43,142.00							
FIXIT-220511-SDM058-2	PAN HEAD + TRUS HEAD SDS	¥45,417.00	3*20 GP	TCKU112 6910/ ML- CN149442 9	2917659 36	Declared	2006670 dt. 19.04.2023	Hetro Hardwar e India	2,59,174.89
FIXIT - 220519 - SDM074 - 3	WIN G SCREWS	¥1,31,886.00							
FIXIT-220715-SDM060-3	DWS	¥70,563.60							
FIXIT-220715-SDM060-3	SDS	¥4,68,690.00							
FIXIT-230130-SDM090	HEX HEAD	¥2,16,562.50	3*20 GP	MEDU673 2444/ FX268145	177MSS SSXQNN 1706	Declared	2011592 dt. 30.06.202	Hetro Hardwar e India	2,71,077.45

	SELF			58					
FIXIT-230114-SDM088-1	DWS	¥3,69,750.00		MEDU5188146 / FX26814556 MEDU3738834 / FX26814519			3		
FIXIT-220715-SDM060-4	SDS	¥56,100.00		MEDU3738834 / FX26814519 MEDU6732444 / FX26814558					
FIXIT-220715-SDM060-5	SDS+DWS	¥4,30,147.50	2*20 GP	DFSU1691786 / DFSU1348885	BSLTM230280	Declared	2013715 dt. 24.07.2023	Hetro Hardwar e India	1,83,272.72
FIXIT-220715-SDM060-6	SDS+DWS	¥4,64,010.00	2*20 GP	TLLU2907002 / GESU3153116	BSLTM230270	Declared	2013227 dt. 17.07.2023	Hetro Hardwar e India	1,82,818.37
FIXIT-230114-SDM088-2	DWS	¥5,39,617.50		JSSU1391835					
FIXIT-221226-SDM095	SDS	¥57,816.00	3*20 GP	BSIU3253458 / JSSU1204507	BSLTM230310	Declared	2015530 dt. 16.08.2023	Hetro Hardwar e India	2,89,442.15
FIXIT-220715-SDM060-7	DWS	¥18,922.50		BSIU3253458 / JSSU1204507					
FIXIT-230415-SDM098	Hex Nails	¥3,88,856.25	5*40 HQ	SEGU4719861 / BEAU5672221 / TGBU5870312 / TRHU7531414 / TCNU1578940	177MSF SFXQNN2906	Declared	2017077 dt. 06.09.2023	SHREE BALAJI EXIM	3,70,695.69
FIXIT-230424-SDM099	CSK	¥4,47,840.00							

FIXIT-230114-SDM088-3	DWS	¥36,540.00							
FIXIT-230621-SDM090-1	SDS	¥4,03,065.00	4*40 HQ	BEAU5870799/ TCLU5699141/ TCLU7863249/ MSMU6639206	177MSF SFXQNN 3608	Declar ed	2021098 dt. 19.10.2023	SHREE BALAJI EXIM	2,17,119.03
FIXIT-230114-SDM088-4	DWS	¥37,845.00							
FIXIT-230626-SDM093	SDS	¥2,42,703.00							
FIXIT-230415-SDM098-2	Hex Nails	¥52,118.75	4*40 HQ	FFAU3194113/ CCLU7376795/ CBHU8998010/ FFAU3575280	COAU8044023570	Declar ed	2026476 dt. 18.12.2023	SHREE BALAJI EXIM	2,41,425.91
FIXIT-230621-SDM090-2	SDS	¥3,81,600.00							
FIXIT-230823-SDM066-1	CSK + TRUS S HEAD	¥3,11,664.00							
FIXIT-230823-SDM066-2	DWS +SDS	¥8,48,299.20	6*20 GP	GLDU5655228/ FX28632131 MEDU2676260/ FX28632139 TTNU1790206/ FX28632156 MEDU1418847/ FX28632141 MSMU1361832/ FX28630699 MSMU1154753/ FX28630698	177MSF SFXQNN 4706	12.24	2000412 dt. 06.01.2024	Hetro Hardwar e India	5,10,961.63
FIXIT-230621-SDM090-3	SDS	¥3,71,106.00							

**35.1** It is pertinent to mention that the same chart was recovered during the forensic analysis in the whatsapp chat of Sh. Shakun Jain with a Chinese person (mobile number (8618522157067 saved in the name of Michel) **(RUD-56)**. The said

chart was shared by the Chinese person on being asked by Sh. Shakun Jain to share the last debt account. The relevant extract of the same is reproduced below:

From: 918800086000@s.whatsapp.net Shakun (owner)  
 To: 8618522157067@s.whatsapp.net Michel

Bro

Participant	Delivered	Read	Played
8618522157067@s.whatsapp.net Michel	15-01-2024 04:13:05(UTC+5.30)	15-01-2024 04:13:09 (UTC+5:30)	

Status: Read  
 Platform: Mobile

14-01-2024 23:56:31(UTC+5:30)

Source Info:  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B0CCD6 (Table: ZWAMESSAGE; Size: 45047808 bytes)  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/Library/Preferences/group.net.whatsapp.WhatsApp.shared.plist : 0x12C8 (Size: 27318 bytes)  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0x33706 (Table: ZWAADDRESSBOOKCONTACT; Size: 1801536 bytes)

From: 8618522157067@s.whatsapp.net Michel

You keep silence in whole week

Status: Read  
 Platform: Mobile

15-01-2024 04:13:30(UTC+5:30)

Source Info:  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B0C20F (Table: ZWAMESSAGE; Size: 45047808 bytes)  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0x33706 (Table: ZWAADDRESSBOOKCONTACT; Size: 1801536 bytes)

From: 918800086000@s.whatsapp.net Shakun (owner)  
 To: 8618522157067@s.whatsapp.net Michel

Bro send me the last debt account plz

Participant	Delivered	Read	Played
8618522157067@s.whatsapp.net Michel	15-01-2024 10:05:13(UTC+5.30)	15-01-2024 10:05:19 (UTC+5:30)	

Status: Read  
 Platform: Mobile

15-01-2024 10:05:09(UTC+5:30)

Source Info:  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/ChatStorage.sqlite : 0x1B10F67 (Table: ZWAMESSAGE; Size: 45047808 bytes)  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/Library/Preferences/group.net.whatsapp.WhatsApp.shared.plist : 0x12C8 (Size: 27318 bytes)  
 Shakun's  
 iPhone/mobile/Containers/SharedAppGroup/group.net.whatsapp.WhatsApp.shared/ContactsV2.sqlite : 0x33706 (Table: ZWAADDRESSBOOKCONTACT; Size: 1801536 bytes)



**35.2** On being confronted with the said chart during his statement recording on 06.02.2024 and asked to inform how and to whom those payments were made along with the purpose for the same, he responded that those payments were related to import of screws from China from supplier Tianjin Hengtongmingtai trade Co. Ltd and he needed to check his records to provide exact answer. Therefore, it appears that the payments made were the actual payments in respect of imports of screws from the Chinese Supplier. He also mentioned that he used to get discounts from his Chinese supplier, but he could provide no supporting document proving the discount. Moreover, from the details of correlation of the chart obtained during search dated 18.01.2024 with DTA BEs filed by Sh. Shakun Jain, it is seen that there is a huge difference between the prices declared before Indian Customs and the prices mentioned in the chat (greater than 50%) which indicates that Sh. Shakun Jain was using the argument of discount as an afterthought.

**36.** During the forensic analysis of Sh Shakun Jain's mobile phone, a TT (Telegraphic Transfer) copy dated 16.01.2024 was recovered in his whatsapp chat with mobile no. +917052580902 reflecting transfer of USD 86,245 to the account of 'Yongkang Runpower Trading Co. Ltd'. On being confronted with the same during the recording of statement dated 06.02.2024, he stated that he had created the chat and TT copy purposely to show one of his customers from Raipur (mentioned in para 11.3 above). It is pertinent to mention that in the whatsapp chat, no mention of creating fake TT copy was found and in the subsequent messages the other person asked him to arrange for cash to which Sh. Shakun Jain affirmed by sending 'OK' (mentioned in para 11.3 above). He also stated in his statement dated 06.02.2024 that the mobile no. +917052580902 had been provided by Sh. Chanchal Chawla who happened to be his known, whereas during his statement dated 07.01.2026, he stated that he did not know Sh Chanchal Chawla and he had only met him once through Sh. Mukesh Gupta. Thus, it is evident from the above

and his self- contradictory statements that Sh. Shakun Jain was blatantly lying during the investigation.

**36.1** Moreover, during the forensics analysis, in his conversation on ‘wechat’ messenger app with user name ‘loumeili002 Rose.Will’(**RUD-57**), he sent the screenshot of the same TT Copy asking the other person to confirm the receipt. The relevant excerpt of the chat has been reproduced below:



Source Info:  
Shakun's  
iPhone/mobile/Containers/Data/Application/com.tencent.xin/Documents/MMappedKV/mmsetti  
ng.archive.wxid\_6pmf2toeif8r12 : 0x2E7E (Size: 16384 bytes)  
Shakun's  
iPhone/mobile/Containers/Data/Application/com.tencent.xin/Documents/8ae2fcb20eab8623e  
c46984a388fc2e/DB/message\_1.sqlite : 0x1FB2E (Table:  
Chat\_252b50ca48a9d5ee190f166475e202b7; Size: 139264 bytes)  
Shakun's  
iPhone/mobile/Containers/Data/Application/com.tencent.xin/Documents/8ae2fcb20eab8623e  
c46984a388fc2e/Img/252b50ca48a9d5ee190f166475e202b7/43.pic : (Size: 49349 bytes)



Source Info:  
Shakun's  
iPhone/mobile/Containers/Data/Application/com.tencent.xin/Documents/MMappedKV/mmsetti  
ng.archive.wxid\_6pmf2toeif8r12 : 0x2E7E (Size: 16384 bytes)  
Shakun's  
iPhone/mobile/Containers/Data/Application/com.tencent.xin/Documents/8ae2fcb20eab8623e  
c46984a388fc2e/DB/message\_1.sqlite : 0x1FAFB (Table:  
Chat\_252b50ca48a9d5ee190f166475e202b7; Size: 139264 bytes)



Source Info:  
Shakun's  
iPhone/mobile/Containers/Data/Application/com.tencent.xin/Documents/8ae2fcb20eab8623e  
c46984a388fc2e/DB/WCDB\_Contact.sqlite : 0x5A435 (Size: 409600 bytes)  
Shakun's  
iPhone/mobile/Containers/Data/Application/com.tencent.xin/Documents/8ae2fcb20eab8623e  
c46984a388fc2e/DB/message\_1.sqlite : 0x1FAE0 (Table:  
Chat\_252b50ca48a9d5ee190f166475e202b7; Size: 139264 bytes)

SUMMARY	
YOUR REFERENCE PI9HK3942AA000794	PAYMENT REFERENCE Q00000794
PAY FROM LINGOENG LIMITED-40700982566-USD-LINGOENG LIMITED LINGOENG LIMITED-SCBLHKHHXXX-HK	PAY TO YONGKANG RUNPOWER TRADING CO., LTD-380577152363-YONGKANG RUNPOWER TRADING CO., LTD-BKCHUS33XXX-BANK OF CHINA YONGKANG
PAYMENT METHOD ACCOUNT	YONGKANG RUNPOWER TRADING CO., LTD-BANK OF CHINA-BKCHUS33XXX <a href="#">One-Time Payee</a> <a href="#">View Payee Details</a>

**36.2** On being confronted with copy of his chat using 'wechat' messenger app with user name 'loumeili002 Rose.Will' during his statement dated 07.01.2026, Sh. Shakun Jain stated that he had shared the same with Rose (representative of Yongkang Runpower Trading Co. Ltd) so that she could release the container on the basis of that screenshot of TT copy reflecting transfer into their account through unofficial channel. Thus, it appears that Sh. Shakun Jain was in regular practice of sending remittances through unofficial channel.

**36.3** Further, during the forensics examination of the mobile phone belonging to Sh. Shakun Jain, in the whatsapp group chat (**RUD-58**), images of documents such as Commercial Invoice, Packing List and Bill of Lading were recovered bearing signatures of Sh. Shakun Jain. Notably, the said documents were pertaining to a shipment of power tools from Chinese Supplier 'Yongkang Runpower Trading Co. Ltd'. The same is reproduced below:

<b>YONGKANG RUNPOWER TRADING CO., LTD</b> Address :- NO. 315 2ND BUILDING XIZHONG EAST ROAD YONGKANG ZHEJIANG CHINA				
<b>COMMERCIAL INVOICE</b>				
TO: HETTRO HARDWARE INDIA ADD: KHEWAT NO. 150, MUNDRAJA, KILA NO. 54/12/2/2/3, RAMNAGAR, TEHSIL GANNAUR, SONIPAT, HARYANA, INDIA IEC CODE: AAKFH6703K			Invoice No.: 23ZM0480 DATE: 10th OCTOBER, 2023	
			F. O. B NINGBO	TOTAL
DESCRIPTION	CARTONS	TOTAL PCS.	PRICE IN USD (\$) PER PC	Amount (USD)
POWER TOOLS				
MARBLE CUTTER	500	1500	2.50	3,750.00
ANGLE GRINDER	480	2400	2.85	6,840.00
ELECTRIC PLANNER	125	500	4.00	2,000.00
VIBTOR 1.5M NEEDLE	297	445	2.50	1,112.50
HAMMER	200	200	10.00	2,000.00
GRAND TOTAL	1,602			15,702.50
Say: Total U.S Dollars Fifteen Thousand Seven Hundred Two And Fity Cent Only.				
we confirm that we will sell the goods here listed to the buyer under the condition as:				
1. price: the price for the goods shall be stated us dollars. 2. place of loading : NINGBO, CHINA 3. Place of discharge: MUNDRA, INDIA 4. country of Origin: China 5. Payment :- 100% ADVANCE PAYMENT AFTER BL.				
			永康市润能商贸有限公司 YONGKANG RUNPOWER TRADING CO. LTD. 陈靖	

**Hetro Hardware India**  
  
**Auth. Signatory**

YONGKANG RUNPOWER TRADING CO., LTD Address :- NO. 315 2ND BUILDING XIZHONG EAST ROAD YONGKANG ZHEJIANG CHINA				
PACKING LIST				
TO: HETTRO HARDWARE INDIA ADD: KHEWAT NO. 150, MUNDRAJA, KILA NO. 54/12/2/2/3, RAMNAGAR, TEHSIL GANNAUR, SONIPAT, HARYANA, INDIA IEC CODE: AAKFH6703K			Invoice No.: 23ZM0480 DATE: 3rd January 2024	
DESCRIPTION	CARTONS	TOTAL PCS	NET WEIGHT (KG.)	GROSS WEIGHT (KG.)
POWER TOOLS				
MARBLE CUTTER	500	1500	6,097.18	7,346.00
ANGLE GRINDER	480	2400	7,307.32	8,804.00
ELECTRIC PLANNER	125	500	1,660.00	2,000.00
VIBTOR 1.5M NEEDLE	297	445	4,320.15	5,205.00
HAMMER	200	200	3,818.00	4,600.00
GRAND TOTAL	1,602		23,202.65	27,955.00
we confirm that we will sell the goods here listed to the buyer under the condition as:				
1. price: the price for the goods shall be stated us dollars. 2. place of loading : NINGBO, CHINA 3. Place of discharge: MUNDRA, INDIA 4. country of Origin: China 5. Payment :- 100% ADVANCE PAYMENT AFTER BL.				
			永康市润能商贸有限公司 YONGKANG RUNPOWER TRADING CO., LTD 陈涛	

Hetro Hardware India  
*Shakun Jain*  
 Auth. Signatory

Shipper  
**YONGKANG RUNPOWER TRADING CO.,LTD**  
 NO.315 2ND BUILDING XIZHONG EAST ROAD YONGKANG  
 ZHEJIANG CHINA



B/L No.  
**YSNBF23122558**

**NINGBO ESHINE INTERNATIONAL LOGISTICS CO.,LTD.**  
**BILL OF LADING**

Consignee  
**HETTRO HARDWARE INDIA**  
 ADDRESS:KHEWAT NO-151, KHATA NO. 222,  
 MUNDR KHASRA NO. 54/8, RAMNAGAR, TEH GANN SONIPAT  
 GST NO.:06AAKFH6703K1Z8  
 IEC CODE:AAKFH6703K  
 PAN-AAKFH6703K

Received from the shipper in apparent good order and condition unless otherwise indicated herein the Goods or the container(s) or packages(s) said to contain the cargo herein mentioned, to be carried subject to all the terms and conditions appearing on the face and back of this Bill of Lading by the vessel named herein or any substitute of the Carrier's option and/or other means of transport, from the place of receipt or the port of loading to the port of discharge or the place of delivery shown herein and there to be delivered unto order or assigns, if required by the Carrier, this Bill of Lading duly endorsed must be surrendered in exchange for the Goods or delivery order.

Notify Party  
**SHOOLIN TRADE LINK LLP.**  
 PLOT NO.11-A, BLOCK -B,  
 SECTOR-12S, LIGHT ENGINEERING ZONE,  
 IN EAST OF JNK, APSEZ-MUNDRA-370421,  
 INAJM6 IEC NO:AEIFS9629D,  
 PAN: AEIFS9629D GST:24AEIFS9629D2ZS  
 E-MAIL ID:INFO@SHOOLINTRADELINK.COM

In accepting this Bill of Lading, the Merchant agrees to be bound by all the stipulations, exceptions, terms and conditions on the face and back hereof, whether written, typed, stamped or printed, as fully as if signed by the Merchant, any local custom or provisions to the contrary notwithstanding, and agrees that all agreements or freight engagements for and in connection with the carriage of the Goods are superseded by this Bill of Lading.

In witness whereof, the undersigned, on behalf of the Master and the owner of the Vessel, has signed the number of Bill(s) Lading stated below all of this ten or and date one of which being accomplished, the other to stand void.

For delivery of goods please apply to:  
**OMAX TRANSOLUTION PVT LTD**  
 BLOCK K-27, 1ST FLOOR, STREET NO.6, MAHIPALPUR  
 EXT. NEW DELHI-110037  
 TEL NO. : 011-46066610/26786255/26781090  
 MOBILE :+919999343001  
 EMAIL : VIKAS@OMAXTRANS.COM  
 WEBSITE : WWW.OMAXTRANS.COM  
 PAN : AABCO8749E  
 GSTIN : 07AABCO8749E1Z9

Pre-Carriage by	Place of receipt
	NINGBO, CHINA
Ocean vessel Voy. No.	Port of loading
MSC AUDREY V.GA350A	NINGBO, CHINA
Port of discharge	Place of delivery
MUNDRA	MUNDRA

Final destination for the Merchant is reference MUNDRA

Container No.	Seal No. Marks and Numbers	No. of Containers Kind of Packages: description of goods of pkgs.	Gross weight	Measurement
N/M		SHIPPER'S LOAD COUNT & SEAL 1X40'HQ(FCL) CY-CY 1602 CARTONS POWER TOOLS HS CODE: 84672900	27955.000KGS	66.950CBM
MSMU5693964/FX32106829/40HQ/CY-CY 1602CARTONS/27955.000KGS/66.950CBM				
SHIPPED ON BOARD				

\*Total number of Containers or other Packages of units received by the Carrier (in words) SAY TOTAL: ONE THOUSAND SIX HUNDRED AND TWO CARTONS ONLY.

Freight and charges	Revenue tons	Rate	Per	Prepaid at	Collect
FREIGHT COLLECT					

Exchange rate	Prepaid	Payable at	Place and date of issue NINGBO, CHINA NINGBO ESHINE INTERNATIONAL LOGISTICS CO.,LTD.
	Total prepaid in national currency	No. of original B(s). THREE(3)	

Date SHIPPED ON BOARD THE MESSRS VESSEL

Hetro Hardware India  
  
 Auth. Signatory

**36.3.1** It is pertinent to mention that the TT copy was also reflecting transfer to the Chinese Supplier 'Yongkang Runpower Trading Co. Ltd' and there is a huge

gap in the value mentioned in the invoice and the value reflected in TT copy, thus supporting the allegations of huge undervaluation committed by Sh. Shakun Jain. Sh. Shakun Jain in his statement dated 07.01.2026 also stated that these documents were shared for the purpose of filing Bill of Entry. However, on perusal of the import data, it came forth that Sh. Shakun Jain did not file Bill of Entry with respect to the said consignment. However, in the past Shri Shakun Jain had imported two consignments of power tools from 'Yongkang Runpower Trading Co. Ltd'. The discussion in paragraphs 36, 36.1, 36.2, 36.3 establish that Sh. Shakun Jain made payment to Chinese supplier 'Yongkang Runpower Trading Co. Ltd' through unofficial channel to provide payment to them to the extent of undervaluation. Sh. Shakun Jain during the course of investigation tried to come up with a concocted story to justify the payment made, but the contents of the chat as discussed above clearly contradict the statement given by Sh. Shakun Jain and establish that Sh. Shakun Jain was involved in sending remittance through illegal channels to its foreign suppliers to the extent of undervaluation committed by him.

**36.3.2** During the investigation, name of Sh. Chanchal Chawla was taken by Sh. Shakun Jain during his statement dated 06.02.2024. Sh. Chanchal Chawla in his statement dated 03.04.2025 stated that Sh. Shakun Jain was undervaluing and he needed to send remittances to China and Taiwan in lieu of the undervaluation committed by him. Sh. Chanchal Chawla admitted of helping Sh. Shakun Jain by arranging and coordinating unofficial foreign exchange settlements, circumventing the authorized banking channels which were effected to settle the differential value arising out of intentional undervalued imports. Thus, it appears that Sh. Shakun Jain deliberately undervalued the goods imported by him and sending remittances through unofficial channel with an ultimate intent to evade appropriate customs duty by defrauding the government exchequer.

**36.4** During recording of Sh. Shakun Jain's statement dated 06.02.2024, on being confronted with the image of an excel sheet found in the whatsapp group chat (in whatsapp group UK-Hetro) (as mentioned in para 11.5 above), wherein details of various types of power tools along with their size, brand, packing, quantity, price in RMB, dimensions, volume, weight, etc. were mentioned, which had been retrieved from his mobile phone data after the forensics examination, he himself admitted that it was the stock of different types of power tools pertaining to M/s Hetro Hardware such as cutting wheel, flap disc, velcro disc and non-woven wheel and their corresponding prices. Sh. Shakun Jain in his statement dated 07.01.2026 informed that the products mentioned therein were manufactured by Chinese Supplier 'U and K Science & Tech Co Ltd'. By comparing the import prices declared by M/s Hetro Hardware India with respect to consignment of various types of abrasive wheels imported from the Chinese Supplier 'U and K Science & Tech Co Ltd', it is observed that the prices declared by M/s Hetro Hardware India were grossly undervalued. For instance, let's consider the case of 14" (355mm\*2.5mm\*25.4mm) Abrasive wheels Cutting disc, the same is declared at USD 0.22 (Rs. 16-17) per piece at FOB terms in the BE No.s 8842778 dated 20.11.2023 and 8129463 dated 04.10.2023 filed at INBDM6, while the same item is priced in the range of RMB 4.5 to RMB 5.3 per piece (Rs. 50- Rs 58) at FOB

terms per piece in the image of the excel sheet as described in para 11.5 above. Additionally, on perusal of the import data pertaining to APSEZ Mundra in respect of the same Chinese Supplier, it came forth that M/s Hetro Hardware India imported the goods declaring the quantity in Kgs. Thus, it appears Sh. Shakun Jain was indulged in grossly undervaluing imported goods thereby evading applicable Customs duty payable at the time of import and defrauding the government exchequer.

**37.** During recording of Sh. Shakun Jain's statement dated 06.02.2024, on being asked about his business relations with M/s Shree Balaji Exim and how come he was managing the record keeping for the consignments imported by M/s Shree Balaji Exim, he stated that he had sold those screws to M/s Shree Balaji Exim in China directly after keeping commission of 3% for himself in cash, hence the Chinese supplier was showing those consignments in his records. On the contrary, it was revealed during the investigation that M/s Shree Balaji Exim issued invoices and supplied those imported screws to M/s Hetro Hardware India. Had those screws been sold by Sh Shakun Jain in China only at a margin of 3%, it defies logic as to why he would again buy those goods back from M/s Shree Balaji Exim in India. It appears Sh. Shakun Jain was giving evasive replies in his statements and misleading the investigation.

**38.** During recording of statement dated 14.05.2024 of Sh. Shakun Jain, on being confronted with statement dated 19.02.2024 tendered by Sh. Girish Gaba, wherein he stated that Sh. Shakun Jain's employee Sh. Kapoor used to get the form A1 (for sending outward remittance) and FEMA declaration signed by Mrs Bhumi Gaba and submit the same in the Bank, Sh. Shakun Jain denied and stated that his employee Kapoor had visited Mrs Bhumi Gaba's residence to get her signatures on the invoices issued by M/s Shree Balaji Exim to M/s Hetro Hardware India. It is beyond understanding that for getting Bhumi Gaba's signatures on the invoices issued by M/s Shree Balaji Exim to M/s Hetro Hardware India, why Sh. Shakun Jain would send his employee. Therefore, it appears that Sh. Shakun Jain was blatantly lying in his statements rather than coming out clean.

**38.1** From the financial analysis of the Bank Statement pertaining to Shree Balaji Exim (**RUD-59**), it also emerged that first Sh. Shakun Jain used to transfer the amount to M/s Shree Balaji Exim and then only M/s Shree Balaji Exim used to pay to the Chinese Supplier. In fact Sh. Shakun Jain transferred the amount in lieu of Customs duty/ Freight forwarder payments and afterwards only that amount used to get transferred to freight forwarder/ deducted in respect of Customs duty from the Bank Account of M/s Shree Balaji Exim. Sh. Shakun Jain also agreed to have followed the pattern in his statement dated 07.01.2026 by stating that he used to make the payments beforehand. Below excerpts can better explain this pattern:

226	S4992 0517	29/Sep/20 23	29/Sep/2023	29/09/2023 02:24:02 PM		RTGS- HDFCR5202309299 1481119-HETTRO HARDWARE INDIA- 59218800086000- HDFC0000287		51,00,000 .00	51,24,344 .49
227	S5538 5584	29/Sep/20 23	29/Sep/2023	29/09/2023 08:55:46 PM		Bill ID:[0331NMDC0090 224]:TIANJIN HENGTONGMINGTA I		51,01,907 .20	22,437.29
228	S5538 5584	29/Sep/20 23	29/Sep/2023	29/09/2023 08:55:46 PM		Bill ID:[0331NMDC0090 224]:TIANJIN HENGTONGMINGTA I		9,542.65	12,894.64
196	S9408 5702	01/Sep/20 23	01/Sep/2023	01/09/2023 04:38:35 PM		RTGS- HDFCR5202309018 4423849-HETTRO HARDWARE INDIA- 59218800086000- HDFC0000287		5,00,000. 00	5,01,505. 54
197	S9411 1449	01/Sep/20 23	01/Sep/2023	01/09/2023 04:40:52 PM		RTGS/ICICR4202309 0100538882/YESB0 000264/omax transolution private limit		5,00,000. 00	1,505.54
275	S5191 3096	19/Oct/20 23	19/Oct/2023	19/10/2023 01:19:08 PM		RTGS- HDFCR5202310199 7013885-HETTRO HARDWARE INDIA- 59218800086000- HDFC0000287		14,79,000 .00	16,14,602 .97
276	S5321 8621	19/Oct/20 23	19/Oct/2023	19/10/2023 03:42:32 PM		RTGS/ICICR4202310 1900534611/RBISO C BICER/RBI		14,78,893 .00	1,35,709 97

**38.2** In his statement dated 19.01.2024, Sh. Praveen Chand Kaushik, Proprietor of M/s Praveen and Company (CHA of M/s Hettro Enterprises) stated that he used to provide services of custom clearance and transportation services through outsourced transport companies for the imports made by Sh. Shakun Jain at Mundra SEZ. This establishes that Sh. Shakun Jain used to get all the undervalued goods imported on the IEC of M/s Hettro Hardware cleared by employing the services of CHA firm M/s Praveen and Company. In his statement dated 21.02.2024, Sh. Rajiv Safaya, stated that Sh. Shakun Jain had shared import documents in respect of consignments imported on the IEC of M/s Shree Balaji Exim with his CHA firm and had also shared the EWay Bill details with the CHA. Moreover, Sh. Nand Kishor in his statement dated 28.05.2024, stated that he had purchased 'Chairs' and 'Chair Lifters' from M/s Hettro Hardware India in February 2024 and he had come in contact with Sh. Shakun Jain through one person Shri Happy who had been a loader in China. He (Sh. Nand Kishor) also stated that it was Sh. Shakun Jain only, who had supplied goods to him through M/s Shree Balaji Exim and he had never come in touch with the owner of M/s Shree Balaji Exim. This continuous pattern of lying and evasive replies shows Sh. Shakun Jain's utmost disregard to the investigation.

**38.3** Sh. Shakun Jain is a habitual offender and has committed the offence of misdeclaration in the past as well, as established through the past DRI, Delhi Zonal Unit investigation related to undervaluation in the imports of Screws from China against M/s Paras International (IEC-0509061460) and M/s Rishabh Sales Corporation, of which Sh. Shakun Jain is the beneficial owner. The investigation

resulted in SCN dated 02.09.2019 issued by DRI, DZU which was adjudicated by Pr Commissioner (Import), Tughalakabad ICD vide OIO No.15/2020/M.K.S./Pr.Commr./ICD-Import/ TKD dated 31.07.2020 (**RUD-60**) wherein demand of duty of Rs. 77,87,659/- was confirmed against M/s Paras International and demand of duty of Rs. 20,63,507/- was confirmed against M/s Rishabh Sales Corporation along with imposition of penalty of Rs 5,00,000/- u/s 112 and penalty of Rs. 10,00,000/- u/s 114AA of the Customs act, 1962 on Sh. Shakun Jain being the controller of the two firms. Sh. Shakun Jain was not even aware of the outcome of the investigation (statement dated 06.02.2024 of Sh. Shakun Jain) and has proceeded to commit the same crime again with impunity, which shows his utter disregard for law.

**38.4** Sh. Girish Gaba, in his first statement dated 19.02.2024 had stated that it was Sh. Shakun Jain who imported goods at APSEZ Mundra using the IEC of M/s Shree Balaji Exim, however this office received a letter dated 17.07.2024 seeking NOC for release of consignment vide BE No. 2003481 dated 12.02.2024. During his statement dated 26.09.2024, on being asked, he admitted that the letter dated 17.07.2024 was prepared by him. He stated that on the suggestion of Shri Shakun Jain, who assured a profit of ₹1-1.5 lakh per consignment, he agreed to import one consignment of abrasive wheels. He admitted that he did not disclose this consignment in his earlier statement dated 19.02.2024 due to fear of adverse action and accepted full responsibility for the same. Shri Girish Gaba further stated that he would bear any differential duty, fine and penalty arising therefrom. Importantly, he categorically stated that all previous imports of screws and furniture in the name of M/s Shree Balaji Exim were made solely by Shri Shakun Jain and that neither he nor his family members had any role in those imports. The consignment of abrasive wheels was grossly undervalued as per the valuation report received from Chartered Engineer as mentioned in Table-3 in para 25.1 above.

## **39. LEGAL PROVISIONS**

### **39.1 Legal provisions related to Special Economic Zones (SEZs)**

#### **A SEZ Act, 2005:**

**a)** *As per Section 2 (i) of SEZ Act, 2005, “Domestic Tariff Area” means the whole of India (including the territorial waters and continental shelf) but does not include the areas of the Special Economic Zones.*

**b)** *As per Section 2 (n) of SEZ Act, 2005, “Free Trade and Warehousing Zone” means a Special Economic Zone wherein mainly trading and warehousing and other activities related thereto are carried on;*

- c) As per Section 2 (o) of SEZ Act, 2005, "import" means-**
- (i) bringing goods or receiving services, in a Special Economic Zone, by a Unit or Developer from a place outside India by land, sea or air or by any other mode, whether physical or otherwise; or
  - (ii) receiving goods, or services by, Unit or Developer from another Unit or Developer of the same Special Economic Zone or a different Special Economic Zone;
- d) As per Section 2 (t) of SEZ Act, 2005, "notified offences" means the offences specified as such under sub-section (1) of section 21;**
- e) As per Section 2 (za) of SEZ Act, 2005, "Special Economic Zone" means each Special Economic Zone notified under the proviso to sub-section (4) of section 3 and sub-section (1) of section 4 (including Free Trade and Warehousing Zone) and includes an existing Special Economic Zone;**
- f) As per Section 2 (zc) of SEZ Act, 2005, "Unit" means a Unit set up by an entrepreneur in a Special Economic Zone and includes an existing Unit, an Offshore Banking Unit and a Unit in an International Financial Services Centre, whether established before or established after commencement of this Act;**
- g) Section 21 of SEZ Act, 2005. Single enforcement officer or agency for notified offence.**
- (1) The Central Government may, by notification, specify any act or omission made punishable under any Central Act, as notified offence for purposes of this Act.
  - (2) The Central Government may, by general or special order, authorise any officer or agency to be the enforcement officer or agency in respect of any notified offence or offences committed in a Special Economic Zone.
  - (3) Every officer or agency authorised under sub-section (2) shall have all the corresponding powers of investigation, inspection or search or seizure as is provided under the relevant Central Act in respect of the notified offences.

**h) Section 22 of SEZ Act, 2005. Investigation, inspection and search or seizure.**

*The agency or officer, specified under section 20 or section 21, may, with prior intimation to the Development Commissioner concerned, carry out the investigation or search or seizure in the Special Economic Zone or in a Unit if such agency or officer has reasons to believe (reasons to be recorded in writing) that a notified offence has been committed or is likely to be committed in the Special Economic Zone:*

*Provided that no investigation, search or seizure shall be carried out in a Special Economic Zone by any agency or officer other than those referred to in sub-section (2) or subsection of section 21 without prior approval of the Development Commissioner concerned.*

*Provided further that any officer of agency, if so authorised by the Central Government, may carry out the investigation, inspection, search or seizure in the Special Economic Zone or Unit without prior intimation or approval of the Development Commissioner.*

**A. As per Section 30 of SEZ Act, 2005: Domestic clearance by Units.**

*Subject to the conditions specified in the rules made by the Central Government in this behalf:-*

*(a) any goods removed from a Special Economic Zone to the Domestic Tariff Area shall be chargeable to duties of customs including anti-dumping, countervailing and safeguard duties under the Customs Tariff Act, 1975, where applicable, as leviable on such goods when imported; and*

*(b) the rate of duty and tariff valuation, if any, applicable to goods removed from a Special Economic Zone shall be at the rate and tariff valuation in force as on the date of such removal, and where such date is not ascertainable, on the date of payment of duty.*

**BNotifications relevant to Special Economic Zones (SEZs):**

**a) NOTIFICATION S.O. 2665(E), dated 5th August, 2016 issued by the Ministry of Commerce and Industry (Department of Commerce):**

In exercise of the powers conferred by sub-section (1) of section 21 of the Special Economic Zones Act, 2005 (28 of 2005) (hereinafter referred as the Act), the Central Government hereby, notifies the offences contained in the under-mentioned sections of the Customs Act, 1962 (52 of 1962), the Central Excise Act, 1944 (1 of 1944) and the Finance Act, 1994 (32 of 1994) as offences under the Act:-

The Customs Act, 1962	
1.	<u>Section 28, 28AA and 28AAA</u>
2.	<u>Section 74 and 75</u>
3.	<u>Section 111</u>
4.	<u>Section 113</u>
5.	<u>Section 115</u>
6.	<u>Section 124</u>
7.	<u>Section 135</u>
8.	<u>Section 104</u>

**b) NOTIFICATION No. S.O. 2666 (E), dated 5th August, 2016 issued by the Ministry of Commerce and Industry (Department of Commerce):**

In exercise of the powers conferred by sub-section (2) of section 21 and second proviso to section 22 of the Special Economic Zones Act, 2005 (28 of 2005) (hereinafter referred as the Act), the Central Government hereby authorises the Additional Director General, Directorate of Revenue Intelligence for offences under the Customs Act, 1962 (52 of 1962) and the Additional Director General, Directorate General of Central Excise Intelligence for offences under the Central Excise Act, 1944 (1 of 1944) and the Finance Act, 1994 (32 of 1994) to be the enforcement officer(s) in respect of any notified offence or offences committed or likely to be committed in a Special Economic Zone. The enforcement officer(s), for the reasons to be recorded in writing, may carry out the investigation, inspection, search or seizure in the Special Economic Zone or Unit and shall intimate the details of any action initiated under sub-section (3) of section 21 of the Act to the Joint Secretary in charge of Special

*Economic Zones Division in the Department of Commerce immediately and in any case not later than seven days of initiation of any action.*

**C. SEZ Rules 2006:**

**a) Rule 12 (8) of Special Economic Zones Rules, 2006. Import and procurement of goods by the Developer. –**

*(8) The Developer shall not remove goods from the Special Economic Zone to the Domestic Tariff Area except with the permission of the Specified Officer and on payment of duty applicable on such goods.*

**b) Rule 36 of Special Economic Zones Rules, 2006: Filing of documents for admission and removal.-** All documents for admission of goods into and out of Special Economic Zone shall be filed before the Authorized Officer of Customs.

**c) Rule 47 of the SEZ Rules, 2006: Sales in Domestic Tariff Area.-**

*(1) A Unit may sell goods and services including rejects or wastes or scraps or remnants or broken diamonds or byproducts arising during the manufacturing process or in connection therewith, in the Domestic Tariff Area on payment of Customs duties under section 30, subject to the following conditions, namely.-*

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*(4) Valuation and assessment of the goods cleared into Domestic Tariff Area shall be made in accordance with Customs Act and rules made there under.*

*(5) Refund, **Demand**, Adjudication, Review and Appeal with regard to matters relating to authorised operations under Special Economic Zones Act, 2005, transactions, and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the **Customs Act, 1962**, the Central Excise Act, 1944, and the Finance Act, 1994 and the rules made there under or the notifications issued there under.*

**d) Rule 48 of Special Economic Zones Rules, 2006: Procedure for Sale in Domestic Tariff Area.-**

**(1) Domestic Tariff Area buyer shall file Bill of Entry for home consumption giving therein complete description of the goods**

**and/or services namely, make and model number and serial number and specification along with invoice and packing list with the Authorised Officers:**

*Provided that the Bill of Entry for home consumption may also be filed by a Unit on the basis of authorization from a Domestic Tariff Area buyer.*

*(2) Valuation of the goods and/or services cleared into Domestic Tariff Area shall be determined in accordance with provisions of Customs Act and rules made thereunder as applicable to goods when imported into India:*

### **39.2** Legal Provisions related to Customs Act, 1962

**(A) SECTION 2: Definitions-** *In this Act, unless the context otherwise requires,*

*(1) "adjudicating authority" means any authority competent to pass any order or decision under this Act, but does not include the Board, [Commissioner (Appeals)] or Appellate Tribunal;*

*(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 ;]*

(3A) "beneficial owner" means any person on whose behalf the goods are being imported or exported or who exercises effective control over the goods being imported or exported;

(4) "bill of entry" means a bill of entry referred to in section 46;

(14) "dutiabale goods" means any goods which are chargeable to duty and on which duty has not been paid;

(15) "duty" means a duty of customs leviable under this Act;

(16) "entry" in relation to goods means an entry made in a bill of entry, shipping bill or bill of export and includes the entry made under the regulations made under Section 84;

(22) "goods" includes -

(a) vessels, aircrafts and vehicles;

(b) stores;

(c) baggage;

(d) currency and negotiable instruments; and

(e) any other kind of movable property;

(23) "import", with its grammatical variations and cognate expressions, means bringing into India from a place outside India;

(25) "imported goods" means any goods brought into India from a place outside India but does not include goods which have been cleared for home consumption;

(26) "importer", in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes any owner, beneficial owner or any person holding himself out to be the importer;

(33) "prohibited goods" means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with;

(39) "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113;

(41) "value", in relation to any goods, means the value thereof determined in accordance with the provisions of sub-section (1) or sub-section (2) of Section 14;

.....

**(B) SECTION 14. Valuation of goods.** - (1) For the purposes of the Customs Tariff Act, 1975 (51 of 1975), or any other law for the time being in force, the value of the imported goods and export goods shall be the transaction value of such goods, that is to say, the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation, or as the case may be, for export from India for delivery at the time and place of exportation, where the buyer and seller of the goods are not related and price is the sole consideration for the sale subject to such other conditions as may be specified in the rules made in this behalf :

Provided that such transaction value in the case of imported goods shall include, in addition to the price as aforesaid, any amount paid or payable for costs and services, including commissions and brokerage, engineering, design work, royalties and licence fees, costs of transportation to the place of importation, insurance, loading, unloading and handling charges to the extent and in the manner specified in the rules made in this behalf:

Provided further that the rules made in this behalf may provide for,-

- (i) the circumstances in which the buyer and the seller shall be deemed to be related;
- (ii) the manner of determination of value in respect of goods when there is no sale, or the buyer and the seller are related, or price is not the sole consideration for the sale or in any other case;
- (iii) the manner of acceptance or rejection of value declared by the importer or exporter, as the case may be, where the proper officer has reason to doubt the truth or accuracy of such value, and determination of value for the purposes of this section :

*Provided also that such price shall be calculated with reference to the rate of exchange as in force on the date on which a bill of entry is presented under section 46, or a shipping bill of export, as the case may be, is presented under section 50.*

*(2) Notwithstanding anything contained in sub-section (1), if the Board is satisfied that it is necessary or expedient so to do, it may, by notification in the Official Gazette, fix tariff values for any class of imported goods or export goods, having regard to the trend of value of such or like goods, and where any such tariff values are fixed, the duty shall be chargeable with reference to such tariff value.*

*Explanation. - For the purposes of this section -*

*(a) "rate of exchange" means the rate of exchange -*

*(i) determined by the Board, or*

*(ii) ascertained in such manner as the Board may direct, for the conversion of Indian currency into foreign currency or foreign currency into Indian currency;*

*(b) "foreign currency" and "Indian currency" have the meanings respectively assigned to them in clause (m) and clause (q) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 1999).*

**C. Section 17. Assessment of duty. -**

*(1) 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.*

*(2) The proper officer may verify the <sup>2</sup> [the entries made under section 46 or section 50 and the self assessment of goods referred to in sub-section (1)] and for this purpose, examine or test any imported goods or export goods or such part thereof as may be necessary.*

*Provided that the selection of cases for verification shall primarily be on the basis of risk evaluation through appropriate selection criteria.]*

<sup>4</sup> [(3) For <sup>5</sup> [the purposes of verification] under sub-section (2), the proper officer may require the importer, exporter or any other person to produce any document or information, whereby the duty leviable on the imported goods or export goods, as the case may be, can be ascertained and thereupon, the importer, exporter or such other person shall produce such document or furnish such information.]

*(4) Where it is found on verification, examination or testing of the goods or otherwise that the self- assessment is not done correctly, the proper officer may, without prejudice to any other action which may be taken under this Act, re-assess the duty leviable on such goods.*

*(5) Where any re-assessment done under sub-section (4) is contrary to the self-assessment done by the importer or exporter <sup>6</sup> [\*\*\*] and in cases other than those where the importer or exporter, as the case may be, confirms his acceptance of the*

said re- assessment in writing, the proper officer shall pass a speaking order on the re-assessment, within fifteen days from the date of re-assessment of the bill of entry or the shipping bill, as the case may be.

<sup>7</sup> [\*\*\*]

**Explanation.** - For the removal of doubts, it is hereby declared that in cases where an importer has entered any imported goods under section 46 or an exporter has entered any export goods under section 50 before the date on which the Finance Bill, 2011 receives the assent of the President, such imported goods or export goods shall continue to be governed by the provisions of section 17 as it stood immediately before the date on which such assent is received.]

**D. Section 28 Recovery of duties not levied or not paid or short-levied or short-paid or erroneously refunded. -**

(1) Where any duty has not been levied or has not paid or has been short-levied or short paid or erroneously refunded, or any interest payable has not been paid, part-paid or erroneously refunded, for any reason other than the reasons of collusion or any wilful mis-statement or suppression of facts,-

(a) the proper officer shall, within two years from the relevant date, serve notice on the person chargeable with the duty or interest which has not been so levied or paid or which has been 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;

[Provided that before issuing notice, the proper officer shall hold pre-notice consultation with the person chargeable with duty or interest in such manner as may be prescribed;]

(b) the person chargeable with the duty or interest, may pay before service of notice under clause (a) on the basis of,-

(i) his own ascertainment of such duty; or

(ii) the duty ascertained by the proper officer,

the amount of duty along with the interest payable thereon under section 28AA or the amount of interest which has not been so paid or part-paid.

[Provided that the proper officer shall not serve such show cause notice, where the amount involved is less than rupees one hundred.]

(2) *The person who has paid the duty along with interest or amount of interest under clause (b) of sub-section (1) shall inform the proper officer of such payment in writing, who, on receipt of such information shall not serve any notice under clause (a) of that sub-section in respect of the duty or interest so paid or any penalty leviable under the provisions of this Act or the rules made there under in respect of such duty or interest.*

*[Provided that where notice under clause (a) of sub-section (1) has been served and the proper officer is of the opinion that the amount of duty along with interest payable thereon under section 28AA or the amount of interest, as the case may be, as specified in the notice, has been paid in full within thirty days from the date of receipt of the notice, no penalty shall be levied and the proceedings against such person or other persons to whom the said notice is served under clause (a) of sub-section (1) shall be deemed to be concluded.]*

(3) *Where the proper officer is of the opinion that the amount paid under clause (b) of sub-section (1) falls short of the amount actually payable, then, he shall proceed to issue the notice as provided for in clause (a) of that sub-section 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 year shall be computed from the date of receipt of information under sub-section (2).*

(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 wilful 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 employed 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).*

**E. 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.*

*(3) Notwithstanding anything contained in sub-section (1), no interest shall be payable where,-*

*(a) the duty becomes payable consequent to the issue of an order, instruction or direction by the Board under section 151A; and*

*(b) such amount of duty is voluntarily paid in full, within forty-five days from the date of issue of such order, instruction or direction, without reserving any right to appeal against the said payment at any subsequent stage of such payment.]*

**(F) SECTION 46 -Entry of goods on importation.** - *(1) The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed :*

*Provided that the Principal Commissioner of Customs or Commissioner of Customs may, in cases where it is not feasible to make entry by presenting electronically on the customs automated system, allow an entry to be presented in any other manner:*

*Provided further that if the importer makes and subscribes to a declaration before the proper officer, to the effect that he is unable for want of full information to furnish all the particulars of the goods required under this sub-section, the proper officer may, pending the production of such information, permit him, previous to the entry thereof (a) to examine the goods in the presence of an officer of customs, or (b) to deposit the goods in a public warehouse appointed under section 57 without warehousing the same.*

*(2) Save as otherwise permitted by the proper officer, a bill of entry shall include all the goods mentioned in the bill of lading or other receipt given by the carrier to the consignor.*

*(3) The importer shall present the bill of entry under sub-section (1) before the end of the next day following the day (excluding holidays) on which the aircraft or vessel or vehicle carrying the goods arrives at a customs station at which such goods are to be cleared for home consumption or warehousing:*

*Provided that a bill of entry may be presented 10[at any time not exceeding thirty days prior to] the expected arrival of the aircraft or vessel or vehicle by which the goods have been shipped for importation into India:*

*Provided further that where the bill of entry is not presented within the time so specified and the proper officer is satisfied that there was no sufficient cause for such delay, the importer shall pay such charges for late presentation of the bill of entry as may be prescribed.*

*(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.*

*(4A) The importer who presents a bill of entry shall ensure the following, namely:—*

*(a) the accuracy and completeness of the information given therein;*

*(b) the authenticity and validity of any document supporting it; and*

*(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.*

*(5) If the proper officer is satisfied that the interests of revenue are not prejudicially affected and that there was no fraudulent intention, he may permit substitution of a bill of entry for home consumption for a bill of entry for warehousing or vice versa.*

**(D) SECTION 111. Confiscation of improperly imported goods, etc.** - *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 transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54;*

.....

**(E) 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, harboring, 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, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher :*

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

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

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.

**(F) 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 (8) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined:

.....

**(G) 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.

**(H)SECTION 110AA. Action subsequent to inquiry, investigation or audit or any other specified purpose.**—Where in pursuance of any proceeding, in accordance with Chapter XIIA or this Chapter, if an officer of customs has reasons to believe that—

(a) any duty has been short-levied, not levied, short-paid or not paid in a case where assessment has already been made;

(b) any duty has been erroneously refunded;

(c) any drawback has been erroneously allowed; or

(d) any interest has been short-levied, not levied, short-paid or not paid, or erroneously refunded, then such officer of customs shall, after causing inquiry, investigation, or as the case may be, audit, transfer the relevant documents, along with a report in writing—

(i) to the proper officer having jurisdiction, as assigned under section 5 in respect of assessment of such duty, or to the officer who allowed such refund or drawback; or

(ii) in case of multiple jurisdictions, to an officer of customs to whom such matter is assigned by the Board, in exercise of the powers conferred under section 5, and thereupon, power exercisable under sections 28, 28AAA or Chapter X, shall be exercised by such proper officer or by an officer to whom the proper officer is subordinate in accordance with sub-section (2) of section 5.]

**(I)SECTION 124. Issue of show cause notice before confiscation of goods, etc.**—No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person—

(a) is given a notice in 3 [writing with the prior approval of the officer of Customs not below the rank of 4 [an Assistant Commissioner of Customs], informing] him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;

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

(c) is given a reasonable opportunity of being heard in the matter: Provided that the notice referred to in clause (a) and the representation referred to in clause (b) may, at the request of the person concerned be oral.

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

**(J)SECTION 125. Option to pay fine in lieu of confiscation.**—(1) Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods 6 [or, where such owner is not known, the person from whose possession or custody such goods have been seized,] an option to pay in lieu of confiscation such fine as the said officer thinks fit: 7 [Provided that where the proceedings are deemed to be concluded under the proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of the goods which are not prohibited or restricted, 8 [no such fine shall be imposed]: Provided further that], without prejudice to the provisions of the proviso to sub-section (2) of section 115, such fine shall not exceed the market price of the goods confiscated, less in the case of imported goods the duty chargeable thereon.

**(II) CUSTOMS VALUATION (DETERMINATION OF VALUE OF IMPORTED GOODS) RULES, 2007-** The following Customs Valuation Rules are relevant in the instant case:

.....

### **3. Determination of the method of valuation.-**

- (1) Subject to rule 12, the value of imported goods shall be the transaction value adjusted in accordance with provisions of rule 10;
- (2) Value of imported goods under sub-rule (1) shall be accepted: Provided that -
  - a. there are no restrictions as to the disposition or use of the goods by the buyer other than restrictions which -
    - i. are imposed or required by law or by the public authorities in India; or

- ii. *limit the geographical area in which the goods may be resold; or*
    - iii. *do not substantially affect the value of the goods;*
  - b. *the sale or price is not subject to some condition or consideration for which a value cannot be determined in respect of the goods being valued;*
  - c. *no part of the proceeds of any subsequent resale, disposal or use of the goods by the buyer will accrue directly or indirectly to the seller, unless an appropriate adjustment can be made in accordance with the provisions of rule 10 of these rules; and*
  - d. *the buyer and seller are not related, or where the buyer and seller are related, that transaction value is acceptable for customs purposes under the provisions of sub-rule (3) below.*
- (3) (a) *Where the buyer and seller are related, the transaction value shall be accepted provided that the examination of the circumstances of the sale of the imported goods indicate that the relationship did not influence the price.*
- (b) *In a sale between related persons, the transaction value shall be accepted, whenever the importer demonstrates that the declared value of the goods being valued, closely approximates to one of the following values ascertained at or about the same time.*
  - i. *the transaction value of identical goods, or of similar goods, in sales to unrelated buyers in India;*
  - ii. *the deductive value for identical goods or similar goods;*
  - iii. *the computed value for identical goods or similar goods:*

*Provided that in applying the values used for comparison, due account shall be taken of demonstrated difference in commercial levels, quantity levels, adjustments in accordance with the provisions of rule 10 and cost incurred by the seller in sales in which he and the buyer are not related;*
- (c) *substitute values shall not be established under the provisions of clause (b) of this sub-rule.*
- (1) *if the value cannot be determined under the provisions of sub-rule (1), the value shall be determined by proceeding sequentially through rule 4 to 9.*

#### **4. Transaction value of identical goods. -**

*(1)(a) Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of identical goods sold for export to India and imported at or about the same time as the goods being valued;*

*Provided that such transaction value shall not be the value of the goods provisionally assessed under section 18 of the Customs Act, 1962.*

- (b) *In applying this rule, the transaction value of identical goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued shall be used to determine the value of imported goods.*
- (c) *Where no sale referred to in clause (b) of sub-rule (1), is found, the transaction value of identical goods sold at a different commercial level or in different quantities or both, adjusted to take account of the difference attributable to commercial level or to the quantity or both, shall be used, provided that such adjustments shall be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustments, whether such adjustment leads to an increase or decrease in the value.*
- (2) *Where the costs and charges referred to in sub-rule (2) of rule 10 of these rules are included in the transaction value of identical goods, an adjustment shall be made, if there are significant differences in such costs and charges between the goods being valued and the identical goods in question arising from differences in distances and means of transport.*

*In applying this rule, if more than one transaction value of identical goods is found, the lowest such value shall be used to determine the value of imported goods.*

#### **5. Transaction value of similar goods.-**

- (1) *Subject to the provisions of rule 3, the value of imported goods shall be the transaction value of similar goods sold for export to India and imported at or about the same time as the goods being valued:*

*Provided that such transaction value shall not be the value of the goods provisionally assessed under section 18 of the Customs Act, 1962.*

- (2) *The provisions of clauses (b) and (c) of sub-rule (1), sub-rule (2) and sub-rule (3), of rule 4 shall, mutatis mutandis, also apply in respect of similar goods.*

#### **6. Determination of value where value can not be determined under rules 3, 4 and 5.-**

*If the value of imported goods cannot be determined under the provisions of rules 3, 4 and 5, the value shall be determined under the provisions of rule 7 or, when the value cannot be determined under that rule, under rule 8.*

*Provided that at the request of the importer, and with the approval of the proper officer, the order of application of rules 7 and 8 shall be reversed.*

#### **7. Deductive value.-**

- (1) *Subject to the provisions of rule 3, if the goods being valued or identical or similar imported goods are sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, the value of imported goods shall be based on the unit price at which the imported goods or*

*identical or similar imported goods are sold in the greatest aggregate quantity to persons who are not related to the sellers in India, subject to the following deductions : -*

- (i) *either the commission usually paid or agreed to be paid or the additions usually made for profits and general expenses in connection with sales in India of imported goods of the same class or kind;*
  - (ii) *the usual costs of transport and insurance and associated costs incurred within India;*
  - (iii) *the customs duties and other taxes payable in India by reason of importation or sale of the goods.*
- (2) *If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, subject otherwise to the provisions of sub-rule (1), be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry of ninety days after such importation.*
- (3) (a) *If neither the imported goods nor identical nor similar imported goods are sold in India in the condition as imported, then, the value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons who are not related to the seller in India.*
- (b) *In such determination, due allowance shall be made for the value added by processing and the deductions provided for in items (i) to (iii) of sub-rule (1).*

### **8. Computed value.-**

*Subject to the provisions of rule 3, the value of imported goods shall be based on a computed value, which shall consist of the sum of:-*

- a. *the cost or value of materials and fabrication or other processing employed in producing the imported goods;*
- b. *an amount for profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to India;*
- c. *the cost or value of all other expenses under sub-rule (2) of rule 10.*

### **9. Residual method.-**

- (1) *Subject to the provisions of rule 3, where the value of imported goods cannot be determined under the provisions of any of the preceding rules, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules and on the basis of data available in India;*

*Provided that the value so determined shall not exceed the price at which such or like goods are ordinarily sold or offered for sale for delivery at the time and place of importation in the course of international trade, when the seller or buyer has no interest in the business of other and price is the sole consideration for the sale or offer for sale.*

- (2) *No value shall be determined under the provisions of" this rule on the basis of -*
- (i) *the selling price in India of the goods produced in India;*
  - (ii) *a system which provides for the acceptance for customs purposes of the highest of the two alternative values;*
  - (iii) *the price of the goods on the domestic market of the country of exportation;*
  - (iv) *the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of rule 8;*
  - (v) *the price of the goods for the export to a country other than India;*
  - (vi) *minimum customs values; or*
  - (vii) *arbitrary or fictitious values.*

#### **10. Cost and services. -**

- (1) *In determining the transaction value, there shall be added to the price actually paid or payable for the imported goods, -*
- (a) *the following to the extent they are incurred by the buyer but are not included in the price actually paid or payable for the imported goods, namely:-*
    - (i) *commissions and brokerage, except buying commissions;*
    - (ii) *the cost of containers which are treated as being one for customs purposes with the goods in question;*
    - (iii) *the cost of packing whether for labour or materials;*
  - (b) *The value, apportioned as appropriate, of the following goods and services where supplied directly or indirectly by the buyer free of charge or at reduced cost for use in connection with the production and sale for export of imported goods, to the extent that such value has not been included in the price actually paid or payable, namely: -*
    - (i) *materials, components, parts and similar items incorporated in the imported goods;*
    - (ii) *tools, dies, moulds and similar items used in the production of the Imported goods;*
    - (iii) *materials consumed in the production of the imported goods;*

- (iv) *engineering, development, art work, design work, and plans and sketches undertaken elsewhere than in India and necessary for the production of the imported goods;*
- (c) *royalties and licence fees related to the imported goods that the buyer is required to pay, directly or indirectly, as a condition of the sale of the goods being valued, to the extent that such royalties and fees are not included in the price actually paid or payable;*
- (d) *The value of any part of the proceeds of any subsequent resale, disposal or use of the imported goods that accrues, directly or indirectly, to the seller;*
- (e) *all other payments actually made or to be made as a condition of sale of the imported goods, by the buyer to the seller, or by the buyer to a third party to satisfy an obligation of the seller to the extent that such payments are not included in the price actually paid or payable.*

*Explanation.- Where the royalty, licence fee or any other payment for a process, whether patented or otherwise, is includible referred to in clauses (c) and (e), such charges shall be added to the price actually paid or payable for the imported goods, notwithstanding the fact that such goods may be subjected to the said process after importation of such goods.*

- (2) *For the purposes of sub-section (1) of section 14 of the Customs Act, 1962 (52 of 1962) and these rules, the value of the imported goods shall be the value of such goods, and shall include -*
- (a) *the cost of transport, loading, unloading and handling charges associated with the delivery of the imported goods to the place of importation;*
- (b) *the cost of insurance to the place of importation:*

*Provided that where the cost referred to in clause (a) is not ascertainable, such cost shall be twenty per cent of the free on board value of the goods:*

*Provided further that where the free on board value of the goods is not ascertainable but the sum of free on board value of the goods and the cost referred to in clause (b) is ascertainable, the cost referred to in clause (a) shall be twenty per cent of such sum:*

*Provided also that where the cost referred to in clause (b) is not ascertainable, such cost shall be 1.125% of free on board value of the goods:*

*Provided also that where the free on board value of the goods is not ascertainable but the sum of free on board value of the goods and the cost referred to in clause (a) is ascertainable, the cost referred to in clause (b) shall be 1.125% of such sum:*

*Provided also that in the case of goods imported by air, where the cost referred to in clause (a) is ascertainable, such cost shall not exceed twenty per cent of free on board value of the goods:*

*Provided also that in the case of goods imported by sea or air and transshipped to another customs station in India, the cost of insurance, transport, loading, unloading, handling charges associated with such transshipment shall be excluded.*

*Explanation-*

*The cost of transport of the imported goods referred to in clause (a) includes the ship demurrage charges on chartered vessels, lighterage or barge charges.*

- (3) *Additions to the price actually paid or payable shall be made under this rule on the basis of objective and quantifiable data.*
- (4) *No addition shall be made to the price actually paid or payable in determining the value of the imported goods except as provided for in this rule.*

#### **11. Declaration by the importer. -**

(1) *The importer or his agent shall furnish -*

- (a) *a declaration disclosing full and accurate details relating to the value of imported goods; and*
- (b) *any other statement, information or document including an invoice of the manufacturer or producer of the imported goods where the goods are imported from or through a person other than the manufacturer or producer, as considered necessary by the proper officer for determination of the value of imported goods under these rules.*

(2) *Nothing contained in these rules shall be construed as restricting or calling into question the right of the proper officer of customs to satisfy himself as to the truth or accuracy of any statement, information, document or declaration presented for valuation purposes.*

(3) *The provisions of the Customs Act, 1962 (52 of 1962) relating to confiscation, penalty and prosecution shall apply to cases where wrong declaration, information, statement or documents are furnished under these rules.*

**12. Rejection of declared value. -** (1) *When the proper officer has reason to doubt the truth or accuracy of the value declared in relation to any imported goods, he may ask the importer of such goods to furnish further information including documents or other evidence and if, after receiving such further information, or in the absence of a response of such importer, the proper officer still has reasonable doubt about the truth or accuracy of the value so declared, it shall be deemed that the transaction value of such imported goods cannot be determined under the provisions of sub-rule (1) of rule 3.*

(2) *At the request of an importer, the proper officer, shall intimate the importer in writing the grounds for doubting the truth or accuracy of the value declared in relation to goods imported by such importer and provide a reasonable opportunity of being heard, before taking a final decision under sub-rule (1).*

*Explanation.-(1) For the removal of doubts, it is hereby declared that:-*

*(i) This rule by itself does not provide a method for determination of value, it provides a mechanism and procedure for rejection of declared value in cases where there is reasonable doubt that the declared value does not represent the transaction value; where the declared value is rejected, the value shall be determined by proceeding sequentially in accordance with rules 4 to 9.*

*(ii) The declared value shall be accepted where the proper officer is satisfied about the truth and accuracy of the declared value after the said enquiry in consultation with the importers.*

*(iii) The proper officer shall have the powers to raise doubts on the truth or accuracy of the declared value based on certain reasons which may include -*

*(a) the significantly higher value at which identical or similar goods imported at or about the same time in comparable quantities in a comparable commercial transaction were assessed;*

*(b) the sale involves an abnormal discount or abnormal reduction from the ordinary competitive price;*

*(c) the sale involves special discounts limited to exclusive agents;*

*(d) the mis-declaration of goods in parameters such as description, quality, quantity, country of origin, year of manufacture or production;*

*(e) the non-declaration of parameters such as brand, grade, specifications that have relevance to value;*

*(f) the fraudulent or manipulated documents.*

#### **40. Rejection and Re-Determination of Value of the imported goods:**

**40.1** From the investigation conducted by this office, it appears that the import prices declared by M/s Hetro Hardware India & M/s Shree Balaji Exim, are not the actual Transaction Values but are artificially lowered values presented before the Indian Customs with an intent to evade Customs duties. It appears that the said declared values cannot be the transaction value thereof in the normal course of international trade in terms of section 14(1) of the Customs Act, 1962, for the following reasons:

**i.** The documentary evidence in the form of chart recovered during the search dated 18.01.2024 along with digital evidences recovered from the digital devices of Sh. Shakun Jain, Partner, M/s Hetro Hardware India, in the form WhatsApp Chats/messages substantiate that the actual prices of the Chinese origin goods i.e. screws and Power tools and their accessories, were much lower than the prices declared before the Indian Customs in the Bills of Entry filed by M/s Hetro Hardware India & M/s Shree Balaji Exim, which are detailed in **Annexure –A (in respect of screws), Annexure-A1 (in respect of power tools), Annexure-B, Annexure-C and Annexure-D** to this Investigation Report.

**ii.** Along with Sh. Shakun Jain's admission of having committed undervaluation in respect of screws imported from Taiwan, on scrutiny of Import data of goods imported from the same supplier from Taiwan i.e. screws by other importers, it appears that the import prices declared by M/s Hetro Hardware India, are not the actual Transaction Value but lower values presented before the Indian Customs with an intent to evade Customs duties. It is also a noteworthy point that M/s Rishab Sales Corporation, which is also managed by Sh. Shakun Jain (being the proprietorship firm of his father Sh. Ramesh Kumar Jain), imported one consignment of screws from Taiwanese supplier M/s Well Change Enterprise Co. Ltd vide BE No. 5327139 dated 01.04.2023 at ICD, TKD and the prices for various items imported therein were in the range from USD 1.1/Kg to 1.4/Kg (FOB), which were much higher than the prices at which M/s Hetro Hardware India imported the same. The said goods are detailed in **Annexure -B** to this Investigation Report.

**iii.** It appears from the various digital evidences recovered during the investigation that Sh. Shakun Jain knew that if the actual price of imported goods were filed before Indian Customs, they would be liable to pay higher Customs duties. Accordingly, Sh. Shakun Jain, through overseas suppliers, managed invoices at prices much lower than the actual import prices for M/s Hetro Hardware India & M/s Shree Balaji Exim.

**iv.** Further, Sh. Shakun Jain, Partner, M/s Hetro Hardware India in his statements recorded under section 108 of the Customs Act, 1962, admitted that he had committed undervaluation in the imports of the of the impugned goods i.e. Chinese origin screws and Power tools & their accessories along with Taiwan origin screws, with an intent to evade Customs Duty.

**v.** The values provided by Chartered Engineers in their reports with respect to goods seized at the premises of Sh. Shakun Jain along with live consignment imported by M/s Shree Balaji Exim also lead to the conclusion that the goods imported were undervalued. The controller of M/s Shree Balaji Exim Sh. Girish Gaba undertook the responsibility of duty, interest, fine, penalty, etc. in respect of the shipment containing abrasive wheels imported vide DTA BE No. 2003481 dated 12.02.2024 at APSEZ Mundra. The said goods are detailed in **Annexure-C** to this Investigation Report.

**40.1.2** From the discussion above, it is evident that the importer has indulged in misdeclaration of goods in terms of value [explanation 1(iii) (d) of Rule 12] and several fraudulent or manipulated documents have been unearthed (as detailed supra) during the course of investigation [explanation 1(iii) (f) of Rule 12] which raises doubt on the accuracy of the value declared by the importer. Consequently, the values declared in the Bills of entry in respect of the impugned goods imported in the name of M/s Hetro Hardware India & M/s Shree Balaji Exim (details as per **Annexure A, Annexure - A1, Annexure-B, Annexure-C and Annexure-D** to this Investigation Report) appears to be liable for rejection in terms of the provisions of Rule 12 of the Customs Valuation (Determination of value of Imported Goods) Rules, 2007 (hereinafter referred as "CVR 2007") read with section

14 of the Customs Act, 1962 and the same is required to be re-determined as per the provisions laid down in the CVR, 2007.

#### **41. Re-determination of value of screws imported from China**

**41.1** In view of the above discussions and legal provisions, it appears that the values declared by the importer are not the true values of the goods and are liable to be rejected in terms of Rule 12 of the Customs Valuation Rules, 2007, as the importer had indulged in mis-declaration of goods in terms of value. Rule 12(1) provides that in such cases, it shall be deemed that the transaction value can be determined under the provisions of sub- Rule 1 of Rule 3 of the Customs Valuation Rules, 2007. Further, it appears that in terms of explanation 1 (i) of Rule 12 read with Rule 3(4) of the said rules, the value value has to be re-determined by proceeding sequentially through Rule 4 to 9.

**41.2** It appears that value cannot be determined in terms of Rule 4, as it provides for re-determination of assessable value as per transaction value of identical goods sold for export to India and imported at or about the same time, imported at the same commercial value and in substantially the same quantity as the goods being valued. 'Identical goods' have been defined as imported goods, (i) which are same in all respects, including physical characteristics, quality and reputation as the goods being valued except for minor differences in appearance that do not affect the value of the goods; (ii) produced in the country in which the goods being valued were produced; and (iii) produced by the same person who produced the goods, or where no such goods are available, goods produced by a different person.

**41.3** Although the impugned goods, i.e. screws classifiable under CTH 7318, are being imported from the same supplier by another importer M/s Ess Ess Impex at slightly higher values, but the description varies as the subject importer has described them only as 'screws' whereas it emerged out in the statements recorded and also in the chart recovered that Sh. Shakun Jain was importing various kinds of screws such as Drywall screws, CSK head, Pan Head, Truss Head, Hex head, Wing screws, etc. and the price of the said goods varies according to the quality, material, etc. Therefore, in view of the diverse nature of the same product, i.e. screws, it appears that Rule 4 of the Customs Valuation Rules, 2007 cannot be invoked for re-determining the value of the said goods.

**41.4** It further appears that for the impugned goods, i.e. screws classifiable under CTH 7318, Rule 5 - which provides for re-determining assessable value as per transaction value of similar goods, cannot be invoked for similar reasons as cited in Para 41.3 above and therefore, Rule 5 cannot be invoked in the instant case.

**41.5** It also appears that the deductive value as provided for under Rule 7 cannot be arrived upon in the absence of exact sales values and the data required for quantification of the deductions allowed under the said Rule 7. Further, it appears that computed value, as provided under Rule 8, cannot be calculated in the absence of quantifiable data (obtained from the manufacturer) relating to cost of production, manufacture or processing of import goods. As such, it appears that

there is no option but to invoke the provisions of Rule 9, i.e. Residual method for determining the value of the impugned import goods.

**41.6** As per Rule 9, valuation of goods shall be determined using reasonable means consistent with the principles and general provisions of these rules. Rule 9 provides for determination of value using reasonable means consistent with the principles and general provisions of these rules. The underlying principle behind the Valuation Rules for determination of transaction value is that it should reflect the actual price paid or payable for the import goods. The wording employed in Section 14 of the Customs Act, 1962 also appears to lend credence to this. A chart contains details such as Invoice No., Item description, actual cost incurred in Chinese Yuan (RMB), Quantity, Container/ Seal No., Bill of Lading No., ETA, payments made in foreign currency (US Dollars and Chinese Yuan) on different dates with respect to the consignments mentioned therein along with the exchange rates from CNY to USD (as mentioned in para 9 above) with respect to imports from Tianjin Hengtongmingtai Trade Co. Ltd, have been recovered from the premise of the importer and during the forensics analysis. The values of the goods thus calculated (as mentioned in para 9 above) can be used to determine the valuation of the imported goods. For the purpose of the same, as per the findings the screws imported in the name of M/s Shree Balaji Exim are considered as imported by Sh. Shakun Jain only as he exercised effective control over them and hence the liability of the same arises on him.

**41.6.1** The goods being imported by M/s Hettro Hardware and M/s Shree Balaji Exim have been declared as “screws” in their import declarations. During the course of investigation, it has come forth that they are importing different types of screws from their Chinese supplier such as Drywall screws, CSK head, Pan Head, Truss Head, Hex head, Wing screws, etc. The screws being imported from the supplier ‘Tianjin Realize Import & Export Trading Co. Ltd’ are similar to the screws provided by Tianjin Hengtongmingtai Trade Co. as both suppliers are from China, supplying unbranded screws. Therefore, with respect to imports of goods from another Chinese supplier ‘Tianjin Realize Import & Export Trading Co. Ltd’, the average value in respect of the screws and washers thus imported, may be taken as the average value derived from the chart as mentioned above in the para 41.6. Thus, the value is re-determined as USD 4.12/ Kg for the washers and USD 1.4/Kg for the screws.

**41.7** Therefore, the Assessable values of the screws imported from China imported vide the 21 Bills of Entry have been re-determined in terms of para 41.6 and 41.6.1 above and the same is tabulated as under:

**Table-A1 – Screws imported by M/s Hettro Hardware from China**

<b>S. No</b>	<b>WH BOE No. &amp; date</b>	<b>DTA BE No. &amp; date</b>	<b>Name of Importer</b>	<b>Declared Item</b>	<b>Declared Unit Price (FOB) in BoE (USD/Kg)</b>	<b>Re-determined Unit Price (CIF) (USD/Kg)</b>
1	1008986 dt. 18.07.2022	2010886 dt. 28.07.2022	Hetro Hardware India	Screws	0.49	1.47
2	1010488 dt. 10.08.2022	2012061 dt. 12.08.2022	Hetro Hardware India	Screws	0.49	1.61
3	1011214 dt. 22.08.2022	2015644 dt. 12.10.2022	Hetro Hardware India	Screws	0.49	1.54
4	1011996 dt. 03.09.2022	2005039 dt. 23.03.2023	Hetro Hardware India	Screws	0.49	1.53
5	1013483 dt. 29.09.2022	2015326 dt. 07.10.2022	Hetro Hardware India	Screws	0.49	1.57
6	1014046 dt. 07.10.2022	2016049 dt. 17.10.2022	Hetro Hardware India	Screws	0.49	1.26
7	1014606 dt. 15.10.2022	2016691 dt. 28.10.2022	Hetro Hardware India	Screws	0.49	1.64
			Hetro Hardware India	Washers	0.4	4.13

8	1003807 dt. 25.02.20 23	2004267 dt. 06.03.2023	Hetro Hardware India	Washers	0.4	4.12
			Hetro Hardware India	Screws	0.49	1.40
9	1005733 dt. 07.04.20 23	2006670 dt. 19.04.2023	Hetro Hardware India	Screws	0.49	1.44
10	1010122 dt. 08.06.20 23	2011592 dt 30.06.2023	Hetro Hardware India	Screws	0.49	1.26
11	1013379 dt. 14.07.20 23	2013715 dt. 24.07.2023	Hetro Hardware India	Screws	0.49	1.27
12	1012515 dt. 06.07.20 23	2013227 dt. 17.07.2023	Hetro Hardware India	Screws	0.49	1.37
13	1015427 dt. 07.08.20 23	2015530 dt. 16.08.2023	Hetro Hardware India	Screws	0.52	1.22
14	1017228 dt. 25.08.20 23	2017077 dt. 06.09.2023	Shree Balaji Exim	Screw ( Hardware Acc)	0.54	1.27
15	1021188 dt. 11.10.20 23	2021098 dt. 19.10.2023	Shree Balaji Exim	Screw ( Hardware Acc)	0.43	1.35
16	1026841 dt. 15.12.20 23	2026476 dt. 18.12.2023	Shree Balaji Exim	Screw ( Hardware Acc)	0.43	1.33
17	1027891 dt.	2000412 dt	Hetro Hardware	Screws	0.46	1.23

	29.12.20 23	06.01.2024	India			
18	1008529 dt. 09.07.20 22	2010094 dt 14.07.2022	Hetro Hardware India	Washers	0.45	4.12
			Hetro Hardware India	Iron Screws	0.49	1.4
19	1008530 dt. 09.07.20 22	2010186 dt.15.07.2022	Hetro Hardware India	Iron Screw	0.6	1.4
20	1009199 dt. 22.07.20 22	2011542 dt. 05.08.2022	Hetro Hardware India	Iron Screw	0.49	1.4
21	1012230 dt 08.09.20 22	2013724 dt.12.09.2022	Hetro Hardware India	Iron Hex Screw	0.49	1.4
			Hetro Hardware India	Iron Screw	0.49	1.4

#### **42. Re-determination of value of imported screws from Taiwan:**

**42.1** During the course of investigation, from the voluntary statements recorded and comparing contemporaneous data available with respect to the import of screws from the same Taiwanese Suppliers, it appears that the values declared by the importer are not the true values of the goods and are liable to be rejected in terms of Rule 12 of the Customs Valuation Rules, 2007, as the importer had indulged in mis-declaration of goods in terms of value. Rule 12(1) provides that in such cases, it shall be deemed that the transaction value cannot be determined under the provisions of sub- Rule 1 of Rule 3 of the Customs Valuation Rules, 2007. Further, it appears that in terms of explanation 1 (i) of Rule 12 read with Rule 3(4) of the said rules, the value has to be re-determined by proceeding sequentially through Rule 4 to 9.

**42.2** During the investigation it has come forth that M/s Hetro Hardware India was importing screws from Taiwan and supplying all of it to M/s Sohan Lal Gupta and M/s SLG Fasteners Private Limited. It has also been observed from import data of M/s Sohan Lal Gupta and M/s SLG Fasteners that they have been importing self-drilling screws of various sizes and coating from Tai-One International and Well

Change Enterprises, the same suppliers from whom M/s Hetro Hardware was importing self-drilling screws from. In the product description, M/s Hetro Hardware was merely describing the imported screws as “self-drilling screw” without any declaration about the size or coating of the screws.

**42.3.** It appears that value cannot be determined in terms of Rule 4, as it provides for re-determination of assessable value as per transaction value of identical goods sold for export to India and imported at or about the same time, imported at the same commercial value and in substantially the same quantity as the goods being valued. 'Identical goods' have been defined as imported goods, (i) which are same in all respects, including physical characteristics, quality and reputation as the goods being valued except for minor differences in appearance that do not affect the value of the goods; (ii) produced in the country in which the goods being valued were produced; and (iii) produced by the same person who produced the goods, or where no such goods are available, goods produced by a different person.

**42.4** Although the impugned goods, i.e. screws classifiable under CTH 7318, are being imported from the same suppliers by another importer viz. M\s SLG Fasteners and M/s Sohan Lal Gupta higher values, but the description varies as the subject importer has described them only as 'self-drilling screws', whereas M\s SLG Fasteners and M/s Sohan Lal Gupta had been importing Hex flange head self-drilling screw of various sizes and coating from these suppliers. Therefore, in view of the diverse nature of the same product, i.e. screws, it appears that Rule 4 of the Customs Valuation Rules, 2007 cannot be invoked for re-determining the value of the said goods.

**42.5** It further appears that for the impugned goods, i.e. screws classifiable under CTH 7318, Rule 5 - which provides for re-determining assessable value as per transaction value of similar goods, cannot be invoked for similar reasons as cited in Para 42.4 above.

**42.6** It also appears that the deductive value as provided for under Rule 7 cannot be arrived upon in the absence of exact sales values and the data required for quantification of the deductions allowed under the said Rule 7. Further, it appears that computed value, as provided under Rule 8, cannot be calculated in the absence of quantifiable data (obtained from the manufacturer) relating to cost of production, manufacture or processing of import goods. As such, it appears that there is no option but to invoke the provisions of Rule 9, i.e. Residual method for determining the value of the impugned import goods.

**42.7** As per Rule 9, valuation of goods shall be determined using reasonable means consistent with the principles and general provisions of these rules. Rule 9 provides for determination of value using reasonable means consistent with the principles and general provisions of these rules. The underlying principle behind the Valuation Rules for determination of transaction value is that it should reflect the actual price paid or payable for the import goods. The wording employed in Section 14 of the Customs Act, 1962 also appears to lend credence to this. In the instant case, M/s Hetro Hardware India was importing screws from Taiwan and

supplying all of it to M/s Sohan Lal Gupta and M/s SLG Fasteners Private Limited. It has also been observed from import data of M/s Sohan Lal Gupta and M/s SLG Fasteners that they have been importing self-drilling screws of various sizes and coating from Tai-One International and Well Change Enterprises, the same suppliers from whom M/s Hetro Hardware was importing self-drilling screws from.

**42.8** The adoption of Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 is justified on the ground that M/s Hetro had been importing screws from the same overseas suppliers **namely Well Change Enterprise Co. Ltd. and Tai One International Corp.** from whom M/s Sohan Lal Gupta and M/s SLG Fasteners Private Limited also imported screws during the contemporaneous period. Further, M/s Rishabh Sales Corporation also imported one consignment of screws from a Taiwanese supplier Well Change Enterprise Co. Ltd. at higher prices. It is observed that M/s Hetro Hardware India had been declaring a comparatively lower assessable value for such imports which were onward supplied to M/s Sohan Lal Gupta and M/s SLG Fasteners Private Limited. Therefore on the basis of the import values from the same Taiwanese suppliers, the value has been determined under Rule 9 by adopting the minimum unit price of screws imported by M/s SLG Fasteners Private Limited. Although the average values of the consignment is much higher on working out the Total Value divided by Net Weight of the consignment, yet on the conservative side, the itemwise minimum unit values are taken. Accordingly, on the basis of Rule 9, the per unit value in respect of the screws imported from two Taiwanese suppliers is re-determined as under:

S.No	BE No. & date	Port of import	Importer Name	Taiwanese Supplier Name	Min Import price (USD/Kg)
1.	8190880 dt.07.10.2023	INVTZ1	M/s SLG Fasteners Private Limited	Tai One International Corp	1.12 (CIF)
2.	6366650 dt. 12.06.2023	INCCU1		Well Change Enterprise Co. Ltd	1.18 (CIF)

Therefore, the Assessable values of the screws imported from Taiwan imported vide the 25 Bills of Entry have been re-determined in terms of para 42.8 above and the same is tabulated as under:

**Table-B**

S.N o.	WH BOE No. & date	DTA BE No. & date	Declared Item	Declared Unit Price	Re-determine
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				<b>(FOB)in BoE (USD/Kg)</b>	<b>d Unit Price (CIF) (USD/Kg)</b>
1	1000126 dt. 02-01- 2024	2000410 dt. 06-01-2024	Self-Drilling screws	0.56	1.12
2	1006188 dt. 14-04- 2023	2006671 dt. 19-04-2023	Self-Drilling screws	0.49	1.18
3	1006190 dt. 14-04- 2023	2006675 dt. 19-04-2023	Self-Drilling screws	0.49	1.18
4	1007986 dt. 11-05- 2023	2008304 dt. 13-05-2023	Self-Drilling screws	0.56	1.18
5	1008400 dt. 16-05- 2023	2008868 dt. 20-05-2023	Self-Drilling screws	0.56	1.18
6	1010202 dt. 08-06- 2023	2010356 dt. 10-06-2023	Self-Drilling screws	0.56	1.18
7	1010905 dt. 20-06- 2023	2010841 dt. 22-06-2023	Self-Drilling screws	0.56	1.18
8	1014014 dt. 24-07- 2023	2014005 dt. 26-07-2023	Self-Drilling screws	0.56	1.12
9	1014167 dt. 25-07- 2023	2014000 dt. 26-07-2023	Self-Drilling screws	0.56	1.12
10	1014399 dt. 26-07- 2023	2014278 dt. 29-07-2023	Self-Drilling screws	0.56	1.12
11	1014400 dt. 27-07- 2023	2014362 dt. 31-07-2023	Self-Drilling screws	0.56	1.12
12	1017633 dt. 31-08-	2016783 dt.	Self-Drilling	0.56	1.12

	2023	02-09-2023	screws		
13	1017990 dt. 05-09- 2023	2017225 dt. 08-09-2023	Self-Drilling screws	0.56	1.12
14	1018375 dt. 08-09- 2023	2017345 dt. 09-09-2023	Self-Drilling screws	0.56	1.12
15	1018950 dt. 15-09- 2023	2018075 dt. 18-09-2023	Self-Drilling screws	0.56	1.12
16	1018953 dt. 15-09- 2023	2017982 dt. 16-09-2023	Self-Drilling screws	0.56	1.12
17	1018955 dt. 15-09- 2023	2017994 dt. 16-09-2023	Self-Drilling screws	0.56	1.12
18	1021018 dt. 09-10- 2023	2020431 dt. 12-10-2023	Self-Drilling screws	0.56	1.12
19	1022006 dt. 18-10- 2023	2021394 dt. 21-10-2023	Self-Drilling screws	0.56	1.12
20	1022695 dt. 26-10- 2023	2022127 dt. 28-10-2023	Self-Drilling screws	0.56	1.12
21	1023154 dt. 01-11- 2023	2022789 dt. 04-11-2023	Self-Drilling screws	0.56	1.12
22	1025146 dt. 25-11- 2023	2024838 dt. 29-11-2023	Self-Drilling screws	0.56	1.12
23	1025480 dt. 29-11- 2023	2025174 dt. 02-12-2023	Self-Drilling screws	0.56	1.12
24	1026730 dt. 14-12- 2023	2026379 dt. 16-12-2023	Self-Drilling screws	0.56	1.12

25	1027892 dt. 29-12- 2023	2000036 dt. 01-01-2024	Self-Drilling screws	0.56	1.12
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### **43. Re-determination of value of power tools and their accessories imported from China**

**43.1** In view of the above discussions and legal provisions, it appears that the values declared by the importer are not the true values of the goods and are liable to be rejected in terms of Rule 12 of the Customs Valuation Rules, 2007, as the importer had indulged in mis-declaration of goods in terms of value. Rule 12(1) provides that in such cases, it shall be deemed that the transaction value cannot be determined under the provisions of sub- Rule 1 of Rule 3 of the Customs Valuation Rules, 2007. Further, it appears that in terms of explanation 1 (i) of Rule 12 read with Rule 3(4) of the said rules, the value has to be re-determined by proceeding sequentially through Rule 4 to 9.

**43.2** Further, it appears that value cannot be determined in terms of Rule 4, as it provides for re-determination of assessable value as per transaction value of identical goods sold for export to India and imported at or about the same time, imported at the same commercial value and in substantially the same quantity as the goods being valued. 'Identical goods' have been defined as imported goods, (i) which are same in all respects, including physical characteristics, quality and reputation as the goods being valued except for minor differences in appearance that do not affect the value of the goods; (ii) produced in the country in which the goods being valued were produced; and (iii) produced by the same person who produced the goods, or where no such goods are available, goods produced by a different person.

**43.3** Although the impugned goods, i.e. Power tools and their accessories classifiable under Chapter 68 (Abrasive Wheels), 82 (Marble Cutting Blades) and 84 (Power Tools) are being imported by several other importers at higher values, but the impugned goods are imported from several suppliers/ trading firms, and the price of the said goods varies as per the material/quality/purpose of those impugned goods. Therefore, in view of the diverse nature of the same product, i.e. power tools, it appears that Rule 4 of the Customs Valuation Rules, 2007 cannot be invoked for re-determining the value of the said goods.

**43.4** It further appears that for the impugned goods, i.e. Power tools and their accessories classifiable under Chapter 68 (Abrasive Wheels), 82 (Marble Cutting Blades) and 84 (Power Tools), Rule 5 - which provides for re-determining assessable value as per transaction value of similar goods, cannot be invoked for similar reasons as cited in Para 43.3 above and therefore, Rule 5 cannot be invoked in the instant case.

**43.5** It also appears that the deductive value as provided for under Rule 7 cannot be arrived upon in the absence of exact sales values and the data required for quantification of the deductions allowed under the said Rule 7.

**43.6** Further, it appears that computed value, as provided under Rule 8, cannot be calculated in the absence of quantifiable data relating to cost of production, manufacture or processing of import goods plus a typical profit and general expenses from the country of origin, and other expenses mentioned in Rule 10(2). As such, it appears that there is no option but to invoke the provisions of Rule 9, i.e. Residual method for determining the value of the impugned import goods.

**43.7** Rule 9 provides for determination of value using reasonable means consistent with the principles and general provisions of these rules. The underlying principle behind the Valuation Rules for determination of transaction value is that it should reflect the actual price paid or payable for the import goods. The wording employed in Section 14 of the Customs Act, 1962 also appears to lend credence to this. As mentioned in the paras 25.1 and 26 above, Chartered Engineers provided valuation for the seized goods vide reports dated 30.08.2024 and 24.09.2024, and the same has been relied upon as it is based on physical examination of the goods, assessment of their nature, specifications, condition, year of manufacture, residual life, prevailing international prices, and other relevant technical parameters. The Chartered Engineer's valuation thus represents a reasonable and objective assessment of the value of the imported goods and thus adopted for finalisation of assessable value under Rule 9 of the Customs Valuation Rules, 2007.

**43.7.1** However, from the import data, it is observed that there are also various other items imported by the importer which could not be seized as they were not lying in the stock and therefore the Chartered Engineer's reports are limited to only the seized items. The power tools industry has numerous products with various specifications. The Chartered Engineers' reports, have pointed towards undervaluation up to 80%, however in absence of the chartered engineer's value for each product specifically, the best reasonable basis available to re-determine the value of the impugned goods, is to consider the average of the extent of undervaluation as per the Chartered Engineer's reports which comes around 65%. For instance, if an item is declared at Rs 35, the re-determined value should be Rs 100. Therefore, it appears that Rule 9 of the Customs Valuation Rules, 2007 can be applied in the instant case by considering a loading factor of **2.85** in respect of the power tools and their accessories imported from China. **The methodology described in Para 43.7.1 for valuing power tools has been adopted only in those case where the value provided by Chartered Engineer is not available.** The table showing the extent of undervaluation as per CE's report, is as under:

S. No	Item	Unit	Declared Value in USD as per BE	Value provided in USD by CE	Extent of undervaluation in %
1	Demolition Hammer (HT-17-835)	Pc	10.5	37.5	72.00

2	Marble Cutter (HT-05-110A)	Pc	3	12	75.00
3	Screwdriver drill (HTSD10C)	Pc	1.9	8.75	78.29
4	Velcro Disc 125 mm	Pc	0.006	0.02	70.00
5	Cutting Wheel 107*1*16mm	Pc	0.016	0.06	73.33
6	Cutting Wheel 14"	Pc	0.22	0.6	63.33
7	Cutting Wheel, Single Net 14"	Pc	0.22	0.72	69.44
8	Cutting Wheel, Single Net 12"	Pc	0.22	0.6	63.33
9	Demolition Hammer (HT-17-855)	Pc	8	42.6	81.22
10	Electric Polisher 125mm	Pc	3.5	16.5	78.79
11	Cutting Wheel 5"	Pc	0.0165	0.06	72.50
12	Flap wheel 100*16 mm	Pc	0.055	0.12	54.17
13	Electric Planner	Pc	4	13	69.23
14	Cut off machine	Pc	10.5	32	67.19
15	Marble Cutter, German 110mm	Pc	0.0471	0.05	5.80
16	Grinding Wheel 125*6*22.5	Pc	0.074	0.14	47.14
17	Grinding Wheel 100*2.5*16	Pc	0.055	0.1	45.00
18	Non-Woven Wheel (100*13*29.5)	Pc	0.016	0.06	73.33
19	Fiber Disc 5"	Pc	0.018	0.08	77.50
20	Aviation Snips 250mm	Pc	0.339	1.6	78.81

**43.7.2** Therefore, the Assessable values of the Power tools and their accessories classifiable under Chapter 68 (Abrasive Wheels), 82 (Marble Cutting Blades) and 84 (Power Tools) imported from China vide the 42 Bills of Entry (total 179 entries mentioned therein in respect of different items) have been re-determined in terms of para 43.7 above and the same is tabulated as under:

**Table-C**

S. No	BE No. & date	Port of Import	Declared Item	Declared Unit Price (FOB)in BE	Re-determined Unit Price (CIF)(USD/Kg)
1	9239500 dt.15-12-2023	INBDM 6	BODY MOULD (FOR	1.11	3.16
2	9239500 dt.15-12-2023	INBDM 6	HARDENING MOULDS (FOR	4.46	12.71
3	9239500 dt.15-	INBDM	LOCK MOULD (FOR	0.88	2.51

	12-2023	6			
4	8842778 dt.20-11-2023	INBDM 6	ABRASIVE WHEEL 7"	0.1	0.14
5	8842778 dt.20-11-2023	INBDM 6	ABRASIVE WHEELS 14"	0.22	0.65
6	8842778 dt.20-11-2023	INBDM 6	ABRASIVE WHEELS 5"	0.0165	0.06
7	8842778 dt.20-11-2023	INBDM 6	ABRASIVE WHEELS 14"	0.22	0.65
8	8842778 dt.20-11-2023	INBDM 6	ABRASIVE WHEEL 4"	0.055	0.1
9	8842778 dt.20-11-2023	INBDM 6	ABRASIVE WHEEL 5"	0.015	0.08
10	8842778 dt.20-11-2023	INBDM 6	ABRASIVE WHEEL 4"	0.045	0.12
11	8129463 dt.04-10-2023	INBDM 6	ABRASIVE WHEELS 7"	0.02	0.06
12	8129463 dt.04-10-2023	INBDM 6	ABRASIVE WHEELS 4"	0.016	0.06
13	8129463 dt.04-10-2023	INBDM 6	ABRASIVE WHEEL 4"	0.055	0.1
14	8129463 dt.04-10-2023	INBDM 6	ABRASIVE WHEEL 5"	0.018	0.08
15	8129463 dt.04-10-2023	INBDM 6	ABRASIVE WHEELS 12"	0.02	0.6
16	8129463 dt.04-10-2023	INBDM 6	ABRASIVE WHEELS 14"	0.22	0.65
17	8129463 dt.04-10-2023	INBDM 6	ABRASIVE WHEEL 5"	0.007	0.02
18	8129469 dt.04-10-2023	INBDM 6	ABRASIVE WHEELS 5"	0.0165	0.06
19	8129469 dt.04-10-2023	INBDM 6	ABRASIVE WHEEL 4"	0.052	0.1
20	8129469 dt.04-	INBDM	ABRASIVE WHEEL	0.07	0.12

	10-2023	6	4"		
21	8129469 dt.04-10-2023	INBDM 6	ABRASIVE WHEELS 14"	0.22	0.65
22	7344364 dt.14-08-2023	INBDM 6	ABRASIVE WHEEL 4"	0.045	0.12
23	7344364 dt.14-08-2023	INBDM 6	ABRASIVE WHEEL 4"	0.016	0.06
24	7344364 dt.14-08-2023	INBDM 6	ABRASIVE WHEEL 4"	0.058	0.1
25	7344364 dt.14-08-2023	INBDM 6	ABRASIVE WHEEL 5"	0.0175	0.08
26	7344364 dt.14-08-2023	INBDM 6	ABRASIVE WHEEL 5"	0.006	0.02
27	7344364 dt.14-08-2023	INBDM 6	ABRASIVE WHEEL 4"	0.045	0.1
28	7344364 dt.14-08-2023	INBDM 6	ABRASIVE WHEEL 4"	0.026	0.06
29	7113821 dt.29-07-2023	INBDM 6	ABRASIVE WHEELS 4"	0.016	0.06
30	7113821 dt.29-07-2023	INBDM 6	ABRASIVE WHEELS 4"	0.016	0.1
31	7113821 dt.29-07-2023	INBDM 6	ABRASIVE WHEELS 5"	0.016	0.08
32	7113821 dt.29-07-2023	INBDM 6	ABRASIVE WHEELS 4"	0.016	0.06
33	6055098 dt.20-05-2023	INDEL4	PCL IN PCS	500	1425.00
34	6055098 dt.20-05-2023	INDEL4	EXTRUDER MOUTH IN	15	42.75
35	5236730 dt.27-03-2023	INDWN 6	15K ULTRASONIC MACHINE	1220	3477.00
36	3308296 dt.15-11-2022	INDWN 6	ANGLE GRINDER (100B)	3	8.55
37	3308296 dt.15-	INDWN	MARBLE CUTTER	5.2	12

	11-2022	6	(125A)		
38	3308296 dt.15-11-2022	INDWN 6	ANGLE GRINDER(125A) -	5.25	14.96
39	3308296 dt.15-11-2022	INDWN 6	ELECTRIC POLISHER(180) -	5.7	16.5
40	3308296 dt.15-11-2022	INDWN 6	DEMOLITION HAMMER(0810) -	12.5	37.5
41	8302633 dt.16-04-2022	INBDM 6	CUTTING DISC (MADE	0.361	0.65
42	8302633 dt.16-04-2022	INBDM 6	VELCRO DISC (MADE	0.0075	0.02
43	8280449 dt.14-04-2022	INBDM 6	MARBLE CUTTING BLADES	0.129	0.37
44	7211824 dt.24-01-2022	INPPG6	TIN SNIPPER	0.339	1.6
45	6971712 dt.06-01-2022	INPPG6	SAW BLADES (10000PCS)	1.7556	5.00
46	6380285 dt.24-11-2021	INBDM 6	CUTTING DISC -	0.027	0.06
47	6380285 dt.24-11-2021	INBDM 6	CUTTING DISC -	0.361	0.65
48	6380285 dt.24-11-2021	INBDM 6	VELCRO DISC MADE	0.0075	0.02
49	6163079 dt.08-11-2021	INBDM 6	ROTARY HAMMER 20MM	6.6	11.58
50	6163079 dt.08-11-2021	INBDM 6	ROTARY HAMMER 26MM	9.1	16.53
51	6163079 dt.08-11-2021	INBDM 6	DEMOLITION HAMMER(PNEUMATIC ELECTRIC	13	37.5
52	5516765 dt.20-09-2021	INDEL4	CUTTING DIE (DIFF	4.25	12.11
53	5516765 dt.20-09-2021	INDEL4	PUNCHER PIN 12*25	0.1	0.29
54	5516765 dt.20-	INDEL4	DIE(DIFF SIZE)	4.25	12.11

	09-2021				
55	5516765 dt.20-09-2021	INDEL4	FIRST PUNCH (DIFF	4.25	12.11
56	5516765 dt.20-09-2021	INDEL4	CUTTER (DIFF SIZE)	4.25	12.11
57	5516765 dt.20-09-2021	INDEL4	DIE34.5*108*3.48	4	11.40
58	5516765 dt.20-09-2021	INDEL4	FIRST PUNCH 9*40*20*5*3.60	4	11.40
59	5516765 dt.20-09-2021	INDEL4	CUTTING DIE19*35*3.50	4	11.40
60	5516765 dt.20-09-2021	INDEL4	CUTTER 65*32*9*10*15*3.48	4	11.40
61	5516765 dt.20-09-2021	INDEL4	THREAD73/86	4.25	12.11
62	5251521 dt.31-08-2021	INBDM 6	VIBRATOR (POWER TOOLS)	5.15	14.68
63	5251521 dt.31-08-2021	INBDM 6	ANGLE GRINDER 180	3.65	10.40
64	5251521 dt.31-08-2021	INBDM 6	ANGLE GRINDER (5	3.9	11.12
65	5251521 dt.31-08-2021	INBDM 6	MARBLE CUTTER (5	5.15	12
66	5251521 dt.31-08-2021	INBDM 6	1.5 M SHAFT	2.05	5.84
67	5251521 dt.31-08-2021	INBDM 6	MINI CAR WASHER	5.4	15.39
68	5251521 dt.31-08-2021	INBDM 6	CUT - OFF MACHINE	20.15	32
69	4618931 dt.09-07-2021	INBDM 6	CUTTING DISC -	0.027	0.06
70	4618931 dt.09-07-2021	INBDM 6	CUTTING DISC -	0.361	0.65
71	4618931 dt.09-	INBDM	GRINDING WHEEL -	0.051	0.1

	07-2021	6			
72	3419980 dt.03-04-2021	INBDM 6	CUTTING DISC (107	0.027	0.06
73	3419980 dt.03-04-2021	INBDM 6	FLAP DISC (N.WT:2540	0.06981	0.12
74	3419980 dt.03-04-2021	INBDM 6	VELCRO DISC (N.WT:10213	0.0075	0.02
75	3418650 dt.03-04-2021	INBDM 6	BRUSH CUTTER (G45)	16.4	46.74
76	2563368 dt.30-01-2021	INBDM 6	CUTTING DISC (MADE	0.651724	1.86
77	2563368 dt.30-01-2021	INBDM 6	FLAP DISC (MADE	1.214087	2.08
78	2563368 dt.30-01-2021	INBDM 6	GRINDING WHEEL 4"	0.475524	0.93
79	2563368 dt.30-01-2021	INBDM 6	GRINDING WHEEL 5"	0.45	0.77
80	2421573 dt.19-01-2021	INBDM 6	CHAIN SAW GASOLINE	14.2	40.47
81	2421573 dt.19-01-2021	INBDM 6	G45 BRUSH CUTTER	16.4	46.74
82	2421573 dt.19-01-2021	INBDM 6	G45 POLE	0.6	1.71
83	2421573 dt.19-01-2021	INBDM 6	SAW CHAIN	0.5	1.43
84	2421573 dt.19-01-2021	INBDM 6	GUIDE BAR	0.7	2.00
85	2016645 dt.27-10-2022	APSEZ Mundra	23 ELECTRIC PLANNER	2.8	13
86	2016645 dt.27-10-2022	APSEZ Mundra	CM4SB MARBLE CUTTER	3.1	12
87	2016645 dt.27-10-2022	APSEZ Mundra	CM4SB MARBLE CUTTER	3.2	12
88	2016645 dt.27-	APSEZ	10MM ELECTRIC	1.9	5.42

	10-2022	Mundra	DRILL		
89	2016645 dt.27-10-2022	APSEZ Mundra	13MM IMPACT DRILL	2.2	6.27
90	2016023 dt.17-10-2022	APSEZ Mundra	CM4SB MARBLE CUTTER	2.5	12
91	2016023 dt.17-10-2022	APSEZ Mundra	3365 DEMOLITION HAMMER	7.5	37.5
92	2016023 dt.17-10-2022	APSEZ Mundra	CM4SA MARBLE CUTTER	2.5	12
93	2016023 dt.17-10-2022	APSEZ Mundra	6-100 ANGLE GRINDER	2.5	7.13
94	2016023 dt.17-10-2022	APSEZ Mundra	801 ANGLE GRINDER	2.5	7.13
95	2012975 dt.29-08-2022	APSEZ Mundra	MARBLE CUTTING BLADES	0.493	1.41
96	2012975 dt.29-08-2022	APSEZ Mundra	MARBLE CUTTING BLADES	0.493	1.41
97	2014487 dt.23-09-2022	APSEZ Mundra	DEMOLITION HAMMER 11E	9.7	67.87
98	2014487 dt.23-09-2022	APSEZ Mundra	ROTARY HAMMER 20M	3.5	11.58
99	2012867 dt.26-08-2022	APSEZ Mundra	FLAP WHEELS (MADE	1.051	3.00
10 0	2012867 dt.26-08-2022	APSEZ Mundra	ABRASIVE WHEELS	0.399	1.14
10 1	2012867 dt.26-08-2022	APSEZ Mundra	ABRASIVE WHEELS	0.63	1.80
10 2	2014338 dt.22-09-2022	APSEZ Mundra	ABRASIVE WHEELS	0.624	1.78
10 3	2009691 dt.07-07-2022	APSEZ Mundra	CUTTING DISC	0.601	1.71
10 4	2014338 dt.22-09-2022	APSEZ Mundra	FLAP WHEEL	1.208	3.44

10 5	2014338 dt.22- 09-2022	APSEZ Mundra	ABRASIVE WHEELS	0.399	1.14
10 6	2014487 dt.23- 09-2022	APSEZ Mundra	ROTARY HAMMER 26M	4.5	16.53
10 7	2012247 dt.17- 08-2022	APSEZ Mundra	CUT-OFF MACHINE (LG355)	10.2	29.07
10 8	2012247 dt.17- 08-2022	APSEZ Mundra	MINI CAR WASHER	6.1	17.39
10 9	2012247 dt.17- 08-2022	APSEZ Mundra	MINI CAR WASHER	4.5	12.83
11 0	2012247 dt.17- 08-2022	APSEZ Mundra	1.5 M SHAFT	1.1	3.14
11 1	2012247 dt.17- 08-2022	APSEZ Mundra	POWER TOOLS - WELDING MACHINE 320	6	17.10
11 2	2012247 dt.17- 08-2022	APSEZ Mundra	POWER TOOLS - WELDING MACHINE 20	5	14.25
11 3	2012247 dt.17- 08-2022	APSEZ Mundra	POWER TOOLS - WELDING MACHINE 320	4	11.40
11 4	2012247 dt.17- 08-2022	APSEZ Mundra	VIBRATOR	4.1	11.69
11 5	2003604 dt.21- 02-2023	APSEZ Mundra	MARBLE CUTTER (1500	3.1	12
11 6	2002201 dt.03- 02-2023	APSEZ Mundra	ABRASIVE WHEELS (125X6X22)	0.404	1.15
11 7	2002201 dt.03- 02-2023	APSEZ Mundra	ABRASIVE WHEELS (100X6X16)	0.375	1.07
11 8	2002201 dt.03- 02-2023	APSEZ Mundra	ABRASIVE WHEELS (355X2,	0.417	1.19
11 9	2005427 dt.30- 03-2023	APSEZ Mundra	ABRASIVE WHEELS (355X2.5X25.4	0.322	0.92
12 0	2005427 dt.30- 03-2023	APSEZ Mundra	FLAP DISCS (31200	1.153	3.29

12 1	2005427 dt.30- 03-2023	APSEZ Mundra	ABRASIVE WHEELS (355X2.5X25.4	0.62	1.77
12 2	2005427 dt.30- 03-2023	APSEZ Mundra	VELCRO DISCS (125MM	0.728	2.07
12 3	2004009 dt.28- 02-2023	APSEZ Mundra	ABRASIVE WHEEL (355X2.5X25.4)(2	0.634	1.81
12 4	2004009 dt.28- 02-2023	APSEZ Mundra	ABRASIVE WHEEL (107X1X16)(2	0.506	1.44
12 5	2005427 dt.30- 03-2023	APSEZ Mundra	ABRASIVE WHEELS (125X6X22	0.355	1.01
12 6	2005427 dt.30- 03-2023	APSEZ Mundra	ABRASIVE WHEELS (100X6X16	0.434	1.24
12 7	2003604 dt.21- 02-2023	APSEZ Mundra	IMPACT DRILL (1500	2.2	6.27
12 8	2003604 dt.21- 02-2023	APSEZ Mundra	MARBLE CUTTER (1398	3.2	12
12 9	2002201 dt.03- 02-2023	APSEZ Mundra	CUTTING OFF MACHINE	10.5	32
13 0	2002201 dt.03- 02-2023	APSEZ Mundra	CUTTING OFF MACHINE	10.5	32
13 1	2002201 dt.03- 02-2023	APSEZ Mundra	ABRASIVE WHEELS (355X2,	0.401	1.14
13 2	2003604 dt.21- 02-2023	APSEZ Mundra	ANGLE GRINDER (650	2.5	7.13
13 3	2003604 dt.21- 02-2023	APSEZ Mundra	DEMOLITION HAMMER (300	7.5	37.5
13 4	2003604 dt.21- 02-2023	APSEZ Mundra	ELECTRIC DRILL (1500	1.9	5.42
13 5	2003604 dt.21- 02-2023	APSEZ Mundra	ANGLE GRINDER (1250	2.5	7.13
13 6	2007590 dt.03- 05-2023	APSEZ Mundra	ABRASIVE WHEELS (125X1,	0.412	1.17
13 7	2007590 dt.03- 05-2023	APSEZ Mundra	FLAP DISCS(70000 PCS)	0.861	2.45
13	2007590 dt.03-	APSEZ	ABRASIVE WHEELS	0.456	1.30

8	05-2023	Mundra	(355X2,		
139	2016322 dt.26-08-2023	APSEZ Mundra	PAINT MIXER ROD	0.75	2.14
140	2016322 dt.26-08-2023	APSEZ Mundra	MARBLE CUTTER CM4SA	2.5	12
141	2016322 dt.26-08-2023	APSEZ Mundra	ANGLE GRINDER 6-100	2	5.70
142	2016322 dt.26-08-2023	APSEZ Mundra	ELECTRIC PLANER F20	4	13
143	2016322 dt.26-08-2023	APSEZ Mundra	DEMOLITION HAMMER 810	4.5	37.5
144	2016322 dt.26-08-2023	APSEZ Mundra	MARBLE CUTTER CM4SB	3	12
145	2016322 dt.26-08-2023	APSEZ Mundra	ANGLE GRINDER 801	2.85	8.12
146	2016322 dt.26-08-2023	APSEZ Mundra	VIBRATOR 1.5M	4.1	11.69
147	2016322 dt.26-08-2023	APSEZ Mundra	DEMOLITION HAMMER 835	10.5	37.5
148	2015726 dt.17-08-2023	APSEZ Mundra	SCREWDRIVER 10B	1.9	8.75
149	2015726 dt.17-08-2023	APSEZ Mundra	SCREWDRIVER 10C	2	8.75
150	2015726 dt.17-08-2023	APSEZ Mundra	10 MM ELECTRIC	1.65	4.70
151	2015726 dt.17-08-2023	APSEZ Mundra	IMPACT DRILL	2.2	6.27
152	2015726 dt.17-08-2023	APSEZ Mundra	10MM ELECTRIC DRILL	1.6	4.56
153	2017628 dt.11-11-2022	APSEZ Mundra	VELCRO DISC 125	1.012	2.88
154	2017628 dt.11-11-2022	APSEZ Mundra	ABRASIVE WHEELS 355	0.387	1.10

15 5	2025748 dt.08- 12-2023	APSEZ Mundra	SCREW DRIVER 10LED	0.914	2.60
15 6	2025748 dt.08- 12-2023	APSEZ Mundra	10 MM ELECTRIC	1.65	4.70
15 7	2025748 dt.08- 12-2023	APSEZ Mundra	SCREW DRIVER 10C	0.867	2.47
15 8	2025748 dt.08- 12-2023	APSEZ Mundra	10 MM ELECTRIC	1.6	4.56
15 9	2025748 dt.08- 12-2023	APSEZ Mundra	IMPACT DRILL 13RE	2.05	5.84
16 0	2025748 dt.08- 12-2023	APSEZ Mundra	IMPACT DRILL	2	5.70
16 1	2025748 dt.08- 12-2023	APSEZ Mundra	SCREW DRIVER 10B	0.844	2.41
16 2	2026743 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 4&#39;&#39;	0.59	1.68
16 3	2026743 dt.20- 12-2023	APSEZ Mundra	SAW BLADE 5&#39;&#39;	0.744	2.12
16 4	2026743 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 4&#39;&#39;	0.585	1.67
16 5	2026743 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 3&#39;&#39;	0.655	1.87
16 6	2026743 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 14&#39;&#39;	0.437	1.25
16 7	2026743 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 4&#39;&#39;	0.907	2.58
16 8	2026743 dt.20- 12-2023	APSEZ Mundra	SAW BLADE 4&#39;&#39;	0.774	2.21
16 9	2026732 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 5&#39;&#39;	0.944	2.69
17 0	2026732 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 4&#39;&#39;	0.712	2.03
17 1	2026732 dt.20- 12-2023	APSEZ Mundra	ABRASIVE WHEEL 14&#39;&#39;	0.392	1.12
17	2024010 dt.21-	APSEZ	PAINT MIXER ROD	0.75	2.14

2	11-2023	Mundra			
173	2024010 dt.21-11-2023	APSEZ Mundra	PAINT MIXER -	2.5	7.13
174	2024010 dt.21-11-2023	APSEZ Mundra	ELECTRIC POLISHER -	3.5	16.5
175	2024010 dt.21-11-2023	APSEZ Mundra	ELECTRIC PLANNER -	4	13
176	2024010 dt.21-11-2023	APSEZ Mundra	HAMMER 855 -	8	42.6
177	2024010 dt.21-11-2023	APSEZ Mundra	MARBLE CUTTER 4SB	3	12
178	2024010 dt.21-11-2023	APSEZ Mundra	MARBLE CUTTER 4SA	2.5	12
179	2024010 dt.21-11-2023	APSEZ Mundra	HAMMER 810 -	4.5	37.5

**44.** The calculation of re-determined Assessable value and total differential duty liability for the goods imported in the name of M/s Hettro Hardware India has been categorized into three categories *viz.* (i) screws imported from China; (ii) Screws imported from Taiwan; and (iii) Power Tools imported from China and tabulated in three tables- **D**, **E** and **F** respectively as under:-

**(i) Table-D (with respect to screws imported from China by M/s Hettro Hardware India):**

S. No	DTA BE No	DTA BE DATE	Declared Assessable Value.	Duty Paid (Rs.)	Re-determined Assessable Value (Rs.)	Re-determined Duty Liability (Rs.)	Differential Duty (Rs.)
1	2000412	06-01-2024	60,05,749	22,50,354	1,43,04,754	53,59,991	31,09,637
2	2004267	06-03-2023	41,79,721	15,57,752	1,21,47,689	44,70,395	29,12,643
3	2005039	23-03-2023	22,73,142	8,51,746	60,25,182	22,57,636	14,05,889
4	20066	19-04-	31,28,57	11,72,27	86,58,500	32,44,34	20,72,06

S. No	DTA BE No	DTA BE DATE	Declared Assessable Value.	Duty Paid (Rs.)	Re-determined Assessable Value (Rs.)	Re-determined Duty Liability (Rs.)	Differential Duty (Rs.)
	70	2023	2	6		0	4
5	2010094	14-07-2022	20,54,481	7,69,814	98,78,037	37,01,300	29,31,487
6	2010186	15-07-2022	21,20,386	7,94,509	49,47,568	18,53,854	10,59,345
7	2010886	28-07-2022	11,61,356	4,35,160	28,76,424	10,77,796	6,42,636
8	2011542	05-08-2022	21,10,877	7,90,946	49,79,154	18,65,689	10,74,743
9	2011592	30-06-2023	31,96,632	11,97,778	76,03,584	28,49,063	16,51,285
10	2012061	12-08-2022	11,88,385	4,45,288	32,09,390	12,02,558	7,57,271
11	2013227	17-07-2023	20,98,181	7,86,188	53,18,883	19,92,986	12,06,797
12	2013715	24-07-2023	21,08,461	7,90,040	49,55,913	18,56,981	10,66,940
13	2013724	12-09-2022	21,17,308	7,93,355	51,30,634	19,22,449	11,29,093
14	2015326	07-10-2022	11,15,939	4,18,142	30,26,304	11,33,956	7,15,814
15	2015530	16-08-2023	33,37,567	12,50,586	71,32,372	26,72,500	14,21,913
16	2015644	12-10-2022	23,38,955	8,76,406	60,68,332	22,73,804	13,97,398
17	2016049	17-10-2022	21,87,959	8,19,828	47,24,968	17,70,445	9,50,617
18	2016691	28-10-2022	11,31,234	4,15,241	39,99,314	14,22,931	10,07,690

S. No	DTA BE No	DTA BE DATE	Declared Assessable Value.	Duty Paid (Rs.)	Re-determined Assessable Value (Rs.)	Re-determined Duty Liability (Rs.)	Differential Duty (Rs.)
<b>Grand Total</b>			<b>4,38,54,904</b>	<b>1,64,15,411</b>	<b>11,49,87,001</b>	<b>4,29,28,673</b>	<b>2,65,13,263</b>

**(ii) Table-E (with respect to screws imported from Taiwan by M/s Hetro Hardware India):**

S. No	DTA BE No	DTA BE DATE	Declared Assessable Value.	Duty Paid (Rs.)	Re-determined Assessable Value (Rs.)	Re-determined Duty Liability (Rs.)	Differential Duty (Rs.)
1	2000410	06-01-2024	33,97,768	12,73,144	6,2,72,462	23,50,292	10,77,148
2	2006671	19-04-2023	15,19,948	5,69,525	3,3,82,805	12,67,537	6,98,012
3	2006675	19-04-2023	45,51,270	17,05,361	1,0,1,28,012	37,94,966	20,89,605
4	2008304	13-05-2023	33,94,931	12,72,081	6,7,29,805	25,21,658	12,49,577
5	2008868	20-05-2023	34,08,149	12,77,033	6,7,57,339	25,31,975	12,54,942
6	2010356	10-06-2023	33,66,767	12,61,528	6,6,67,777	24,98,416	12,36,889
7	2010841	22-06-2023	58,52,387	21,92,889	1,1,5,88,950	43,42,380	21,49,490
8	2014005	26-07-2023	49,07,383	18,38,797	9,2,13,420	34,52,268	16,13,472
9	20140	26-07-	66,	24,	1,2	46,	21,

S. No	DTA BE No	DTA BE DATE	Declared Assessable Value.	Duty Paid (Rs.)	Re-determined Assessable Value (Rs.)	Re-determined Duty Liability (Rs.)	Differential Duty (Rs.)
	00	2023	05,049	74,912	4,06,930	48,877	73,965
10	2014278	29-07-2023	66,41,637	24,88,621	1,24,79,283	46,75,987	21,87,366
11	2014362	31-07-2023	56,96,008	21,34,294	1,06,91,104	40,05,957	18,71,662
12	2016783	02-09-2023	41,71,787	15,63,169	78,06,890	29,25,242	13,62,073
13	2017225	08-09-2023	32,47,093	12,16,686	60,66,847	22,73,247	10,56,562
14	2017345	09-09-2023	32,80,006	12,29,018	61,31,728	22,97,559	10,68,540
15	2018075	18-09-2023	33,63,091	12,60,150	62,96,044	23,59,128	10,98,978
16	2017982	16-09-2023	8,12,210	3,04,335	15,17,519	5,68,614	2,64,279
17	2017994	16-09-2023	17,35,258	6,50,201	32,54,255	12,19,369	5,69,168
18	2020431	12-10-2023	17,72,208	6,64,046	32,81,970	12,29,754	5,65,708
19	2021394	21-10-2023	15,79,095	5,91,687	29,00,049	10,86,648	4,94,961
20	2022127	28-10-2023	32,93,300	12,34,000	60,67,038	22,73,319	10,39,320
21	2022789	04-11-2023	32,87,763	12,31,925	60,56,080	22,69,213	10,37,288
22	2024838	29-11-2023	8,18,775	3,06,795	15,03,738	5,63,450	2,56,656
23	2025174	02-12-2023	32,29,240	12,09,996	59,24,244	22,19,814	10,09,818

S. No	DTA BE No	DTA BE DATE	Declared Assessable Value.	Duty Paid (Rs.)	Re-determined Assessable Value (Rs.)	Re-determined Duty Liability (Rs.)	Differential Duty (Rs.)
24	2026379	16-12-2023	32,88,300	12,32,126	60,53,284	22,68,165	10,36,039
25	2000036	01-01-2024	16,50,521	6,18,450	30,40,578	11,39,304	5,20,854
<b>Grand Total</b>			<b>8,48,69,946</b>	<b>3,18,00,769</b>	<b>16,22,18,151</b>	<b>6,07,83,141</b>	<b>2,89,82,372</b>

**(iii) Table-F (with respect to Power tools and their accessories imported from China by M/s Hetro Hardware India):**

S. No	PORT OF IMPORT	DTA BE No	DTA BE DATE	Declared Assessable Value.	Duty Paid (Rs.)	Re-determined Assessable Value (Rs.)	Re-determined Duty Liability (Rs.)	Differential Duty (Rs.)
1	APSE Z Mun dra	2002201	03-02-2023	10,44,683	3,04,873	28,71,712	8,36,835	5,31,962
2	APSE Z Mun dra	2003604	21-02-2023	19,15,594	5,31,290	63,79,280	17,69,293	12,38,003
3	APSE Z Mun dra	2004009	28-02-2023	10,82,658	3,28,381	29,11,156	8,82,983	5,54,602
4	APSE Z Mun dra	2005427	30-03-2023	10,17,527	3,08,626	27,21,287	8,25,394	5,16,767
5	APSE Z	2007	03-05-	10,47,7	3,	28	8,56,95	5,39,16

S. No	POR T OF IMPO RT	DTA BE No	DTA BE DATE	Declare d Assessable Value.	Duty Paid (Rs.)	Re-determin ed Assessable Value (Rs.)	Re-determin ed Duty Liability (Rs.)	Differen tial Duty (Rs.)
	Mun dra	590	2023	28	17,786	,25,337	3	7
6	APSE Z Mun dra	2009 691	07-07-2022	12,64,206	3,91,651	29,51,519	9,14,381	5,22,730
7	APSE Z Mun dra	2012 247	17-08-2022	20,64,199	5,72,506	50,87,470	14,11,010	8,38,504
8	APSE Z Mun dra	2012 867	26-08-2022	22,42,017	6,94,577	54,14,396	16,77,380	9,82,803
9	APSE Z Mun dra	2012 975	29-08-2022	10,71,384	3,31,915	25,66,310	7,95,043	4,63,128
10	APSE Z Mun dra	2014 338	22-09-2022	11,08,119	3,43,295	26,25,046	8,13,239	4,69,944
11	APSE Z Mun dra	2014 487	23-09-2022	17,51,541	4,77,433	56,36,495	15,36,907	10,59,474
12	APSE Z Mun dra	2015 726	17-08-2023	21,75,108	6,03,266	66,97,092	18,57,438	12,54,172
13	APSE Z Mun dra	2016 023	17-10-2022	19,25,574	5,34,058	66,65,766	18,48,750	13,14,692

S. No	POR T OF IMPO RT	DTA BE No	DTA BE DATE	Declare d Assessable Value.	Duty Paid (Rs.)	Re-determin ed Assessable Value (Rs.)	Re-determin ed Duty Liability (Rs.)	Differen tial Duty (Rs.)
14	APSE Z Mun dra	2016 322	26-08-2023	19,78,186	5,48,650	73,04,124	20,25,799	14,77,149
15	APSE Z Mun dra	2016 645	27-10-2022	18,98,193	5,26,464	57,86,266	16,04,821	10,78,357
16	APSE Z Mun dra	2017 628	11-11-2022	31,51,952	9,56,019	75,28,225	22,83,386	13,27,367
17	APSE Z Mun dra	2024 010	21-11-2023	15,81,719	4,38,690	78,31,357	21,72,027	17,33,337
18	APSE Z Mun dra	2025 748	08-12-2023	17,80,863	5,19,496	47,58,613	13,88,142	8,68,646
19	APSE Z Mun dra	2026 732	20-12-2023	20,15,459	6,11,309	52,99,251	16,07,316	9,96,007
20	APSE Z Mun dra	2026 743	20-12-2023	9,93,749	3,07,863	26,11,398	8,09,011	5,01,148
21	INBD M6	2421 573	19-01-2021	20,79,570	5,76,769	52,24,752	14,49,085	8,72,316
22	INBD M6	2563 368	30-01-2021	12,38,898	3,83,811	19,60,926	6,07,495	2,23,684

S. No	POR T OF IMPO RT	DTA BE No	DTA BE DATE	Declare d Assessable Value.	Duty Paid (Rs.)	Re-determin ed Assessable Value (Rs.)	Re-determin ed Duty Liability (Rs.)	Differen tial Duty (Rs.)
23	INDW N6	3308 296	15- 11- 2022	33,06,1 90	9, 16,972	88 ,33,568	24,49,9 90	15,33,0 18
24	INBD M6	3418 650	03- 04- 2021	5,57,87 6	1, 54,727	13 ,37,788	3,71,03 5	2,16,30 8
25	INBD M6	3419 980	03- 04- 2021	16,95,6 29	5, 25,306	35 ,23,015	10,91,4 30	5,66,12 4
26	INBD M6	4618 931	09- 07- 2021	17,60,8 83	5, 45,521	30 ,63,825	9,49,17 3	4,03,65 2
27	INDW N6	5236 730	27- 03- 2023	2,28,11 3	63,267	5 ,82,050	1,61,43 2	98,164
28	INBD M6	5251 521	31- 08- 2021	24,21,0 26	6, 71,472	56 ,38,588	15,63,8 63	8,92,39 1
29	INDE L4	5516 765	20- 09- 2021	88,007	27,264	1 ,60,461	49,710	22,446
30	INDE L4	6055 098	20- 05- 2023	87,579	24,290	1 ,54,313	42,799	18,509
31	INBD M6	6163 079	08- 11- 2021	34,76,6 98	9, 64,262	50 ,60,641	14,03,5 69	4,39,30 7
32	INBD M6	6380 285	24- 11- 2021	17,81,6 26	5, 51,948	29 ,37,274	9,09,96 7	3,58,02 0
33	INPP G6	6971 712	06- 01-	1,34,07	41,536	3 ,47,415	1,07,62	66,094

S. No	POR T OF IMPO RT	DTA BE No	DTA BE DATE	Declare d Assessa ble Value.	Duty Paid (Rs.)	Re- determin ed Assessab le Value (Rs.)	Re- determin ed Duty Liability (Rs.)	Differen tial Duty (Rs.)
			2022	2			9	
34	INBD M6	7113 821	29- 07- 2023	10,87,9 14	3, 29,975	42 ,47,040	12,88,1 70	9,58,19 4
35	INPP G6	7211 824	24- 01- 2022	4,21,79 1	1, 30,671	14 ,45,760	4,47,89 6	3,17,22 6
36	INBD M6	7344 364	14- 08- 2023	11,39,3 37	3,45,57 2	31,90,17 6	9,67,61 2	6,22,04 0
37	INBD M6	8129 463	04- 10- 2023	9,97,86 5	3, 02,662	33 ,99,780	10,31,1 85	7,28,52 3
38	INBD M6	8129 469	04- 10- 2023	10,38,0 40	3, 14,848	24 ,47,704	7,42,41 3	4,27,56 5
39	INBD M6	8280 449	14- 04- 2022	9,88,73 9	3, 06,311	23 ,43,548	7,26,03 1	4,19,72 0
40	INBD M6	8302 633	16- 04- 2022	14,34,8 69	4, 44,522	23 ,98,080	7,42,92 5	2,98,40 3
41	INBD M6	8842 778	20- 11- 2023	22,78,5 22	6, 91,098	76 ,96,369	23,34,3 86	16,43,2 87
42	INBD M6	9239 500	15- 12- 2023	1,67,46 9	46,447	4 ,52,505	1,25,50 2	79,055
<b>Grand Total</b>				<b>6,15,21, 174</b>	<b>1,80 ,07,399</b>	<b>16,29,17 ,678</b>	<b>4,74,79, 402</b>	<b>2,94,72, 003</b>

**44.1** The calculation of re-determined Assessable value and total differential duty liability for the one consignment containing 'Abrasive Wheels' imported in the name of **M/s Shree Balaji Exim** vide DTA BE No. 2003481 dated 12.02.2024 (in respect of which provisional release order was issued) been tabulated in **table- G** as under:-

**Table-G**

<b>S.No</b>	<b>DTA BE No</b>	<b>DTA BE DATE</b>	<b>Declared Assessable Value.</b>	<b>Duty Paid (Rs.)</b>	<b>Re-determined Assessable Value (Rs.)</b>	<b>Re-determined Duty Liability (Rs.)</b>	<b>Differential Duty (Rs.)</b>
1.	2003481	12.02.2024	24,27,242	7,51,959	72,76,782	22,54,347	15,02,388

**Invocation of Extended Period:**

**45.** As per Section 30 of the SEZ Act, 2005 the goods removed from a Special Economic Zone to the Domestic Tariff Area shall be chargeable to duties of customs including antidumping, countervailing and safeguard duties under the Customs Tariff Act, 1975, where applicable, as leviable on such goods when imported and the rate of duty and tariff valuation, if any, applicable to goods removed from a Special Economic Zone shall be at the rate and tariff valuation in force as on the date of such removal, and where such date is not ascertainable, on the date of payment of duty. Further Rule 47 of the SEZ Rules, 2006 states that, the Valuation and assessment of the goods cleared into Domestic Tariff Area shall be made in accordance with Customs Act and rules made there under and Refund, Demand, Adjudication, Review and Appeal with regard to matters relating to authorised operations under Special Economic Zones Act, 2005, transactions, and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the Customs Act, 1962, the Central Excise Act, 1944, and the Finance Act, 1994 and the rules made there under or the notifications issued there under. Therefore, the goods cleared from SEZ with attract the Rules and Regulations made under the Customs Act. Accordingly, with effect from 08.04.2011, Self-Assessment has become the norm of assessment of Customs duty in respect of imported/export goods, whichever applicable. This is a measure aimed at facilitating trust based compliance management in respect of goods which are imported into or exported from India. With introduction of the concept of self-assessment, Government expected to usher a new era of trust based Customs-Trade partnership. The focus of self-assessment is reliance on declarations made by importers/ exporters for facilitating the clearance of imported/ export consignment. The basic postulates of Self-Assessment are covered under Board's Circular No.17/2011- Custom dated 08.04.2011. As per the Self-Assessment Scheme, the responsibility for assessment

has shifted to the importer/exporter, therefore, importers/exporters are required to declare the correct description, value, classification, notification number, if any, and themselves assess the Customs duty leviable, if any, on the imported / export goods. Section 17 of the Customs Act, 1962 provides for self-assessment of duty on imported and export goods by the importer or exporter himself by filing a Bill of Entry or Shipping Bill, as the case may be, in the electronic form (Section 46 or 50). Self-Assessment is covered under Section 17, and also supported by Sections 18, 46 and 50 of the Customs Act, 1962. Therefore, to avail of the benefit of the facility, importer/ exporter needs to put in place robust systems and processes to ensure that accurate information is submitted to the Customs as the onus would lie solely on the importer/ exporter.

**45.1** As per the Customs Act, 1962, the importer of any goods is required to file a Bill of Entry under Section 46 of the Customs Act, 1962, in the proforma prescribed under Bill of Entry (Form) Regulations, 1976 or Bill of Entry (Electronic Declaration) Regulations, 1995, before the proper officer. In terms of the said provisions, the importer, while presenting the Bill of Entry shall make and subscribe to a declaration as to the truth of the contents of such a Bill of Entry and shall, in support of such declaration, produce to the proper officer, the invoice, if any, relating to the imported goods. In view of the above, it appears that the subject import firm has violated the provisions of Section 46 of the Customs Act, 1962 by mis-declaring the actual value of the imported goods, which has resulted in improper assessment of duty under Section 17 of the Customs Act, 1962 and consequently resulted in short payment of Customs duty. M/s Hettro Hardware, by their various acts, as aforesaid, appear to have deliberately undervalued and appear to have purposefully mis-declared the value of goods imported from China and Taiwan so as to evade payment of applicable duties of customs. Thus, the duties of customs so evaded by reason of collusion, mis-declaration and suppression of facts, is liable to be demanded and recovered from M/s Hettro Hardware for their imports in terms of the extended period provisions of Section 28(4) of the Customs Act, 1962 along with interest under Section 28AA of Customs Act, 1962 read with Section 9A of the Customs Tariff Act, 1975 read with Sections 21 of the SEZ Act, 2005 and Rules 47 & 48 of the SEZ Rules 2006.

#### **ROLE PLAYED:**

#### **46. M/S HETTRO HARDWARE INDIA:**

**46.1** From the investigation conducted by this office, it appears that M/s Hettro Hardware India indulged in the undervaluation in the imports of the impugned goods i.e., Screws and Power Tools with a clear intent of evading Customs duties.

**46.2** Further, M/s Hettro Hardware India imported goods by submitting Commercial Invoices wherein the value of the goods mentioned was lesser than the actual values, in order to evade payment of Customs Duty.

**46.3** The appropriate customs duty, leviable on the goods as detailed in Annexure-A, Annexure A-1 and Annexure-B (i.e. the goods imported on the IEC of

M/s Hetro Hardware India) as brought out herein could not have been levied at that time of import due to reason of wilful misstatement and suppression of facts by M/s Hetro Hardware India. Hence, on account of the omission and commission, as set out herein, it appears that M/s Hetro Hardware India have rendered themselves liable to penal action under Section 114A of the Customs Act, 1962. Moreover, the impugned goods (as tabled in Annexure-A, Annexure A-1 and Annexure-B of this Investigation Report and tabled at Para 44 above) are liable to confiscation under Section 111(m) of the Customs Act, 1962 and thus, M/s Hetro Hardware India appears to have rendered itself liable to penalty under Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005.

**46.4** Furthermore, M/s Hetro Hardware India filed declaration, statement or document which is false or incorrect in terms of value in the course of transaction of business for the purpose of Customs Act, 1962, rendering it liable to penalty under Section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005..

**47. SH. SHAKUN JAIN, PARTNER, M/S HETTRO HARDWARE INDIA & BENEFICIAL OWNER M/s SHREE BALAJI EXIM:**

**47.1** Sh. Shakun Jain in his voluntary statements admitted that he is the only working partner in the partnership firm i.e. Ms Hetro Hardware India. The same is also validated from the digital evidences recovered during the course of investigation, as also from the voluntary statements of Customs House Agents and domestic buyers of M/s Hetro Hardware India. He also imported the impugned goods, i.e. screws from China using the IEC of M/s Shree Balaji Exim, which was further substantiated by the evidences recovered during the forensics examination along with statements of CHA and buyer that Sh. Shakun Jain was dealing with respect to the import of the impugned goods and further selling the same in domestic market. During his statement recording on 03.10.2024, he himself insisted that the screws imported in the name of M/s Shree Balaji Exim might be considered as imported by him. As per the definition of 'Beneficial owner'—*beneficial owner means any person on whose behalf the goods are being imported or exported or who exercises effective control over the goods being imported or exported.* Therefore, it can be deduced that Sh. Shakun Jain is the beneficial owner in respect of the screws imported from China using IEC of M/s Shree Balaji Exim. During search conducted on 18.01.2024 at the residential premises of Shri Shakun Jain, a chart was recovered containing details of invoices, description of goods, actual cost in Chinese Yuan (RMB), quantity, container details and payments made. The said chart clearly reflected actual transaction values higher than those declared to Customs. The authenticity of the chart was corroborated through its recovery during forensic examination of Shri Shakun Jain's WhatsApp chats with a Chinese supplier. In his statement dated 06.02.2024, Shri Shakun Jain admitted that the payments reflected in the chart pertained to imports of screws from a Chinese supplier, thereby confirming that the amounts represented actual consideration. His claim that goods imported in the name of M/s Shree Balaji Exim were sold by him in China at a commission of 3% was found to be false and

illogical, as investigation established that M/s Shree Balaji Exim invoiced and supplied the same goods to M/s Hetro Hardware India in India. Further, Shri Shakun Jain gave contradictory and evasive statements regarding banking and remittance formalities. While independent statements confirmed that his employee handled Form A-1 and FEMA declarations for outward remittances, Shri Shakun Jain falsely claimed that his employee only collected signatures on invoices, indicating deliberate suppression of facts. Financial analysis of the bank account of M/s Shree Balaji Exim revealed that Shri Shakun Jain first transferred funds to the said firm, which were then used for remittances to the Chinese supplier and for payment of customs duty and freight charges. Statements of the CHA and independent buyers further established that Shri Shakun Jain was sharing import documents, coordinating customs clearance, and supplying goods, whereas the proprietor of M/s Shree Balaji Exim had no active role. The above facts clearly establish that Shri Shakun Jain was the actual importer, financier and controller of the imports of screws made in the name of both firms and deliberately resorted to undervaluation with intent to evade customs duty, while making false and misleading statements during investigation. Thus, the duties of customs so evaded in import of screws from China in the name of M/s Shree Balaji Exim by reason of collusion, mis-declaration and suppression of facts, is liable to be demanded and recovered from Sh. Shakun Jain for the imports in terms of the extended period provisions of Section 28(4) of the Customs Act, 1962 along with interest under Section 28AA of Customs Act, 1962 read with Section 9A of the Customs Tariff Act, 1975 read with Sections 21 & 30 of the SEZ Act, 2005 and Rules 47 & 48 of the SEZ Rules 2006. The details of screws imported in the name of M/s Shree Balaji Exim, for which Shakun Jain is the beneficial owner, are brought out as below in **Table-H** and the calculation sheet in respect of the same is enclosed as **Annexure-D** to this IR:

**Table-H**

<b>DTA BE</b>	<b>Date</b>	<b>Declared Ass Value</b>	<b>Duty paid</b>	<b>Re-determined Ass Value</b>	<b>Re-determined Duty</b>	<b>Diff. duty</b>
2017077	06-09-2023	42,89,844	16,07,405	1,00,89,077	37,80,377	21,72,973
2021098	19-10-2023	25,05,632	9,38,860	78,66,519	29,47,585	20,08,724
2026476	18-12-2023	28,56,530	10,70,342	88,35,314	33,10,592	22,40,250
<b>Grand Total</b>		<b>96,52,006</b>	<b>36,16,607</b>	<b>2,67,90,910</b>	<b>1,00,38,554</b>	<b>64,21,947</b>

**47.2** The appropriate customs duty, leviable on the goods as detailed in **Annexure-D** as brought out herein could not have been levied at that time of import due to reason of wilful misstatement and suppression of facts by Shri Shakun Jain. Hence, on account of the omission and commission, as set out herein, it appears that Shri Shakun Jain India have rendered themselves liable to

penal action under Section 114A of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for goods imported as detailed in Annexure-D.

**47.3** From the investigation carried out and findings as stated above, it comes out that Shri Shakun Jain by his various acts of commission and omission has either imported goods or abetted the import of goods and has acquired 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, as detailed in Annexure-A, Annexure-A1, Annexure-B, Annexure-C and Annexure D. Therefore, by his various acts of commission and omission, as aforesaid, Sh. Shakun Jain appears to have rendered the impugned goods (as tabled in Annexure-A, Annexure-A1, Annexure-B, Annexure-C and Annexure D of this Investigation Report and tabled at Paras 44 and 47.1 above) liable to confiscation under Section 111(m) of the Customs Act, 1962 and thus, appears to have rendered himself liable to penalty under Section 112 (a) and (b) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005.

**47.4** Further by his various acts of commission and omission, Sh. Shakun Jain, Partner M/s Hetro Hardware India has knowingly and intentionally made, signed or used, or cause to be made, signed or used, several forged documents in the transaction of business under Customs Act, 1962, which are false or incorrect in terms of the value of impugned goods, rendering Sh. Shakun Jain liable for penal action under the provisions of section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005.

#### **48. MS. BHUMI GABA THROUGH ITS PROPRIETORSHIP M/S SHREE BALAJI EXIM:**

**48.1** M/s Shree Balaji Exim through its Proprietor Ms. Bhumi Gaba imported goods as detailed in **Annexure - C** by submitting Commercial Invoice wherein the value of the goods mentioned was lesser than the actual values, in order to evade payment of Customs Duty. During her initial statement dated 16.02.2024, she informed that she had signed the documents on the insistence of Sh. Girish Gaba and Sh. Manish Gaba. However, after a few months, this office received a letter dated 17.07.2024 signed by her, seeking NOC for release of consignment vide BE No. 2003481 dated 12.02.2024 thus by claiming the ownership of the said consignment. This shows she has utmost disregard for the law and tried to mislead the investigation by twisting the facts. Thus M/s Shree Balaji Exim through its Proprietor Ms. Bhumi Gaba appears to have contravened Section 46(4) of Customs Act, 1962 thereby rendering M/s Shree Balaji Exim through its Proprietor Ms. Bhumi Gaba liable for penal action and also rendered M/s Shree Balaji Exim through its Proprietor Ms. Bhumi Gaba liable for recovery of Customs duty under Section 125(2) of the Customs Act, 1962 along with interest thereupon read with Section 9A of the Customs Tariff Act, 1975 read with Sections 21 & 30 of the SEZ Act, 2005 and Rules 47 & 48 of the SEZ Rules 2006, in respect of the consignment imported vide **DTA BE No. 2003481 dated 12.02.2024**.

**48.2** From the investigation conducted by this office, it has emerged that Ms. Bhumi Gaba through her proprietorship M/s Shree Balaji Exim is responsible for all the activities of the firm. Her firm M/s Shree Balaji Exim was used for importing undervalued goods not only for herself but also for importing undervalued goods (screws) for Shri Shakun Jain. Thus she has imported goods which were undervalued as mentioned in **Table-G** at Para 44.1 above (and detailed in **Annexure-C** to the Show Cause Notice). Also, she has aided and abetted in import of goods as mentioned in **Table-H** at para **47.1** above (and also detailed in **Annexure-D** to the Show Cause Notice), which are liable for confiscation under Section 111(m) of the Customs Act, 1962. Further, she has also acquired possession of or is concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with goods as mentioned in **Table-G** at Para 44.1 above (and detailed in **Annexure-C** to the Show Cause Notice) and **Table-H** at para **47.1** above (and also detailed in **Annexure-D** to the Show Cause Notice) which she knows or has reason to believe are liable to confiscation under section 111 read with Section 21 of the SEZ Act, 2005.

**48.3** As a result of her acts of omission and commission, M/s Shree Balaji Exim through its Proprietor Ms. Bhumi Gaba has rendered herself:

**i)** Liable for penal action under the provisions of Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for her role in aiding and abetting Sh. Shakun Jain in importing goods and dealing with goods (as detailed in Annexure-C and Annexure-D to the Show Cause Notice) which are liable for confiscation on account of mis-declaration of value.

**ii)** Liable for penal action under Section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for her role by signing declaration, statement or document, in the transaction of business under Customs Act, 1962, which are incorrect in terms of value.

**49. SH. GIRISH GABA, M/S SHREE BALAJI EXIM:**

**49.1** From the investigation conducted by this office, it appears that Sh. Girish Gaba played an important role in facilitating undervalued imports in M/s Shree Balaji Exim. He insisted Ms. Bhumi Gaba to sign the documents to be filed before Customs. It emerged out in the investigation that Sh. Girish Gaba had helped Sh. Shakun Jain in importing undervalued goods. He also admitted of importing one consignment of abrasive wheels which was also undervalued. He aided and abetted in import of goods as mentioned in **Table-G at Para 44.1** above (and detailed in **Annexure-C** to the Show Cause Notice) and mentioned in **Table-H at para 47.1** above (and also detailed in **Annexure-D** to the Show Cause Notice), which are liable for confiscation under Section 111(m) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005. Further, he has also acquired possession of or is concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with goods as mentioned in

**Table-G** at Para 44.1 above (and detailed in **Annexure-C** to the Show Cause Notice) and **Table-H** at para **47.1** above (and also detailed in **Annexure-D** to the Show Cause Notice) which he knows or has reason to believe are liable to confiscation under section 111 read with Section 21 of the SEZ Act, 2005.

**49.2** As a result of his acts of omission and commission, Sh. Girish Gaba has rendered himself:

**i)** Liable for penal action under the provisions of Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in aiding and abetting Sh. Shakun Jain in importing goods and dealing with goods (as detailed in Annexure-C and Annexure-D to the Show Cause Notice) which are liable for confiscation on account of mis-declaration of value.

**ii)** Liable for penal action under Section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in causing to be filed declaration, statement or document in the transaction of business under Customs Act, 1962, which are incorrect in terms of value.

**50. SH. MANISH GABA, M/S SHREE BALAJI EXIM:**

**50.1** From the investigation conducted by this office, it appears that Sh. Manish Gaba played an important role in facilitating undervalued imports in M/s Shree Balaji Exim. He insisted Ms. Bhumi Gaba to sign the documents to be filed before Customs. It emerged out in the investigation that Sh. Manish Gaba had helped Sh. Shakun Jain in importing undervalued goods. He aided and abetted in import of goods as mentioned in **Table-G at Para 44.1** above (and detailed in **Annexure-C** to the Show Cause Notice) and mentioned in **Table-H at para 47.1** above (and also detailed in **Annexure-D** to the Show Cause Notice), which are liable for confiscation under Section 111(m) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005. Further, he has also acquired possession of or is concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with goods as mentioned in **Table-G** at Para 44.1 above (and detailed in **Annexure-C** to the Show Cause Notice) and **Table-H** at para **47.1** above (and also detailed in **Annexure-D** to the Show Cause Notice) which he knows or has reason to believe are liable to confiscation under section 111 read with Section 21 of the SEZ Act, 2005.

**50.2** As a result of his acts of omission and commission, Sh. Manish Gaba has rendered himself:

**i)** Liable for penal action under the provisions of Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in aiding and abetting Sh. Shakun Jain in importing goods and dealing with goods (as detailed in Annexure-C and Annexure-D to the Show Cause Notice) which are liable for confiscation on account of mis-declaration of value.

**ii)** Liable for penal action under Section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in causing to be filed declaration, statement or document in the transaction of business under Customs Act, 1962, which are incorrect in terms of value.

**51. MRS. MEGHA JAIN, PARTNER, M/S HETTRO HARDWARE INDIA:**

**51.1** From the investigation conducted by this office, it is observed that Mrs. Megha Jain is a partner of M/s Hetro Hardware India and is also the wife of Shri Shakun Jain, who was actively handling the import operations of the firm. Investigation has revealed that similar issues of undervaluation had been investigated earlier against Shri Shakun Jain in respect of the same line of imports, which were within the knowledge of the family and business set-up. Despite such past investigation and resultant proceedings, the firm continued to indulge in undervaluation of imported goods. Being a partner of the firm and closely related to S. Shakun Jain, Mrs. Megha Jain cannot be considered to be a mere sleeping partner, as she stood to benefit from the business profits arising out of such undervaluation. The investigation indicates that the acts of undervaluation were carried out with her knowledge and consent, or at least with her conscious acquiescence for the goods imported on the IEC of M/s Hetro Hardware and detailed in Annexure – A, Annexure – A1 and Annexure – B to the Show Cause Notice.

**51.2** As a result of her acts of omission and commission, Mrs. Megha Jain has rendered herself:

**i)** Liable for penal action under the provisions of Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for her role in aiding and abetting Sh. Shakun Jain and M/s Hetro Hardware in importing goods (as detailed in Annexure – A, Annexure – A1 and Annexure – B to the Show Cause Notice) which are liable for confiscation on account of mis-declaration of value.

**ii)** Liable for penal action under Section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for her role in causing to be filed declaration, statement or document in the transaction of business under Customs Act, 1962, which are incorrect in terms of value.

**52. SH. ROMIL GUPTA, PROPRIETOR OF M/S SOHAN LAL GUPTA:**

**52.1** From the investigation conducted by this office, it appears that Sh. Romil Gupta, Proprietor of M/s Sohan Lal Gupta, had full knowledge of the actual transaction value of the imported screws from Taiwan and knowingly engaged in a deliberate scheme to evade customs duty by resorting to undervaluation. M/s Sohan Lal Gupta had earlier been directly importing identical goods from Taiwan at

suppressed values and was subjected to investigation by DRI, Lucknow in January 2023 on the same grounds. Subsequent to initiation of the said investigation, instead of desisting from the illegal activity, it appears that Sh. Romil Gupta consciously altered the mode of operation by lowering the volume of direct imports and procuring the same goods through M/s Hetro Hardware India, thereby using them as a conduit to continue the offence while attempting to distance himself from the act of importation. The timing and manner of this shift in procurement indicates that the arrangement was not a bona fide commercial transaction but a calculated attempt to circumvent customs scrutiny and conceal the true value of the imported goods. Sh. Romil Gupta, despite being aware that the imports were being affected at grossly undervalued prices through M/s Hetro Hardware India, continued to place orders, receive and utilize the goods, and thereby derived financial benefit from duty evasion. The CHA Sh. Praveen Chand Kaushik also stated in his statement dated 19.01.2024 (mentioned in para 4.3 above) that Sh. Romil Gupta accompanied Sh. Shakun Jain to his office 3-4 times for Customs clearance work, thus supporting the fact that he exercised effective control over such goods. He aided and abetted in import of goods as mentioned in **Table-E at Para 41.1** above and detailed in **Annexure-B** to this IR which are liable for confiscation under Section 111(m) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005.

**52.2** As a result of his acts of omission and commission, he knowingly concerned himself:

**i)** Liable for penal action under the provisions of Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in aiding and abetting Sh. Shakun Jain in importing goods (as detailed in Annexure-B to the Show Cause Notice) which are liable for confiscation on account of mis-declaration of value.

**ii)** Liable for penal action under Section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in causing to be filed declaration, statement or document in the transaction of business under Customs Act, 1962, which are incorrect in terms of value.

### **53. SH. CHANCHAL CHAWLA:**

**53.1** From the investigation conducted by this office, it appears that Sh. Chanchal Chawla played an active and facilitative role in enabling Shri Shakun Jain, to remit funds overseas through unofficial channels, in lieu of undervalued imports, thereby evading applicable Customs duty. Sh. Chanchal Chawla acted as an intermediary between the importer and overseas entities, ensuring that payments corresponding to the actual commercial value of the imported goods were sent abroad while only suppressed invoice value was declared at the time of import. His role was crucial in operationalizing the undervaluation scheme, without which the importer could not

have successfully remitted the balance payments outside the formal financial system.

**53.2** As a result of his acts of omission and commission, he knowingly concerned himself:

**i)** Liable for penal action under the provisions of Section 112(a) of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in aiding and abetting Sh. Shakun Jain in importing goods (as detailed in Annexures- A, A1, B and C to the Show Cause Notice) which are liable for confiscation on account of mis-declaration of value.

**ii)** Liable for penal action under Section 114AA of the Customs Act, 1962 read with Section 21 of the SEZ Act, 2005 for his role in causing to be filed declaration, statement or document in the transaction of business under Customs Act, 1962, which are incorrect in terms of value.

#### **54. Multiple Jurisdiction issue**

**54.1** Rule 47(5) of SEZ Rules, 2006 provides that Refund, **Demand**, Adjudication, Review and Appeal with regard to matters relating to authorised operations under Special Economic Zones Act, 2005, transactions, and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the **Customs Act, 1962**, the Central Excise Act, 1944, and the Finance Act, 1994 and the rules made there under or the notifications issued there under. Section 110AA of the Customs Act, 1962 provides that consequent to an investigation, powers under Section 28 shall be exercised in multiple jurisdictions by an officer of Customs to whom such matter is assigned by the Board, in exercise of the powers conferred under section 5 of the Customs Act, 1962.

**54.1.1** Accordingly, CBIC vide Notification No. 28/2022-Customs (N.T.) dated 31.03.2022 had held that in cases of multiple jurisdictions as referred in Section 110 AA of the Customs Act, 1962, the report in writing, after causing the enquiry, investigation or audit as the case may be along with the relevant documents, shall be transferred to officers described in Column (2) of the said Notification. Since, the present case involves multiple jurisdictions, hence, Customs House Mundra, Mundra Port, Gujrat-370421 being the Port involved in highest revenue, this Show Cause Notice is made answerable to the Principal Commissioner of Customs, Customs House Mundra, Mundra Port, Gujrat-370421.

**55.** Now, therefore, M/s Hetro Hardware India, situated at Khewat No. 151, Khata No. 222, Mundraja, Khasra (Kila) No. 54/8, Ramnagar, Tehsil Gannaur, Sonipat, Haryana-131039, is hereby called upon to Show Cause to the

Commissioner of Customs, O/o the Commissioner of Customs, Customs House Mundra, Mundra Port, Gujrat-370421 as to why:

- (i) The total declared value of **Rs. 19,02,46,024 /-** in respect of the goods imported by them, as summarized in **Tables – D, E & F** in **Para 44** above and detailed in **Annexures-A, A1 and B** of this Show Cause Notice, should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and re-determined at **Rs. 44,01,22,830 /-**, duly rounded off, in terms of Rule 9 of the said Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962 read with Rule 47 and Rule 48 of SEZ Rules, 2006.
- (ii) The goods seized vide Seizure Memos dated 18.01.2024 and 25.01.2024 having adjusted assessable value of **Rs. 2,39,90,715/-** (duly rounded off) as detailed in Annexure-I & II, should not be confiscated under Section 111(m) of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005.
- (iii) The goods having re-determined Assessable Value of **Rs. 41,61,32,115/-** (excluding the goods detailed in Annexures-I & II), as mentioned in **Tables – D, E & F** of **Para 44** above and detailed in **Annexures-A, A1 and B** of this Show Cause Notice, should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005.
- (iv) The differential duty for the goods valued at **Rs. 44,01,22,830/-**, amounting to **Rs. 8,49,67,638/-** (Rs. Eight Crores Fourty Nine Lakh Sixty Seven Thousand Six Hundred Thirty Eight Only), as detailed in **Annexures-A, A1 and B** of this Notice, should not be demanded under Section 28 (4) of the Customs Act, 1962 by invoking the extended period of 5 years for reasons brought out in paras supra along with applicable interest under Section 28AA of the Customs Act, 1962 read with Section 9A of the Customs Tariff Act, 1975 read with Sections 21 & 30 of the SEZ Act, 2005 and Rules 47 & 48 of the SEZ Rules 2006.
- (v) Penalty should not be imposed in terms of Section 112(a) and 112(b) and/ or Section 114A of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by them as discussed above in respect of the goods summarized in **Tables – D, E & F** in **Para 44** above and detailed in **Annexures-A, A1 and B** of this Notice.
- (vi) Penalty should not be imposed in terms of Section 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by them as discussed above in respect of the goods summarized in **Tables – D, E & F** in **Para 44** above and detailed in **Annexures-A, A1 and B** of this Notice.

**56.** Now, therefore, Sh. Shakun Jain, Partner, M/s Hettro Hardware India situated at Khewat No. 151, Khata No. 222, Mundraja, Khasra (Kila) No. 54/8,

Ramnagar, Tehsil Gannaur, Sonipat, Haryana-131039, being the the beneficial owner of the screws imported using the IEC of M/s Shree Balaji Exim, is hereby called upon to Show Cause to the Commissioner of Customs, O/o the Commissioner of Customs, Customs House Mundra, Mundra Port, Gujrat-370421 as to why:

**(i)** The total declared value of **Rs. 96,52,006/-** in respect of the goods imported by M/s Shree Balaji Exim (Sh. Shakun Jain being the beneficial owner), as summarized in **Table- H** in **Para 47.1** above and detailed in **Annexure-D** of this Show Cause Notice, should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and re-determined at **Rs. 2,67,90,910/-**, duly rounded off, in terms of Rule 9 of the said Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962 read with Rule 47 and Rule 48 of SEZ Rules, 2006.

**(ii)** The goods seized vide Seizure Memos dated 18.01.2024 and 25.01.2024 having adjusted assessable value of **Rs. 2,21,73,435/-** (duly rounded off) as detailed in Annexure-III, should not be confiscated under Section 111(m) of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005.

**(iii)** The goods having re-determined Assessable Value of **Rs. 46,17,475/-** (excluding the goods detailed in Annexure-III), as mentioned in **Table - H** of **Para 47.1** above and detailed in **Annexure-D** of this Show Cause Notice, should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005.

**(iv)** The differential duty for the goods valued at **Rs. 2,67,90,910/-**, amounting to **Rs. 64,21,947 /-** (Rs. Sixty Four Lakh Twenty One Thousand Nine Hundred and Forty Seven Only), as detailed in **Annexure-D** of this Notice, should not be demanded under Section 28 (4) of the Customs Act, 1962 by invoking the extended period of 5 years for reasons brought out in paras supra along with applicable interest under Section 28AA of the Customs Act, 1962 read with Section 9A of the Customs Tariff Act, 1975 read with Sections 21& 30 of the SEZ Act, 2005 and Rules 47 & 48 of the SEZ Rules 2006.

**(v)** Penalty should not be imposed in terms of Section 112(a) and 112(b) and/ or Section 114A of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by him as discussed above in respect of the goods summarized in **Table-H** in **Para 47.1** above and detailed in **Annexure-D** of this Notice.

**(vi)** Penalty should not be imposed in terms of Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by them as discussed above in respect of the goods summarized in **Tables - D, E, F & G** in **Para 44** and **47.1** above and detailed in **Annexures-A, A1, B & C** of this Notice.

**(vii)** Penalty should not be imposed in terms of Section 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by them as discussed above in respect of the goods summarized in **Tables – D, E, F, G & H** in **Para 44, 44.1 and 47.1** above and detailed in **Annexures-A, A1, B, C & D** of this Notice.

**57.** Now, therefore, M/s Shree Balaji Exim through its Proprietor Ms. Bhumi Gaba, situated at GF, Property No.51, Kh No. 121, 123 & 125, Block A, Village Sarai Pipal Thala, Near Adarsh Nagar Metro, North Delhi, Delhi-110033, is hereby called upon to Show Cause to the Commissioner of Customs, O/o the Commissioner of Customs, Customs House Mundra, Mundra Port, Gujrat-370421 as to why:

**(i)** The total declared value of **Rs. 24,27,242/-** in respect of the goods imported by them, as summarized in Table - G in Para 44.1 above and detailed in Annexure-C of this Show Cause Notice, should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 and re-determined at Rs. **Rs.72,76,782/-**, duly rounded off, in terms of Rule 9 of the said Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962 read with Rule 47 and Rule 48 of SEZ Rules, 2006.

**(ii)** The goods seized vide Seizure Memo dated 26.09.2024 having re-determined assessable value of **Rs.72,76,782/-** (duly rounded off) as detailed in **Annexure-C**, should not be confiscated under Section 111(m) of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005.

**(iii)** The differential duty for the goods valued at **Rs.72,76,782/-** amounting to Rs. **15,02,388/-** (Rs. Fifteen Lakh Two Thousand Three Hundred and Eighty Eight Only), as detailed in **Annexure-C** of this Notice, should not be demanded under Section 125(2) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Customs Act, 1962 read with Section 9A of the Customs Tariff Act, 1975 read with Sections 21& 30 of the SEZ Act, 2005 and Rules 47 & 48 of the SEZ Rules 2006.

**(iv)** Penalty should not be imposed in terms of Section 112(a) and 112(b) of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by them as discussed above in respect of the goods summarized in **Table-G** of **Para 44.1** and **Table-H** of **para 47.1** above and detailed in **Annexure-C** and **Annexure-D** respectively, of this Notice.

**(v)** Penalty should not be imposed in terms of Section 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by them as discussed above in respect of the goods summarized in Table – G (in Para 44.1) & Table - H (in Para 47.1 above) and detailed in Annexure-C and Annexure-D of this Notice.

**58.** Now, therefore, **the following persons** are hereby called upon, to show cause to the Commissioner of Customs, O/o the Commissioner of Customs,

Customs House Mundra, Mundra Port, Gujrat-370421 within 30 (thirty) days from the date of receipt of this Show Cause Notice as to why:

**(i)** penalty under Section 112 (a), 112 (b) and 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 should not be imposed on Sh. Girish Gaba, A-237, 3<sup>rd</sup> Floor, Majlis Park, Adash Nagar, New Delhi-110033, for their acts of commission / omission by them as discussed above in respect of the goods summarized in **Tables - G & H of Para 44.1 and 47.1** above and detailed in **Annexures- C and Annexure D** of this Notice.

**(ii)** penalty under Section 112 (a), 112 (b) and 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 should not be imposed on Sh. Manish Gaba, A-237, 3<sup>rd</sup> Floor, Majlis Park, Adash Nagar, New Delhi-110033, for their acts of commission / omission by them as discussed above in respect of the goods summarized in **Tables - G & H of Para 44.1 and 47.1** above and detailed in **Annexures- C and Annexure D** of this Notice.

**(iii)** penalty under Section 112 (a), 112 (b) and 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 should not be imposed on Sh. Romil Gupta, D-62, Sector-48, Noida, Gautam Buddha Nagar, UP-201301, for their acts of commission / omission by them as discussed above in respect of the goods summarized in **Table - E of Para 44** above and detailed in **Annexure- B** of this Notice.

**(iv)** penalty under Section 112 (a) & 112 (b) along with Section 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 should not be imposed on Ms. Megha Jain, Partner, M/s Hetro Hardware India for their acts of commission / omission by them as discussed above in respect of the goods summarized in **Tables - D, E & F of Para 41** above and detailed in **Annexures- A, A1 and B** of this Notice.

**(v)** penalty should not be imposed on Sh. Chanchal Chawla, House No. 195, HL City, Sector-37, Bahadurgarh, Haryana-124508, in terms of Section 112(a) and 114AA of the Customs Act, 1962 read with Section 21 of SEZ Act, 2005 for the acts of omissions and commissions committed by them as discussed above in respect of the goods summarized in **Tables - D, E, F & G in Para 44 and 47.1** above and detailed in **Annexures-A, A1, B & C** of this Notice.

**59.** The noticees are further called upon to intimate in writing as to whether they wish to be heard in person by the adjudicating authority before the case is adjudicated within 30 days from the date of receipt of this show cause notice. If no reply of this notice is received and / or they fail to appear before the adjudicating authority, when the case is posted for hearing, the case will be decided ex-parte on the basis of the evidences available on record without any further notice to them.

**60.** The original copies of the relied upon documents, if required, can be inspected by the noticee / noticees in the office of the Principal Director Additional

General, Directorate of Revenue Intelligence, Plot No. 11-B, Institutional Area, Vasant Kunj, New Delhi-110070 during office hours on any working day with prior appointment.

**61.** This Show Cause Notice is issued without prejudice to any other action that may be taken against the noticee / noticees mentioned hereinabove or any other persons / firms connected with the case under the Customs Act, 1962 or any other law for the time being in force.

**62.** Documents relied upon are detailed in “**Annexure-E**” attached to Show Cause Notice. Relied Upon documents and chats in report form along with attachments are in a CD/ DVD (are also being supplied through google drive link) is also attached with this Show Cause Notice.

**63.** The Non-RUDs i.e. documents and devices which were resumed under Panchnama, may also be collected, if required, by the Noticees (owner of the documents/devices), from the office of the Principal Additional Director General, Directorate of Revenue Intelligence, Plot No. 11-B, Institutional Area, Vasant Kunj, New Delhi-110070 during office hours on any working day with prior appointment within 30 days of receipt of this notice.

**64.** A copy of the Show Cause Notice is also transmitted to all the noticees, at their respective email id [hetrohardware@gmail.com](mailto:hetrohardware@gmail.com); [jain.shakun@gmail.com](mailto:jain.shakun@gmail.com); [shreebalajiexim.ind@gmail.com](mailto:shreebalajiexim.ind@gmail.com); [girish.gaba@gmail.com](mailto:girish.gaba@gmail.com); [gaba.manish81@gmail.com](mailto:gaba.manish81@gmail.com); [sohanlalgupta.slg@gmail.com](mailto:sohanlalgupta.slg@gmail.com); [chawlasteel4@yahoo.com](mailto:chawlasteel4@yahoo.com) and [primegoldjeet@yahoo.com](mailto:primegoldjeet@yahoo.com) in terms of clause (c) of sub-section 1 of section 153 of the Customs Act, 1962 so that such service through email shall be deemed to have been received by the noticees in terms of clause (c) of sub-section 1 of section 153 of the Customs Act, 1962.

**65.** The Noticee (s) have an option to make an application under Section 127B of the Customs Act, 1962 prior to adjudication of the case to the Hon’ble Settlement Commission to have the case settled in such form and in such manner specified in the rules.

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

**Enclosure-**

1. Annexure- A, A1, B, C, D and Annexure-E (list of RUDs)
2. Relied Upon Documents 1 – 59 as per Annexure-E
3. SOP for accessing Chats

(Nitin Saini)  
Commissioner of Customs  
Customs House, Mundra

F.No. GEN/ADJ/COMM/25/2026-Adjn-O/o Pr Commr-Cus-Mundra

Show Cause Notice No.: 46/2025-26/COMM/N.S./Adjn/MCH

**To (Noticees)**

1. M/s Hetro Hardware India, situated at Khewat No. 151, Khata No. 222, Mundraja, Khasra (Kila) No. 54/8, Ramnagar, Tehsil Gannaur, Sonipat, Haryana-131039; email ID-[hetrohardware@gmail.com](mailto:hetrohardware@gmail.com);
2. Sh. Shakun Jain, Partner, M/s Hetro Hardware India situated at Khewat No. 151, Khata No. 222, Mundraja, Khasra (Kila) No. 54/8, Ramnagar, Tehsil Gannaur, Sonipat, Haryana-131039, R/o B-1, Satyawati Colony, Ashok Vihar, Phase-3, Delhi-110052; email ID-[hetrohardware@gmail.com](mailto:hetrohardware@gmail.com), [jain.shakun@gmail.com](mailto:jain.shakun@gmail.com);
3. M/s Shree Balaji Exim through its Proprietor Ms. Bhumi Gaba, situated at GF, Property No.51, Kh No. 121, 123 & 125, Block A, Village Sarai Pipal Thala, Near Adarsh Nagar Metro, North Delhi, Delhi-110033; email ID-[shreebalajiexim.ind@gmail.com](mailto:shreebalajiexim.ind@gmail.com);
4. Sh. Girish Gaba, A-237, 3rd Floor, Majlis Park, Adash Nagar, New Delhi-110033; email ID- [shreebalajiexim.ind@gmail.com](mailto:shreebalajiexim.ind@gmail.com), [girish.gaba@gmail.com](mailto:girish.gaba@gmail.com);
5. Sh. Manish Gaba, A-237, 3rd Floor, Majlis Park, Adash Nagar, New Delhi-110033; email ID- [shreebalajiexim.ind@gmail.com](mailto:shreebalajiexim.ind@gmail.com), [gaba.manish81@gmail.com](mailto:gaba.manish81@gmail.com);
6. Sh. Romil Gupta, D-62, Sector-48, Noida, Gautam Buddha Nagar, UP-201301; email ID- [sohanlalgupta.slg@gmail.com](mailto:sohanlalgupta.slg@gmail.com);
7. Ms. Megha Jain, Partner, M/s Hetro Hardware India, R/o- B-1, Satyawati Colony, Ashok Vihar, Phase-3, Delhi-110052; email ID-[hetrohardware@gmail.com](mailto:hetrohardware@gmail.com), [jain.shakun@gmail.com](mailto:jain.shakun@gmail.com);

8. Sh. Chanchal Chawla, House No. 195, HL City, Sector-37, Bahadurgarh, Haryana-124508; email ID- [chawlasteel4@yahoo.com](mailto:chawlasteel4@yahoo.com), [primegoldjeet@yahoo.com](mailto:primegoldjeet@yahoo.com)

Copy to:

1. The Additional Director General, Plot No. 11-B, Institutional Area, Vasant Kunj, New Delhi-110070
2. The Specified Officer, Office of the Development Officer, 4th Floor, PUB, APSEZ, Mundra – 370421;
2. The Central Economic Intelligence Bureau(ceib-rev-nic.in)
4. The Deputy Commissioner (EDI), Customs House, Mundra with request to upload the same is official website.
5. Notice Board
6. Guard File