
	<b>OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS</b> <b>CUSTOMS HOUSE, MP &amp; SEZ</b> <b>MUNDRA, KUTCH-GUJARAT -370421</b> <b>PHONE : 02838-271426/271428</b> <b>FAX :02838-271425</b>	
<b>A FILE NO./</b> फाइल संख्या	GEN/ADJ/ADC/877/2025-Adjn-O/o Pr Commr-Cus-Mundra	
<b>B OIO NO./</b> आदेश संख्या	MCH/ADC/ZDC/130/2025-26	
<b>C PASSED BY/</b> जारीकर्ता	Deepakbhai Zala, ADDITIONAL COMMISSIONER, Customs House, Mundra.	
<b>D DATE OF ORDER/</b> आदेश की तारीख	18 .07.2025	
<b>E DATE OF ISSUE/</b> जारी करने की तिथि	18 .07.2025	
<b>F SCN No. &amp; Date/</b> कारण बताओ नोटिस क्रमांक	01/2025-26/ADC/AKM/ADJ/MCH dt. 02.04.2025	
<b>G NOTICEE/ PARTY/ IMPORTER</b> नोटिसकर्ता/पार्टी/आयातक	1. M/s. A C Import And Export LLP (IEC: ACGFA5011P) 2. M/s. RS Impex (IEC: DDUPS9664C) 3. Shri Feros Raj, Proprietor of M/s Indo Impex	
<b>H DIN/</b> दस्तावेज पहचान संख्या	20250771MO0000015935	

1. यहआदेश संबन्धित को निःशुल्क प्रदान किया जाता है।

This Order - in - Original is granted to the concerned free of charge.

2. यदि कोई व्यक्ति इस आदेश से असंतुष्ट है तो वह सीमाशुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमाशुल्क अधिनियम 1962 की धारा128 A के अंतर्गत प्रपत्र सीए- 1 में चार प्रतियों में नीचे बताए गए पते परअपील कर सकताहै-

Any person aggrieved by this Order - in - Original may file an appeal under Section 128A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

“सीमाशुल्कआयुक्त) अपील,  
चौथी मंजिल, हुडको बिल्डिंग, ईश्वरभुवन रोड,  
नवरंगपुरा,अहमदाबाद 380 009”

“THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA  
HAVING HIS OFFICE AT 4<sup>TH</sup> FLOOR, HUDCO BUILDING, ISHWAR BHUVAN  
ROAD,  
NAVRANGPURA, AHMEDABAD-380 009.”

3. उक्तअपील यहआदेश भेजने की दिनांक से 60दिन के भीतर दाखिल की जानी चाहिए।

Appeal shall be filed within sixty days from the date of communication of this order.

4. उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5 -/रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए-

Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must be accompanied by –

- i. उक्त अपील की एक प्रति और A copy of the appeal, and
  - ii. इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची 1-के अनुसार न्यायालय शुल्क अधिनियम-1870के मद सं० 6-में निर्धारित 5 -/रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।  
This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule – I, Item 6 of the Court Fees Act, 1870.
5. अपील ज्ञापन के साथ ड्यूटी /ब्याज /दण्ड /जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।  
Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.
6. अपील प्रस्तुत करते समय, सीमाशुल्क) अपील (नियम, 1982और सीमाशुल्क अधिनियम, 1962के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।  
While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respects.
7. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (A) के समक्ष मांग शुल्क का 7.5 %भुगतान करना होगा।  
An appeal against this order shall lie before the Commissioner (A) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

### **BRIEF FACTS OF THE CASE**

Intelligence gathered by the Directorate of Revenue Intelligence (DRI), Gandhidham Regional Unit suggested that various importers are indulged in clearance of 'Restricted/Mis-declared Cargo' and also involved in duty evasion through mis-declaration of goods at Mundra Port and a common gang of persons is involved in the said mis-declaration through creating forged import documents. Intelligence further suggested that one importer named M/s. A C IMPORT AND EXPORT LLP (IEC: ACGFA5011P) having address as 'Shop No. 222, Plot No. 9, Sector 15, CBD Belapur, Navi Mumbai, Thane, Maharashtra - 400614' (hereinafter referred to as "M/s A C Import & Export LLP/the Importer"), is also indulged in clearance of 'Restricted/Mis-declared Cargo' and also involved in duty evasion through mis-declaration of goods at Mundra Port. Intelligence also suggested that BL issued in the name of another associated importer M/s RS Impex has been changed in the name of M/s A C Import And Export LLP.

The details of the import consignment are as follows:

**Table-I**

Bill of Lading No.	KMTCNBO8264211 dated 17.09.2024
IGM No.	2389868 dated 04.10.2024
Shipper	M/s Pujiang Jinyingzi Import & Export Co. Ltd, Industrial Zone Two Area Zhengzhai, Pujiang, Zhejiang
Importer & IEC	M/s. A C IMPORT AND EXPORT LLP & IEC- ACGFA5011P
Container No.	BMOU6919630
Declared description of the goods declared	295 Bags Baby Garments HS Code: 61113000

## **2. Examination of imported goods:**

Acting on the intelligence, investigation was initiated by DRI with respect to the consignment covered under Bill of Lading No. KMTCNBO8264211 dated 17.09.2024. The said consignment was examined under panchnama dated 07.11.2024 drawn at Container Freight Station of M/s Saurashtra Freight Pvt. Ltd, Mundra. It was noticed that goods were declared in BL No. KMTCNBO8264211 dated 17.09.2024 as '295 Bags, Baby Garments HS Code: 61113000', however, during examination of the goods, it was noticed that different types of undeclared goods i.e., Ladies woollen full sleeve, Women fur sweater, Women Sweater, Jacket, Hoodie Jacket, Women Woollen Set, Sweater for Adults, Heavy Designer Sweaters, Men's Jackets, Women Cord Set, Ladies Winter Palazzo etc of different sizes, colours designs were found. Further only a small quantity of declared goods i.e. Baby set/winter set, Baby fur Jacket and Baby woolen Sweater were found.

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## **3. During the investigation, Summons were issued to importer M/s M/s A C IMPORT AND EXPORT LLP and M/s RS IMPEX under Section 108 of the Customs Act, 1962, which are briefly discussed herein-below:**

**3.1 Non-appearance against Summons issued to the importer:** The importer M/s A C IMPORT AND EXPORT LLP was issued Summons dated 07.02.2025 for appearance on 17.02.2025, Summons dated 20.02.2025 for appearance on 25.02.2025 and Summons dated 10.03.2025 for appearance on 17.03.2025 for tendering their statement. However, importer failed to appear against all the above-mentioned summons issued to them.

**3.2 Non-appearance against Summons issued to M/s RS Impex:** M/s RS Impex was issued Summons dated 17.10.2024 for appearance on 25.11.2024, Summons dated 05.11.2024 for appearance on 14.11.2024 and Summons dated 25.11.2024 for appearance on 05.12.2024 for tendering their statement. However, Proprietor of M/s RS Impex failed to appear against all the above-mentioned summons issued to him stating health reasons/travelling reasons.

#### **4. Documentary evidence gathered during investigation:**

**4.1** Data retrieval from the mobile phones of Shri Dhirendra Shukla alias Shri Sonu Shukla, Shri Krishna Nand Shahi alias Shri Krishna Shahi, and Shri Feros Raj (Proprietor of M/s Indo Impex) were done at the Cyber Forensic Laboratory, Ground Floor, DRI, Mumbai Zonal Unit, Mumbai under Panchnama dated 12/13.11.2024. The said persons were part of a common gang against which investigation was initiated on 19.09.2024 initially for importer M/s Indo Impex. From the data retrieved from the said mobile phones, it came to notice that Bill of Lading No. KMTCNBO8264211 dated 17.09.2024 was earlier issued in the name of M/s RS Impex, 403, Plot No. 123, Shree Ganesh Residency, Sector No. 05, Ulwe, Navi Mumbai, Raigad, Maharashtra-410206 (IEC Code: DDUPS9664C) with date as 14.09.2024 and was destined for Mundra Port in which goods were declared as 'Baby Garments – HS Code 61113000' but were later found that IGM No. 2389868 dated 04.10.2024 was filed in the name of M/s A C IMPORT AND EXPORT LLP and was destined for Nhava Sheva port as the case against M/s RS Impex was already initiated on 25.09.2024 at Mundra Port.

**4.2** It clearly shows that M/s RS Impex (case already initiated by DRI) and M/s A C IMPORT AND EXPORT LLP are linked with each other and were being operated by a common gang consisting of importer M/s A C IMPORT AND EXPORT LLP, Shri Raju Yonna Sannap (Proprietor of M/s RS Impex), Shri Feros Raj (Proprietor of M/s Indo Impex). When the case was initiated by holding consignments of M/s RS Impex, it was observed that for said consignment for which earlier draft BL KMTCNBO8264211 dated 14.09.2024 was issued in the name of RS Impex, the final BL was prepared/changed in the name of M/s A C IMPORT AND EXPORT LLP to avoid detection. Later, when this office also initiated action against M/s A C IMPORT AND EXPORT LLP, the importer M/s A C IMPORT AND EXPORT LLP failed to file Bill of Entry as there was mis-declaration in the said consignment pertaining to BL No. KMTCNBO8264211 dated 17.09.2024 which was earlier issued in the name of M/s RS Impex and later changed to M/s A C IMPORT AND EXPORT LLP. It clearly shows that to evade detection, the modus operandi was adopted by the importer along with his gang members.

**4.3** Summary of relevant mobile extracted data – Whatsapp Documents from mobile phone of Shri Krishna Nand Shahi (Mobile No. +917666339214) is as in given below table:

<b>Sr. No.</b>	<b>Date &amp; Time</b>	<b>From Mobile No.</b>	<b>To Mobile No.</b>	<b>Details of Text, Documents &amp; Remarks</b>
1.	19.09.2024, 04:17:58 (UTC)	+919987858194 (Shri Feros Raj, saved as Feros Raj Kunkar in Mobile of Shri Krishna Nand Shahi)	Whatsapp Group consisting of members Shri Feros Raj, Shri Krishna Nand Shahi (Mobile No. +917666339214), Shri Dharendra Shukla (Mobile No. +919326872700) and few others	<b>Document:</b> "KMTCNBO8264211 BL Copy"

## **5. Seizure:**

During examination it came to notice that the consignments covered under Bill of Lading No. KMTCNBO8264211 dated 17.09.2024 (BE Not filed till date) which includes undeclared/mis-declared Baby set/winter set, Ladies woollen full sleeve, Women fur sweater, Women Sweater, Jacket, etc. of different size, colours design, have been mis-declared with intention to import mis-declared goods and to evade applicable Customs duty on other concealed goods. There was reason to believe that the subject goods imported vide Bill of Lading No. KMTCNBO8264211 dated 17.09.2024 are liable for confiscation as per provisions of Section 111 of Customs Act, 1962. Accordingly, the subject imported goods were placed under seizure as per the provisions of Section 110(1) of the Customs Act, 1962 vide Seizure Memo dated 21.02.2025.

## **6. Findings of investigation:**

### **6.1 Mis-declaration in goods pertaining to BL No. KMTCNBO8264211 dated 17.09.2024 (Container No. BMOU6234008):**

It was noticed that goods were declared in BL No. KMTCNBO8264211 dated 17.09.2024 as '295 Bags, Baby Garments HS Code: 61113000'. However, during examination of the goods, conducted on 09.11.2024, it was noticed that different types of **undeclared goods** i.e., Ladies woollen full sleeve, Women fur sweater, Women Sweater, Jacket, Hoodie Jacket, Women Woollen Set, Sweater for Adults, Heavy Designer Sweaters, Men's Jackets, Women Cord Set, Ladies Winter Palazzo etc of different sizes,

colours designs were found.

**6.2** It was also found during investigation that BL No. KMTCNBO8264211 dated 17.09.2024 was earlier issued in the name of another importer M/s RS Impex (case already initiated by DRI) having address as 403, Plot No. 123 Shree Ganesh Residency. Sector 5, Ulwe, Navi Mumbai, Raigad, Maharashtra – 410206 as the same was recovered from mobile data of mobile phones of Shri Krishna Nand Shahi. Later, when this office initiated action against M/s A C IMPORT AND EXPORT LLP, the importer failed to file Bill of Entry as there was mis-declaration in the said consignment pertaining to BL No. KMTCNBO8264211 dated 17.09.2024

**6.3** Communication done with concerned Shipping Line indicated that for the subject consignment, the shipper had requested for the Bill of Lading amendment at Port of Loading on 27/Sep/2024. Accordingly as per the Shipper's instructions the Bill of Lading was amended on 27/Sep/2024 by the Shipping Line. It was also revealed that earlier the said consignment was in the name of RS Impex and it was later amended in the name of AC Import and Export LLP.

**6.4** The above change of consignee in the Bill of Lading clearly establish that M/s RS Impex (against which case was already initiated on 25.09.2025) and M/s A C IMPORT AND EXPORT LLP are linked with each other. When the case was initiated by holding consignments of RS Impex, it was observed that the BL was changed from M/s RS Impex to M/s A C Import And Export LLP but when this office also initiated action against M/s A C Import And Export LLP, the importer failed to file Bill of Entry as there was mis-declaration in the case pertaining to BL No. KMTCNBO8264211 dated 17.09.2024. It clearly shows that to evade detection, the modus operandi was adopted by the importer along with their gang. Also, the non-cooperation in the investigation by avoiding appearance against Summons issued to all the relevant persons clearly shows that they are deeply involved in these smuggling activities and tried their best to derail the investigation.

**6.5** Investigation revealed that Shri Feros Raj, Proprietor of M/s Indo Impex, had shared the said Bill of lading (having consignee name RS Impex) in the whatsapp group. Further Letter Dt 12.03.2025 was received from AC Import and Export LLP stating that Shri Feros Raj is their authorized person and whatever he states will be liable on their company. This clearly reveals the awareness and involvement of Shri Feros Raj in the smuggling of undeclared goods in the said consignment. The fact that the BL was changed from M/s RS Impex to M/s A C Import And Export LLP for this consignment to evade detection by DRI also stands a testimony to this.

## **7. Rejection of CTH, Description, Assessable Value of the imported goods and re-determination of CTH, Description and Assessable value:**

**7.1.** The value is required to be re-determined by sequentially proceeding in terms of **Rules 4 to 9 of CVR, 2007**. The relevant Rules of CVR, 2007 are reproduced hereunder: -

### **Rule 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*

*i. 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.

(4) 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.

#### **Rule 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.

(3) 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.*

**Rule 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.*

*Further, as per Rule 6 of the CVR, 2007, if the value cannot be determined under Rule 3, 4 & 5, then the value shall be determined under Rule 7 of CVR, 2007.*

**Rule 7 of the CVR, 2007, stipulates that:-**

*(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).*

**Rule 8 of the CVR, 2007, stipulates that:-**

*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.*

**Rule 9 of the CVR, 2007, stipulates that:-**

*(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*

**7.2** For the subject consignment mentioned above, efforts were made to find out the correct assessable value of the imported goods. It was observed that the imported goods were found in different variety, description, specification and quality, so, it was not possible to find and compare the same with other goods having identical/similar description, brand, make, model, quantity and Country of Origin. As the import data extracted with respect to contemporaneous imports was general in nature and contemporaneous data for imports of identical/similar goods was not available/found, therefore, the value could not be determined under Rules 4 and 5 of CVR, 2007.

As per Rule 6 *ibid*, if the value cannot be determined under Rules 3,4 and 5 same shall be determined under the provisions of Rule 7 or when same cannot be determined under that rule then under Rule 8.

**7.3** As the imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore, determination of transaction value under Rule 7 of CVR, 2007 was not possible. As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available. Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007.

**7.4** Hence the value is to be determined in terms of Rule 9 of CVR, 2007 of said rules. For the consignment covered under KMTCNBO8264211 dated 17.09.2024, there is no value provided by the importer till date also no Bill of Entry has been filed against said BL. Further the goods were found to be grossly mis-declared during examination. Therefore, the Assessable value based on report as provided by the government approved Chartered Engineer may be considered as the value of the subject goods. Therefore, the value has been re-determined under Section 14 of the Customs Act, 1962 on basis of report of the government approved Chartered Engineer. The government empanelled Chartered engineer submitted his valuation report CE/MUN/DRI-014/2024-25 dated 20.02.2025 to DRI. As per the said valuation report of the Chartered Engineer, the appropriate FOB value of the import goods covered under BL No. KMTCNBO8264211 dated 17.09.2024 and examined at M/s Saurashtra CFS, Mundra comes to Rs. 58,69,450/- (Fifty Eight Lakhs Sixty Nine Thousand Four Hundred Fifty only).

## **8. Liability of imported goods for confiscation**

During examination proceedings of the consignment covered under Bill of Lading No. KMTCNBO8264211 dated 17.09.2024, it came to notice that the consignments were found mis-declared and having undeclared goods as mentioned in Para 2 above vis a vis the declaration made under IGM/Bill of lading. Therefore, it appears that the subject goods (as mentioned in Annexure-A to this notice) imported having FOB value assessed as **Rs. 58,69,450/-** are liable to be confiscation under Sections 111(f) of the Customs Act, 1962.

## **9. Roles of various persons:**

### **9.1 Role of M/s A C Import & Export LLP (Partners: Shri Jahirul Islam Choudhary & Ms Sabina Yasmin Choudhary)**

M/s. A C Import And Export LLP (IEC: ACGFA5011P), (Partner: Shri Jahirul Islam Choudhary & Ms Sabina Yasmin Choudhary) having address as 'Shop No.222, 2nd Floor, Bhoomi Mall, Plot No.9, SECTOR -15, CBD Belapur, Navi Mumbai, Thane, Maharashtra, 400614' has imported one consignment declared as Baby Garments at Mundra Port. During the investigation conducted by the DRI, it has come to notice that M/s A C Import And Export LLP has been involved in mis-declaring the goods in the IGM/Bill of lading as discussed in fore-going paras, thus rendering the said imported goods liable for confiscation under **Section 111(f)** of Customs Act, 1962. From the above, it appears that A C Import And Export LLP (IEC: ACGFA5011P), (Partner: Shri Jahirul Islam Choudhary & Ms Sabina Yasmin Choudhary) has done an act rendering the subject goods liable for confiscation and thus, A C Import And Export LLP, (Partner: Shri Jahirul Islam Choudhary & Ms Sabina Yasmin Choudhary) rendered itself liable to penalty under **Section 112(a) and Section 112 (b)** of Customs Act 1962.

Further, 3 summons were issued to the importer but none of the partner appeared against the summons during the investigation citing baseless reasons. Therefore, M/s A C Import And Export LLP have rendered themselves liable for penal action under the provisions of Customs act, 1962. From the above it is evident that the importer is liable for penal action under **Section 117** of the Customs Act, 1962.

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### **9.2 Role of M/s RS Impex (Proprietor: Shri Raju Yonna Sannap)**

During the course of investigation, it was noticed that earlier BL No. KMTCNBO8264211 dated 17.09.2024 was issued in the name of RS Impex with date as 14.09.2024, the final BL was changed in the name of M/s A C IMPORT AND EXPORT LLP to avoid detection by DRI. It appears that RS Impex had deliberately changed the consignee name in the Bill of Lading to

evade enforcement action and to smuggle undeclared goods. It was found that the consignments covered under BL No. KMTCNBO8264211 dated 17.09.2024 were mis-declared in which most of the goods were undeclared, thus rendering the said imported goods liable for confiscation under section 111(f) of Customs Act, 1962. The omission and commission on the part of M/s RS Impex who were knowingly concerned in mis-declaration in the import documents have rendered themselves liable to penalty under Section 112 (a) and Section 112(b) of the Customs Act, 1962.

Further, 3 summons were issued to Proprietor of M/s RS Impex but he failed to appear against the summons during the investigation citing baseless reasons. Therefore, M/s RS Impex (Proprietor: Shri Raju Yonna Sannap) have rendered themselves liable for penal action under the provisions of Customs act, 1962. From the above it is evident that Shri Raju Yonna Sannap is liable for penal action under **Section 117** of the Customs Act, 1962.

### **9.3 Role of Shri Feros Raj, Proprietor of M/s Indo Impex:**

Investigation revealed that Shri Feros Raj, Proprietor of M/s Indo Impex, had shared the said Bill of lading (having consignee name RS Impex) in the whatsapp group. Further Letter Dt 12.03.2025 was received from AC Import and Export LLP stating that Shri Feros Raj is their authorized person and whatever he states will be liable on their company. This clearly reveals the awareness and involvement of Shri Feros Raj in the smuggling of undeclared goods in the said consignment. Further Shri Feros Raj was also involved in changing the consignee in the BL No. KMTCNBO8264211 dated 17.09.2024 from RS Impex to M/s A C IMPORT AND EXPORT LLP to avoid detection.

Further, vide letter dated 12.03.2025 issued by M/s AC Import And Export LLP, it has been confirmed that Shri Feros Raj is authorised person of M/s A C Import And Export LLP. The omission and commission on the part of Shri Feros Raj who were knowingly concerned in mis-declaration in the import documents have rendered themselves liable to penalty under Section 112 (a) and Section 112(b) of the Customs Act, 1962.

**10.1** Accordingly, Show Cause Notice No. 01/2025-26/ADC/AKM/ADJ/MCH dt. 02.04.2025 was issued to M/s A C IMPORT AND EXPORT LLP, wherein they were called upon to show cause, as to why:-

- i. Consignment covered under Bill of Lading KMTCNBO8264211 dated 17.09.2024 having undeclared/mis-declared goods (as per Annexure

A enclosed) and having FOB value assessed at Rs. 58,69,450/-, should not be confiscated under Section 111 (f) of the Customs Act, 1962;

- ii. penalty should not be imposed on the importer M/s A C Import & Export LLP under Section 112 (a), Section 112(b) and Section 117 of the Customs Act, 1962.

**10.2** Further, vide Show Cause Notice dt. 02.04.2025, M/s. RS Impex (Proprietor Shri Raju Yonna Sannap) were called upon to show cause, as to why penalty should not be imposed on him under Section 112 (a), Section 112(b), and Section 117 of the Customs Act, 1962.

**10.3** Vide Show Cause Notice dt. 02.04.2025, Shri Feros Raj (Proprietor of M/s Indo Impex was called upon to show cause, as to why penalty should not be imposed on him under Section 112 (a) and Section 112(b) of the Customs Act, 1962.

## **11. Written Submission**

**11.1 M/s A C IMPORT AND EXPORT LLP has submitted reply to Show Cause Notice dated 04.04.2024 vide letter dated 22.05.2025 wherein he has submitted:**

**11.1.1** **that** the bill of lading is a document prepared by the shipping line and not by this noticee and the imputation of charges that this noticee has misdeclared the description of goods in the bill of lading is thus base less ,void and bad in law and hence finds no locus standi to survive. A document Bill of lading is not prepared by the importer and hence there was absolutely no misdeclaration of goods on the part of this noticee. It is pertinent to mention that the relevant documents to establish misdeclaration if any of the goods with reference to the goods found on examination are bill of entry, invoice ,packing list and none of these documents have been examined by DRI officers to establish if there was any misdeclaration by the importer and as such he charges of misdeclaration of goods exhibit premature examination of goods by the Custom officers with no access to the invoice, packing list of the goods.

**11.1.2** that examination of goods was carried out in the absence of any representative of the importer or his Customs Broker and as such the examination of goods and the results thereof is not acceptable to this noticee. That, the charge of misdeclaration of goods is made out on the basis of description of goods Baby Garments given in the bill of lading No. KMTCNBO8264211 dated 17.09.2024 by the Shipping line in the import documents and whereas the investigating officers examined the goods under Panchnama dated 07.11.2024 with no other documents such as bill of entry, invoice or relevant packing list and hence the charges of misdeclaration of goods on this noticee are not based upon actual facts but on presumption and surmises with no comparable documents and hence the show cause notice is not sustainable.

11.1.3 there is no mention of rejection of declared price in the show cause notice as the Custom officers did not have the declared price of the impugned goods and simply considered the goods as undervalued for no specific reasons and proceeded to redetermine the value under the provisions of Valuation Rules 2007 and that there appears to be no basis for the chartered engineer to evaluate the said goods without verifying the composition ,cost ,profit parameters and whereas the investigating officers were also not having details of the value of the goods as they had no access to the transaction value of the goods and merely working on suspicion the redetermination of goods done by Customs was not warranted. Further, the value was redetermined on the basis of physical and visual inspection of goods and FOB value was just mentioned against each item without any basis of calculations by the Chartered Engineer in his report dated 10.02.2025 and hence the redetermined value is not acceptable to this noticee as it is vague cryptic and unrealistic.

11.1.4 In view of the above there has been no established omission and commission of any act on the part of this noticee rendering the goods confiscable and hence the goods were not liable for confiscation under the provisions of Section 111 of the Customs Act,1962 and merits to be released forthwith in absence of establishment of any charges levelled in the instant show cause notice.

11.1.5 That, none of the ingredients of Section 112(a) , 112(b) and 117 of the Customs Act,1962 are satisfied in the instant case as there is no evidence on record that the goods were improperly imported as till date of submission of this reply to the show cause notice bill of entry of the imported goods could not be filed and as such no import documents such as invoice, packing list could be uploaded in the system and in the absence of any import documents it can not be established that there was any improper importation of goods. No charge of abetment is established as no evidence is produced in the instant show cause notice .That, changing of name in the bill of lading from R.S.Impex to A C Import and Export LLp by the shipping line constitutes no offence on the part of this noticee and it can not be construed that there was any malafide intention behind such changes.

11.1.6 In view of the above there is no misdeclaration of goods, no undervaluation of goods and no violation of provisions of Customs Act,1962 on the part of this noticee ,goods are not liable for confiscation and no penalty is imposable upon this noticee ,as such the goods seized by the DRI officers merit to be released forthwith .This noticee hereby refers and relies upon the judgments of WESTERN REFRIGERATION PVT. LTD. Versus COMM. OF CUS. (IMPORT), NHAVA SHEVA, RAIGAD by CESTAT and VESUVIUS INDIA LTD. Versus COMMISSIONER OF CUS., VISAKHAPATNAM by CESTAT.

## **11.2 M/s R. S. Impex has submitted reply to Show Cause Notice vide letter dated 22.05.2025 wherein he has submitted:**

11.2.1 that the whole investigation is made by Custom officials on the basis of bill of lading which is a document prepared by the shipping

line and not by this noticee and the imputation of charges that this noticee has misdeclared the description of goods in the bill of lading is thus baseless, void and bad in law and hence finds no locus standi to survive. A document Bill of lading is neither prepared nor any changes in the name were made by this noticee and hence there was absolutely no misdeclaration of goods on the part of this noticee. It is pertinent to mention that the relevant documents to establish misdeclaration if any of the goods with reference to the goods found on examination are bill of entry, invoice, packing list and none of these documents have been examined by DRI officers to establish if there was any misdeclaration by the importer or by this noticee and as such the charges of misdeclaration of goods exhibit premature examination of goods by the Custom officers with no access to the invoice, packing list of the goods.

11.2.2 that examination of goods was carried out in the absence of any representative of the importer or his Customs Broker. Further, none of the ingredients of Section 112(a) and 112(b) of the Customs Act, 1962 are satisfied in the instant case as there is no evidence on record that the goods were improperly imported as till date of submission of this reply to the show cause notice bill of entry of the imported goods has not been filed and as such no import documents such as invoice, packing list has been uploaded in the system and in the absence of any import documents it can not be established that there was any improper importation of goods. No charge of abetment is established as no evidence is produced in the instant show cause notice. That, changing of name in the bill of lading from R.S.Impex to A C Import and Export LLP by the shipping line constitutes no offence on the part of this noticee and it can not be construed that there was any mala fide intention behind such changes.

11.2.3 That, merely mentioning of bill of lading in the cell phone and exchange of bill of lading between any persons does not constitute any offence under Customs Act, 1962. The allegations about gang of persons including this noticee is a grave charge without any substantive evidence and hence it is baseless, void and bad in law and not sustainable. That, this noticee in response to the summons requested the investigating officers to record oral evidence virtually but the request was turned down and hence it can not be said that this noticee did not honour the summons issued in the instant case.

11.2.4 There is no evidence on record to prove that this noticee abetted for any unlawful importation of goods with any one so as to evade any payment of proper duty on the goods, the goods are lying in the CFS and are in control and possession of Customs and hence there is no revenue loss in the instant case and that the allegation of any misdeclaration of quantity, description or value is meaningless, baseless and not sustainable. The goods are not liable for confiscation in the absence of any evidence about improper importation or any undervaluation of goods on the part of this noticee. The ingredients of Section 112(b) of Customs Act, 1962 have also not been established as this noticee did not keep possession of or is in any way concerned in (b) 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 of the Customs Act,1962.

11.2.5 In view of the foregoing, there is no misdeclaration of goods, no undervaluation of goods and no violation of provisions of Customs Act,1962 on the part of this noticee ,goods are not liable for confiscation and no penalty is imposable upon this noticee .

**11.3 Shri Feros Raj, Proprietor of M/s Indo Impex has submitted reply to Show Cause Notice vide letter dated 22.05.2025 wherein he has submitted:**

11.3.1 That, merely exchange of information in the whatsapp group about bill of lading does not constitute violation of any provisions under the Customs Act,1962 and the allegation that this noticee was aware and involved in smuggling of goods with no crucial evidence is a baseless allegation and it does not survive on the test of merit and legality. The whole investigation made by Customs is based upon examination of goods carried out by Customs on the basis of description given in the bill of lading by the shipping line. That, the bill of lading is a document which is prepared by the shipping line and not by this noticee and as such this noticee in no way was concerned in any changes made by the shipping line on the instructions of the shipper in the instant case. The allegation of this noticee as aware and involved in smuggling of goods is based on presumption and surmises and is not sustainable.

11.3.2 That , merely mentioning of bill of lading in the cell phone and exchange of bill of lading between any persons does not constitute any offence under Customs Act,1962 .The allegations about gang of persons including this noticee is a grave charge without any substantive evidence and hence it is baseless ,void and bad in law and not sustainable. That, this noticee in response to the summons requested the investigating officers to record oral evidence virtually but the request was turned down and hence it can not be said that this noticee did not honour the summons issued in the instant case .

11.3.3 There is no evidence on record to prove that this noticee abetted for any unlawful importation of goods with any one so as to evade any payment of proper duty on the goods ,the goods are lying in the CFS and are in control and possession of Customs and hence there is no revenue loss in the instant case and that the allegation of any misdeclaration of quantity, description or value is meaningless , baseless and not sustainable .

**Personal Hearing**

12. Following the principles of natural justice, opportunities of personal hearings was given on 30.05.2025. Shri Pradeep Kedia, Authorized Representative of A C Import and Export LLP, appeared for the personal hearing on 30.05.2025 on behalf of Noticee No. 1, M/s. A C Import and Export LLP. During the hearing, he reiterated the contents of the written

submission dated 22.05.2025. He contested both the classification and valuation of the goods as determined by the Directorate of Revenue Intelligence (DRI). He further submitted that no Bill of Entry was filed by the importer, as the goods were intended to be discharged at JNPT Port, and not at Mundra Port. Consequently, no import documents—such as the Bill of Entry, Invoice, Packing List, Bill of Lading, or Certificate of Origin (COO)—were uploaded in the system. He argued that the investigation conducted by DRI was based solely on the description provided by the shipping line, without supporting import documentation.

Shri Feros Raj, Authorized Representative of M/s. R.S. Impex, appeared for the personal hearing on 30.05.2025 on behalf of Noticee No. 2, M/s. R. S. Impex and Noticee no. 3 i.e. himself. During the hearing, he reiterated the contents of the written submission dated 22.05.2025.

### **Discussion and Findings**

13. I have carefully gone through the records of the case. I find that in the present case principle of natural justice as provided in Section 122A of the Customs Act, 1962 have been complied with and therefore, I proceed to decide the case on the basis of documentary evidences available on record.

14. I find that investigation was initiated by DRI with respect to the consignment covered under Bill of Lading No. KMTCNBO8264211 dated 17.09.2024. I find that goods were declared in BL No. KMTCNBO8264211 dated 17.09.2024 as '295 Bags, Baby Garments HS Code: 61113000', however, during examination of the goods, it was noticed that different types of undeclared goods i.e., Ladies woolen full sleeve, Women fur sweater, Women Sweater, Jacket, Hoodie Jacket, Women Woolen Set, Sweater for Adults, Heavy Designer Sweaters, Men's Jackets, Women Cord Set, Ladies Winter Palazzo etc of different sizes, colors designs were found and only a small quantity of declared goods i.e. Baby set/winter set, Baby fur Jacket and Baby woolen Sweater were found.

15. I find that investigation revealed that Bill of Lading No. KMTCNBO8264211 dated 17.09.2024 was earlier issued in the name of M/s RS Impex, 403, Plot No. 123, Shree Ganesh Residency, Sector No. 05, Ulwe, Navi Mumbai, Raigad, Maharashtra-410206 (IEC Code: DDUPS9664C) with date as 14.09.2024 and was destined for Mundra Port in which goods were declared as 'Baby Garments – HS Code 61113000' but were later found that IGM No. 2389868 dated 04.10.2024 was filed in the name of M/s A C IMPORT AND EXPORT LLP and was destined for Nhava Sheva port as the case against M/s RS Impex was already initiated on 25.09.2024 at Mundra Port.

16. Further, I find that as per communication done with concerned Shipping Line for the subject consignment, the shipper had requested for

the Bill of Lading amendment at Port of Loading on 27.09.2024. Accordingly as per the Shipper's instructions the Bill of Lading was amended on 27.09.2024 by the Shipping Line. It was also revealed that earlier the said consignment was in the name of RS Impex and it was later amended in the name of AC Import and Export LLP. Thus I find that M/s RS Impex (against which case was already initiated on 25.09.2025) and M/s A C IMPORT AND EXPORT LLP are linked with each other. When the case was initiated by holding consignments of RS Impex, it was observed that the BL was changed from M/s RS Impex to M/s A C Import And Export LLP but when this office also initiated action against M/s A C Import And Export LLP, the importer failed to file Bill of Entry as there was mis-declaration in the case pertaining to BL No. KMTCNBO8264211 dated 17.09.2024. Further, they have not co-operated in the investigation by avoiding appearance against Summons issued to all the relevant persons.

16.1 In the view of the above, I find that importer M/s A C IMPORT AND EXPORT LLP along with M/s RS Impex has adopted modus operandi to evade detection. This clearly shows the importer M/s A C IMPORT AND EXPORT LLP, in collusion with others, conspired to evade customs duties, thereby causing a loss to the government exchequer. Therefore, in the present matter, a stringent view has to be taken to discourage such unlawful activities and to restore faith in the establishment and the rule of law.

## **17. Valuation**

**17.1** I observe that the imported goods were found in different variety, description, specification and quality, so, it was not possible to find and compare the same with other goods having identical/similar description, brand, make, model, quantity and Country of Origin. As the import data extracted with respect to contemporaneous imports was general in nature and contemporaneous data for imports of identical/similar goods was not available/found, therefore, the value could not be determined under Rules 4 and 5 of CVR, 2007.

As per Rule 6 *ibid*, if the value cannot be determined under Rules 3, 4 and 5 same shall be determined under the provisions of Rule 7 or when same cannot be determined under that rule then under Rule 8.

**17.2** As the imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore, determination of transaction value under Rule 7 of CVR, 2007 was not possible. As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available.

Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007.

**17.3** Hence the value is to be determined in terms of Rule 9 of CVR, 2007 of said rules. For the consignment covered under KMTCNBO8264211 dated 17.09.2024, there is no value provided by the importer till date also no Bill of Entry has been filed against said BL. Further the goods were found to be grossly mis-declared during examination. Therefore, the Assessable value based on report as provided by the government approved Chartered Engineer is to be considered as the value of the subject goods. Therefore, the value has been re-determined under Section 14 of the Customs Act, 1962 on basis of report of the government approved Chartered Engineer. The government empanelled Chartered engineer, the appropriate FOB value of the import goods covered under BL No. KMTCNBO8264211 dated 17.09.2024 comes to Rs. 58,69,450/- (Fifty Eight Lakhs Sixty Nine Thousand Four Hundred Fifty only).

**18.** I find that the consignment covered under Bill of Lading No. KMTCNBO8264211 dated 17.09.2024 were found mis-declared and having undeclared goods vis a vis the declaration made under IGM/Bill of lading. I find that M/s A C Import And Export LLP imported various type of woven fabric under Bill of Lading No. KMTCNBO8264211 dated 17.09.2024 in the guise of Baby Garments as discussed in foregoing paras which were intended to be cleared in domestic market and mis-declared the same in terms of quantity, value and description in the IGM/Bill of lading with an intention to evade Customs Duties, thereby rendered the goods liable for confiscation under Section 111 (f) of the Customs Act, 1962.

**19. Imposition of Redemption fine in lieu of confiscation of the goods under section 111 (f) of the Customs Act, 1962.**

As the impugned goods are found to be liable for confiscation under Section 111 (f) of the Customs Act, 1962, I find that it is necessary to consider as to whether redemption fine under Section 125 of Customs Act, 1962, is liable to be imposed in lieu of confiscation in respect of the impugned goods as alleged vide subject SCN dated..... The Section 125 ibid reads as under: -

*"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 1[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."*

A plain reading of the above provision shows that imposition of

redemption fine is an option in lieu of confiscation. It provides for an opportunity to owner of confiscated goods for release of confiscated goods by paying redemption fine where there is no restriction on policy provision for domestic clearance. I find that the Importer is involved in mis-declaration of goods in terms of quantity, description and valuation. However, the imported goods can be released for home consumption on payment of redemption fine under section 125(1) of the customs act, 1962.

## **20. Imposition of Penalty on M/s A C Import & Export LLP (Partners: Shri Jahirul Islam Choudhary & Ms Sabina Yasmin Choudhary)**

20.1 I find that M/s A C Import And Export LLP has been involved in mis-declaring the goods in the IGM/Bill of lading as discussed in foregoing paras, thus the act of omission and commission on the part of importer rendered the said imported goods liable for confiscation under Section 111(f) of Customs Act, 1962. In the view of the above, I held that M/s. A C Import And Export LLP (IEC: ACGFA5011P), (Partner: Shri Jahirul Islam Choudhary & Ms Sabina Yasmin Choudhary) is liable to penalty under Section 112(a)(ii) of Customs Act 1962.

Further, I find that imposition of penalty under Section 112(a) and 112(b) simultaneously tantamount to imposition of double penalty, therefore, I refrain from imposition of penalty on M/s A C Import And Export LLP under Section 112(b) of the Act ibid as penalty under Section 112(a) of the Customs Act, 1962 is imposed on M/s A C Import And Export LLP.

20.2 I find that 03 summons were issued to the importer but none of the partner appeared against the summons during the investigation citing baseless reasons. Therefore, M/s A C Import And Export LLP have rendered themselves liable for penal action under the provisions of Customs act, 1962. From the above, I find that the importer is liable for penal action under Section 117 of the Customs Act, 1962.

## **21. Imposition of Penalty on M/s RS Impex (Proprietor: Shri Raju Yonna Sannap)**

21.1 I find that earlier BL No. KMTCNBO8264211 dated 17.09.2024 was issued in the name of M/s. RS Impex with date as 14.09.2024, whereas the final BL was changed in the name of M/s A C IMPORT AND EXPORT LLP to avoid detection by investigating agency. I find that M/s. RS Impex had deliberately changed the consignee name in the Bill of Lading to evade enforcement action and to smuggle undeclared goods. Further, I find that the consignments covered under BL No. KMTCNBO8264211 dated 17.09.2024 were mis-declared in which most of the goods were undeclared, thus rendering the said imported goods liable for confiscation under section 111(f) of Customs Act, 1962. Thus, the omission and

commission on the part of M/s RS Impex who were knowingly concerned in mis-declaration in the import documents have rendered themselves liable to penalty under Section 112 (b)(ii) of the Customs Act, 1962.

Further, I find that imposition of penalty under Section 112(a) and 112(b) simultaneously tantamount to imposition of double penalty, therefore, I refrain from imposition of penalty on M/s. RS Impex under Section 112(a) of the Act ibid as penalty under Section 112(b) of the Customs Act, 1962 is imposed on M/s RS Impex.

21.2 I find that 03 summons were issued to Proprietor of M/s RS Impex but he failed to appear against the summons during the investigation citing baseless reasons. Therefore, M/s RS Impex (Proprietor: Shri Raju Yonna Sannap) have rendered themselves liable for penal action under the provisions of Customs act, 1962. From the above, I find that M/s RS Impex (Proprietor: Shri Raju Yonna Sannap) is liable for penal action under Section 117 of the Customs Act, 1962.

## **22. Imposition of Penalty on Shri Feros Raj, Proprietor of M/s Indo Impex**

I find that Shri Feros Raj, Proprietor of M/s Indo Impex, had shared the said Bill of lading (having consignee name RS Impex) in the whatsapp group. Further, vide letter dated 12.03.2025 issued by M/s AC Import And Export LLP, it has been confirmed that Shri Feros Raj is authorised person of M/s A C Import And Export LLP. Thus I find that Shri Feros Raj is involved in the smuggling of undeclared goods in the said consignment. Further Shri Feros Raj was also involved in changing the consignee in the BL No. KMTCNBO8264211 dated 17.09.2024 from RS Impex to M/s A C IMPORT AND EXPORT LLP to avoid detection. In the view of the above, I find that the omission and commission on the part of Shri Feros Raj who were knowingly concerned in mis-declaration in the import documents have rendered themselves liable to penalty under Section 112 (b)(ii) of the Customs Act, 1962.

Further, I find that imposition of penalty under Section 112(a) and 112(b) simultaneously tantamount to imposition of double penalty, therefore, I refrain from imposition of penalty on Shri Feros Raj, Proprietor of M/s Indo Impex under Section 112(a) of the Act ibid as penalty under Section 112(b) of the Customs Act, 1962 is imposed on Shri Feros Raj.

23. In view of above, I pass the following order :-

### **ORDER**

- i. I order to confiscate the goods covered under Bill of Lading KMTCNBO8264211 dated 17.09.2024 having undeclared/mis-

declared goods (as per Annexure A enclosed) and having FOB value assessed at **Rs. 58,69,450/-** under Section **111 (f)** of the Customs Act, 1962. However, I give an option to M/s A C Import And Export LLP to re-deem the goods for home consumption on payment of **Rs. 10,00,000/- (Rupees Ten Lakh only)** as per the provisions of the Section 125 of the Customs Act, 1962.

- ii. I impose penalty of **Rs. 5,000/- (Rupees Five Thousand only)** on the importer M/s A C Import & Export LLP under Section 112 (a)(ii) of the Customs Act, 1962.
- iii. I impose penalty of **Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only)** on the importer M/s A C Import & Export LLP under Section 117 of the Customs Act, 1962.
- iv. I refrain from imposing penalty on the importer M/s A C Import & Export LLP under Section 112(b) of the Customs Act, 1962.
- v. I impose penalty of **Rs. 5,000/- (Rupees Five Thousand only)** on M/s. RS Impex (Proprietor Shri Raju Yonna Sannap) under Section 112 (b)(ii) of the Customs Act, 1962.
- vi. I impose penalty of **Rs. 2,50,000/- (Rupees Two Lakh Fifty Thousand only)** on M/s. RS Impex (Proprietor Shri Raju Yonna Sannap) under Section 117 of the Customs Act, 1962.
- vii. I refrain from imposing penalty on M/s. RS Impex (Proprietor Shri Raju Yonna Sannap) under Section 112(a) of the Customs Act, 1962.
- viii. I impose penalty of **Rs. 5,000/- (Rupees Five Thousand only)** on M/s. Shri Feros Raj (Proprietor of M/s Indo Impex) under Section 112 (b)(ii) of the Customs Act, 1962.
- ix. I refrain from imposing penalty on Shri Feros Raj (Proprietor of M/s Indo Impex) under Section 112(a) of the Customs Act, 1962.

**24.** This order is issued without prejudice to any other action which may be contemplated against the importer or any other person under provisions of the Customs Act, 1962 and rules/regulations framed thereunder or any other law for the time being in force in the Republic of India.

**25.** The Show Cause Notice No. 01/2025-26/ADC/AKM/ADJ/MCH dt. 02.04.2025 issued vide File No. GEN/ADJ/ADC/877/2025-Adjn-O/o Pr Commr-Cus-Mundra stands disposed in above terms.

**Additional Commissioner,  
Custom House, Mundra.**

**To,**

1. **M/s. A C Import And Export LLP (IEC: ACGFA5011P),**  
Shop No. 222, Plot No. 9, Sector 15,  
CBD Belapur, Navi Mumbai, Thane,  
Maharashtra - 400614  
(email id: [acimportandexportllp@gmail.com](mailto:acimportandexportllp@gmail.com))
2. **M/s. RS Impex (IEC: DDUPS9664C),**  
(Proprietor: Shri Raju Yonna Sannap),  
403, Plot No. 123, Shree Ganesh Residency,  
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3. **Shri Feros Raj, Proprietor of**  
M/s Indo Impex, B-704,  
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**Copy to:**

1. The Additional Director General, DRI, Gandhidham.
2. The Deputy/Assistant Commissioner, EDI, Customs Mundra
3. The Deputy/Assistant Commissioner, Group-3, Customs Mundra
4. The Deputy/Assistant Commissioner (RRA), Custom House, Mundra
5. The Deputy/Assistant Commissioner (TRC), Custom House, Mundra
6. Guard File.