

	<p style="text-align: center;">सीमा शुल्क के प्रधान आयुक्त का कार्यालय सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS CUSTOMS HOUSE, MUNDRA, KUTCH, GUJARAT Phone No.02838-271165/66/67/68 FAX.No.02838-271169/62, Email - adj-mundra@gov.in</p>	
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DIN- 20241271MO0000313911

Date: 13.12.2024

SHOW CAUSE NOTICE

During the course of investigation of the case related to undervaluation and misdeclaration against Shri Pranshu Goel proprietor of M/s Mahadev ji Exports (IEC-CPTPG4273F) in importation of coils of cold rolled stainless steel, certain incriminating evidences had been resumed indicating violations of similar nature by other firms. Therefore, based on this evidence, investigation was initiated against certain new set of firms to check for the possibility of offence of undervaluation during import in coils of cold rolled stainless steel. Thus, DRI HQS, New Delhi, initiated investigation against M/s Royal Steel Trading (IEC AEQPJ2765R) with Shri Vikas Jindal as a proprietor and M/s S.S. Enterprises (IEC ADZPG1501C) with Shri Sandeep Garg as a proprietor. As investigation progressed, on the basis of evidences retrieved, two more firms of relatives of Shri Vikas Jindal and Shri Sandeep Garg were added in the scope of investigation. Thus investigation encompassed 04 firms; detailed as below:

Table 1

S.No	Name of Importer (M/s)	IEC	Name of Proprietor (Sh/Ms/Smt)
1	Royal Steel Trading	AEQPJ2765R	Vikas Jindal
2	S.S. Enterprises	ADZPG1501C	Sandeep Garg
3	Gemini Metal Corporation	216907101	Gaurav Jindal
4	Seeno Stainless Steel	AGSPJ1611Q	Deepak Jindal

2. During the course of investigation searches were conducted at residential and office premises of proprietors/partners of the firms under investigation along with office/Residential premises of the associated CHA. Detail of all such premises are mentioned below:

Table-2

S. No.	Name of Firm/Name of Person	Address of Premise	Panchnama Date	RUD No.
1.	M/s S.S. Enterprises and Shri Sandeep Garg	Flat No.4, Sukhdham Apartment, Near Metro Pillar No. 405, Rohini Sector-9, Delhi 110085	15.12.2023	RUD-1

2.	M/s Mukesh Grover and Shri Mukesh Grover (CHA)	4/6, D B Gupta Road, Paharganj Central Delhi, 110055	15.12.2023	RUD-2
3.	Shri Atul Kishore Guglani (CHA- who outsourced M/s Mukesh Grover for the subject firms under investigation)	D-71, Flat No. 101, First Floor Vishwakarma Colony, Delhi	15.12.2023	RUD-3
4.	M/s Royal Steel Trading and Shri Vikas Jindal	B-62, Wazirpur Industrial Area, Delhi, North West, 110052	15.12.2023	RUD-4
5.	M/s Royal Steel Trading and Shri Vikas Jindal	R P 105, Pitampura Delhi, 110088	15.12.2023	RUD-5
6.	Shri Atul Kishore Guglani	318, Tarun Enclave, Saraswati Vihar, Pitampura, Northwest Delhi, 110034	15.12.2023	RUD-6
7.	Premises of M/s Balaji Metal (Job Worker of M/s Royal Steel Trading)	B 20 Group, Wazirpur Industrial Area, 110052	17.12.2023	RUD-7
8.	M/s Royal Steel Trading and Shri Vikas Jindal	C9/1, First Floor, Wazirpur Industrial Area, Delhi, 110052	15.12.2023	RUD-8
9.	M/s S S Enterprises and Shri Sandeep Garg	Left side one hall of Ground Floor, C-9/1, Wazirpur Industrial Area Delhi, 110052	15.12.2023	RUD-9

2A. Detention and Seizure Details:

During the search, goods lying in the premises were detained and later seized under Section 110 (1) of the Customs Act 1962, on the reasonable belief that these goods were improperly imported by way of mis-declaration & undervaluation; hence are liable for confiscation under Sec 111 of Customs Act 1962 read with Section 120 of Customs Act 1962 -in case of them being used in manufacturing. Additionally, cash recovered from the premises of proprietor was also seized under Sec 110(1) of the Customs Act, on reasonable belief, it being sale proceeds of goods and hence liable for confiscation under Sec 121 of Customs Act. Details are as under:

TABLE-3

S. No.	Details of Goods/Cash seized	Details of Panchnama	Details of Seizure Memo	RUD No.
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1	Cash of Rs 19,50,000/-	Detained from Flat No.4, Sukhdham Apartment, Near Metro Pillar No. 405, Rohini, Sector-9, Delhi-110085, i.e. residence of Shri Sandeep Garg, Prop. of M/s SS Enterprises under Panchnama dated 15.12.2023	Vide Seizure Memo dated 16.12.2023 under Sec 110 of Customs Act ; later Rs.19.50 Lakh CASH seized was Fix deposited (A/c 42529781582) with SBI A/c	(RUD No. 10)
2	One roll of stainless steel coil (Size: Thickness 0.26mm x width 680mm) and weight 4444 Kg	Detained under panchnama dated 15.12.2023 from the premises of M/s Royal Steel Trading at B-62 Wazirpur Industrial Area, Delhi, North West, 110052	Seized vide Seizure Memo dated 22.04.2024, under Sec 110 of Customs Act	(RUD No. 11)
3	Stainless Steel Coils 1. Size: thickness 0.20mm x width 690 mm and weight 4580 Kg; 2. Size: thickness 0.20mmx width 690mm, and weight 4424Kg 3. Size: thickness 0.20mmx width 730mm and weight 4186Kg	Detained under panchnama dated 17.12.2023 from the premises of M/s Balaji Metal (Job worker of M/s Royal Steel Trading), B-20, Group Wazirpur, Industrial Area, 110052	Seized vide 03 Seizure Memo's all dated 22.04.2024, under Sec 110 of Customs Act	(RUD No. 12)
4	Stainless Steel Coils 8 in No., Approx. 4 tonne each	Detained under panchnama dated 15.12.2023 from the premises of M/s Royal Steel Trading at C-9/1, First Floor Wazirpur Industrial Area, Delhi 110052	Seized vide Seizure Memo dated 22.04.2024, under Sec 110 of Customs Act	(RUD No. 13)
5	1. Cold Rolled Stainless Steel Coil of weight 31,111 Kg 2. Cold Rolled Stainless Steel Circles of weight 3,615.24 Kg 3. Stainless Steel Coil (pipe) of weight 26,296 Kg 4. Stainless Steel Coil of weight 83,410 Kg 5. Stainless Steel Circle of weight 5,109.6 Kg	Detained under panchnama dated 15.12.2023 from the premises of M/s S S Enterprises at Left side on hall of ground floor C-9/1, Wazirpur Industrial Area, Delhi 110052	Seized vide Seizure Memo dated 22.04.2024, under Sec 110 of Customs Act	(RUD No. 14)

2B. Forensic Examination of Electronic Devices:

Further, electronic devices (Mobile Phones etc.) voluntarily submitted by the proprietors to facilitate the investigation, were forensically examined; led to retrieval of incriminating evidences of undervaluation (i.e. genuine/actual invoices etc.). Thereafter, such relevant electronic evidences were seized under Sec 110 of Customs Act 1962, with a reasonable belief of it being relevant for investigation. Details of such Forensic examined devices are as below:

TABLE-4

S L N O	NAME OF PERSON (SH)	DESCRIPTION	DEVICE TYPE	MODE OF RESUMPTIO N	DATE OF FORENSIC EXAMINATION and SEIZURE MEMO DATED	RUD No.
1	Vikas Jindal	Galaxy M12 (Model No. SM-M127G/DS) Sr. No. RZ8T20MVEBT) having IMEI No. 358451326810408 / 359079866810402	Mobile Phone	Voluntarily submitted vide letter dated 15.12.2023	-Under ROP dated 18.12.2023 - Seized on 18.12.2023	RUD- 15,16, 17,18, 19
2.	Deepak Jindal	IPHONE 14 Pro MAX (Model No. MQ993J/A) Sr. No. LP9H2J3P9H having IMEI No. 353425683488995 / 353425683728473	Mobile Phone	Voluntarily submitted vide letter dated 15.12.2023	Under ROP dated 18.12.2023 - Seized on 18.12.2023	
		IPHONE 12 Pro MAX (Model No. MGDA3AA/A) Sr. No. G0NDR2HH0D52 having IMEI No. 356730115774731 / 356730115816607	Mobile Phone	Voluntarily submitted vide letter dated 15.12.2023	Under ROP dated 18.12.2023 - Seized on 18.12.2023	
3.	Sandeep Garg	Samsung Galaxy J6 (Model No. SM-j600G) IMEI No.359245097150187/359245097150185	Mobile Phone	Voluntarily submitted vide letter dated 15.12.2023	Under ROP dated 05.01.2024 - Seized on 18.12.2023	
		VIVO 1938 IMEI-866001047654992/866001047654984	Mobile Phone	Voluntarily submitted vide letter dated 15.12.2023	Under ROP dated 05.01.2024 Seized on 18.12.2023	
		I-Phone-12 (Model No. MGJA3HN/A) (IMEI 351447854625868/351447854939335 (Mobile Phone	Voluntarily submitted vide letter dated 15.12.2023 by Sh Sandeep Garg	Under ROP dated 05.01.2024 Seized on 18.12.2023	
		I-Phone13 Pro (Model No. MLTT3LL/A) Sr. No. RFVXVPP9N (IMEI-359052377086259/359052377912702 (of his son Sh. Keshav Garg)	Mobile Phone	Voluntarily submitted vide letter dated 15.12.2023	Under ROP dated 05.01.2024 Seized on 18.12.2023	

3. VOLUNTARY STATEMENTS RECORDED UNDER SECTION 108 OF THE CUSTOMS ACT 1962:

During the course of the investigation statements of Proprietors of the firms and associated persons (Customs House Agents) were recorded under section 108 of the customs act 1962; summarized as below:

TABLE-5

S. No	Name of person (Shri)	Date of Statement	RUDs No
1	Vikas Jindal proprietor of M/s Royal Steel Trading	15.12.2023, 18.12.2023 and 13.02.2024	RUD-20,21,22
2	Deepak Jindal Prop. of M/s Seeno Stainless Steel also (Brother of Shri. Vikas Jindal	15.12.2023, 18.12.2023 and 06.02.2024	RUD-23,24,25
3	Gaurav Jindal proprietor of M/s Gemini Metal Corporation	09.01.2024 and 04.03.2024	RUD-26,27
4	Sandeep Garg proprietor of M/s S.S. Enterprises	15.12.2023 and 06.02.2024	RUD-28,29
5	Mukesh Grover, (F-Card Holder (R-13/2006) Proprietor of M/s Mukesh Grover, CHA firm	20.12.2023 & 21.12.2023	RUD-30,31
6	Atul Kishore Guglani Director of M/s Choice Cargo Agency Pvt. Ltd	05.01.2024	RUD-32

Relevant portions of the statements are appended below:

3A. Statement dated 15.12.2023 of Shri Vikas Jindal proprietor of M/s Royal Steel Trading, recorded under Sec 108 of Customs Act, wherein he interalia stated as under: (RUD No. 20)

- In the year 2017, he incorporated a proprietorship firm in the name of M/s Royal Steel Trading at B-62, Wazirpur Industrial Area, Delhi - 110052, which was later shifted to C-9/1, First Floor, Wazirpur Industrial Area, Delhi-110052, in year 2019.
- In the year 2017, he started import of stainless-steel circles from China for trading and manufacture of utensils; that in the year, 2020 (during August-September month), they installed a Circle cutting machine in their factory purchased from M/s Hartz Control, Ghaziabad. Thereafter, they also started manufacturing circles with the help of the said machine from the steel coils imported from China.
- that the import from China in his firms are managed and looked after by him; that his brother Sh. Deepak Jindal also assisted him in managing the business of the firm; that suppliers in China were contacted through a mediator/middle men, who acted as a nodal point between his firm and Chinese manufacturers and provided a better deal from the Chinese suppliers. Further, he provided few names of middle men and corresponding suppliers as : Mr. Payne for M/s Newye Trading Co, M/s Fia International and M/s F. S Essential; Mr. Fancy for M/s Leo Metalsand; Mr David for M/s H K Pingan Imp and Exp Co. Limited etc.

- that “Cold Rolled Stainless Steel coil J3 Grade” was imported by his firm by declaring the unit price in the range of USD 0.85 to USD 1.15 Per KG from the above-mentioned suppliers; that during the period prior to July, 2023, import prices of these goods were declared at the unit price of USD 0.85 per KG and from July, 2023 onwards, the prices were declared at an increased rate of rate of USD 1.1 per KG.
- On being further asked to explain, he stated that the actual price of these goods supplied by the above mentioned Chinese suppliers were in the range of USD 1.3 to 2.0 Per KG, during last 5 years.
 - On being further shown statement dated 15.12.2023 of his brother Sh. Deepak Jindal-accepting under-valuation in firm M/s Seeno Stainless Steel and M/s Royal Steel Trading, Sh. Vikas Jindal accepted the same and put his dated signatures on the said statement in token of having seen and confirmed the same. He further stated that the facts narrated by Sh. Deepak Jindal are true and correct; that being proprietor of M/s Royal Steel Trading, he accepted his mistake of under valuation in imported goods and also admitted differential duty liability as per the details narrated by Sh. Deepak Jindal in his statement dated 15.12.2023.

He also stated that they resorted to undervalue the goods in order to make some extra profits by saving the duty amounts; that many other importers of the same commodity were also adopting the same modus operandi of undervaluing their imported goods; that the goods were being undervalued in order to sustain amidst competition in the domestic market.

3B. Statement dated 18.12.2023 of Shri Vikas Jindal proprietor of M/s Royal Steel Trading, wherein he reiterated the facts mentioned in his earlier statement dated 15.12.2023 to be true and voluntary, and **stated that: (RUD No. 21)**

That he voluntarily submitted his mobile phone Galaxy M12 (Model No. SM-M127G/DS) Sr. No. RZ8T20MVEBT) having IMEI No. 358451326810408 / 359079866810402 vide his letter dated 15.12.2023. That upon checking the said phone by DRI officer, certain incriminating invoices/documents were found, printout of which were supplied and he put his dated signatures on the said invoices/documents in token of its correctness.

3C. Statement dated 13.02.2024 of Shri Vikas Jindal proprietor of M/s Royal Steel Trading recorded under Sec 108 of Customs Act, wherein he interalia stated that (RUD No. 22)

- He has gone through all the import invoices for goods i.e. “Cold Rolled Stainless Steel Coils J3 Grade”, resumed from the forensics examination, which pertain to firms namely M/s. Royal Steel Trading and others. The

rate mentioned in these invoices in respect of M/s. Royal Steel Trading are in the price range of USD 1.150 to 1.950 Per KG. He further stated that these invoices were actual invoices with actual price/rate at which imported goods were received (Cold Rolled Stainless Steel Coils J3 Grade) from Chinese suppliers.

- As already mentioned in his previous statements he stated that he used to declare the imported goods at a lower price @ 0.85 to 1.1 USD per KG, by way of using forged/duplicate under-valued Import Invoices before Indian Customs, to evade Customs Duty. However, the actual prices of imported goods were higher in the range of \$ 1.150 to 1.950 USD per Kg.

- He put his dated signature on each invoice as a token of having seen and agreed with the same.
- In M/s. Royal Steel Trading, his brother Shri Deepak Jindal, was supporting him in negotiating and finalizing deals with Chinese Suppliers.
- He stated that they used to sell imported Cold Rolled Stainless-Steel Coil as well as Circles (manufactured in the firm with a machine installed at their factory premises) in domestic market at the lower price. In this way they were also engaged in under-valuation in selling the goods in domestic market by way of using under-valued GST invoices.
- He stated that against under-valued GST invoices, they used to receive the payments through banking channels and the differential amount on account of undervaluation of the transaction used to be recovered by them in Cash from domestic buyers directly.

3D. Statement dated 15.12.2023 of Shri Deepak Jindal proprietor of M/s Seeno Stainless Steel was recorded under Sec 108 of Customs Act, wherein he inter alia stated that (RUD No.23)

- He stated that after completing Chartered Accountancy, he joined his brother's firm i.e. M/s Royal Steel Trading in year 2017. M/s Royal Steel Trading is a manufacturing-cum trading firm engaged in import of stainless steel coils and manufacturing of circles cutting for making utensils and also selling the same in local market.
- Further, in year 2022, he started his own firm namely M/s Seeno Stainless steel, GIDC, Shed 283/1, Odhav, Ahmedabad (GSTN 24AGSPJ1611Q1Z2) which is also engaged in import of stainless steel coils and manufacturing of circles cutting for local sale. He has imported around 15 containers through this firm also. All the day-to-day business activities of the said firm such as purchase

and import of goods, clearance from customs authorities, domestic sales, sending of remittances to the overseas suppliers etc. are looked after by him alone.

- Both M/s Royal Steel Trading and M/s Seeno Stainless steel are engaged in importing stainless steel coils mainly from CHINA from suppliers namely M/s Newye Trading Co., M/s H K Pingan Imp and Exp Co. Limited, M/s Fia International, M/s F. S Essential and M/s Leo metals etc.
- The import from China in both above firms (i.e. M/s Royal Steel Trading and M/s Seeno Stainless Steel) are managed and looked after by him. They contacted the suppliers in China through a mediator/middle man who provided them a better deal from the suppliers. These mediators/middle men are nodal point for contact between their firms and Chinese manufacturers. Few names of mediators/middle man and corresponding suppliers are Mr. Payne for M/s Fujuan dingxin, M/s Newye Trading Co, M/s Fia International and M/s F. S Essential; Mr. Fancy for M/s Leo Metalsand; Mr David for M/s H K Pingan Imp and Exp Co. Limited etc.
- On being asked, he further stated that they mainly import “Cold Rolled Stainless Steel coil J3 Grade and N1 Grade” for manufacturing of circles cutting for making utensils and also for trading of the same in local Indian market. On being asked, he stated that they import “Cold Rolled Stainless Steel coil J3 Grade and N1 Grade” by declaring the unit price in the range of USD 0.85 to USD 1.15 Per KG from the above-mentioned suppliers. During the period prior to July, 2023, they declared the import prices of these goods at the unit price of USD 0.85 per KG. During the months from July, 2023 onwards, they have declared the import value at the rate of USD 1.1 per KG. On being asked he informed that the actual prices of these goods supplied by the abovementioned Chinese suppliers were in the range of USD 1.3 to 2.0 Per KG during last 5 years.
- On being asked he stated that they instructed their Chinese suppliers to generate undervalued invoices. He admitted that the overseas suppliers sold these goods to them at the actual unit price of USD 1.3 to 2.0 Per KG during last 5 years, whereas forged invoices were sent to them by mentioning the unit prices of USD 0.85 to USD 1.1 per KG so that they have to pay lesser amounts of Customs Duty on the undervalued prices.
- The amount mentioned in such undervalued invoices are paid through Banking channels whereas the differential amount between the actual unit prices and undervalued unit price were paid by them in cash using unofficial Hawala channel through

hawala agents in the Chandni Chowk market of Delhi. These agents used to send the money in the Bank Accounts of the Chinese Suppliers through Telegraphic Transfer.

- That Sh. Sandeep Garg, his cousin who is the proprietor of M/s SS Enterprises, used to help him in sending the differential amounts to the overseas suppliers.
- He admitted his mistake and is ready to pay the differential duty amount at the earliest. He would calculate the exact differential duty amount Bill of entry wise and submit the chart at the earliest along with the differential duty amounts.
- He admitted that to having undervalued the imports to save extra duty to make profits. It was done with intent to evade customs duty on import of stainless-steel coils and to make their imported goods competitive in the domestic Indian market as other importers of the stainless-steel coils were also undervaluing their imports. He stated that they had declared the actual prices to the Customs authorities, the cost of sale of the goods to their customs would have been higher and that they would not be able to sell their imported goods.
- Shri. Atul Kishore Guglani (Mobile No. 98112xxxx), of M/s A. K. Enterprises and M/s Choice Cargo Agencies Pvt. Ltd. supported their firms M/s Royal Steel Cargo and M/s Seeno Stainless Steel in importation and clearance of undervalued J3 or N1 grade Cold Rolled Steel Cargo. Shri Atul Kishore Guglani had assisted in clearance of the undervalued imported goods through Mundra Port, Dadri and Loni Port. Shri Atul Kishore Guglani gets import consignments destined to Dadri and Loni ports cleared through his controlled CHA firm named M/s SMG ICB Logistics, whereas consignments destined to Mundra port were cleared through CHA firm named M/s Mukesh Grover.

3E. Statement dated 18.12.2023 of Shri Deepak Jindal proprietor of M/s Seeno Stainless Steel was recorded under Sec 108 of Customs Act, in wherein he interalia stated that : (RUD No.24)

- Shri Atul Kishore Guglani supports many importers like M/s. Royal Steel Trading and M/s. Seeno Stainless Steel in executing the customs fraud of under-valuation of Stainless steel coils in India. This is done with close support of CHAs like Shri Mukesh Grover of CHA firm M/s. Mukesh Grover.
- Additionally, the undervalued Cold Rolled Stainless Steel of J3 grade is imported and payment with respect to them are settled through non-transparent routes. They are given a Chinese Bank Account Number with respect to every import consignment with undervalued Invoices. The purpose of these Chinese Bank

Account Numbers is to transfer the differential amount of payment through TT Channel. There are dealers available in Chandani Chowk for the purpose to affect these differential payments in the Chinese accounts given by Chinese suppliers. They settle this differential amount in Cash with these dealers. These dealers charge Rs. 4 to 5 more from prevailing rate of US dollar as commission of transfer this cash to Chinese bank account number shared with them.

3F. Statement dated 06.02.2024 of Shri Deepak Jindal proprietor of M/s Seeno Stainless Steel was recorded under Sec 108 of Customs Act, wherein he interalia stated that (RUD No.25):

- He has gone through the import invoices for goods i.e. "Cold Rolled Stainless Steel J3 Grade", resumed from the forensic analysis of mobile phone which pertain to firms namely M/s Seeno Stainless Steel, Gemini Metal Corporation, M/s. S. S. Enterprises, M/s Royal Steel Trading & M. K Overseas. The rate mentioned in these invoices are in the price range of USD 1.14 to 1.583 Per KG. He further stated that these Invoices were actual invoices with actual price/rate at which imported goods (Cold Rolled Stainless Steel J3 Grade) were received from the Chinese suppliers.
- He reiterated his previous statements, that they used to declare the imported goods at a lower price @ 0.85 to 1.1 USD Per KG, by way of using forged/duplicate under-valued Import Invoices, before Indian Customs, to evade Customs Duty. However, the actual price of imported goods were higher in the range of \$ 1.14 to 1.583 USD Per Kg.
- He also put his dated signature on each invoices as a token of having seen and agreed with the same.
- In his firm M/s Seeno Stainless Steel, he negotiated and finalized deals with Chinese suppliers. Further, in M/s Royal Steel Trading (firm of his real brother Shri Vikas Jindal), M/s S.S. Enterprises (firm of his cousin Sandeep Garg) and M/s Gemini Metal Corporation (firm of his cousin Shri Gaurav Jindal) he negotiated and finalized deals with Chinese suppliers in consultations with respective owners of the firms.
- He stated that they used to sell imported goods i.e. Cold Rolled Stainless-Steel Coil and Circles (manufactured by them with a machine installed at their factory premises) in domestic market at the lower price. In this way he also resorted to under-valuation while selling the goods at domestic market by way of using under-valued GST Invoices

- He stated that against under-valued GST invoices, they received the payments through banking channels, however, the differential amount on account of undervaluation of the transaction used to be received by them in Cash from domestic buyers directly.

3G. Statement dated 09.01.2024 of Shri Gaurav Jindal proprietor of M/s Gemini Metal Corporation was recorded under Sec 108 of Customs Act, wherein he interalia stated that (RUD No.26)

- His firm is engaged in the import of stainless steel Coil J3 grade from China and Indonesia.
- His main foreign suppliers of Stainless steel coil J3 grade are M/s Newwei Trading Company Limited, M/s Linyi Feichi Import and Export Co.,Ltd., M/s FIA International Trading Co.,Ltd, M/s MCH Steel Industry Co. Limited, M/s Crown Steel Company Limited Linyi, M/s Shinuo International Trase Co., Ltd, M/s Leo Metals Limited M/s Hong Kong Zhengsan Trade Limited.
- He has imported few consignments through Mundra Port through CHA firm M/s Mukesh Grover, M/s Ribhus Global Pvt. Ltd. and M/s Eiffel Logistics Pvt Ltd.
- On being asked, he further stated that he mainly imports “Cold Rolled Stainless Steel coil J3 Grade” for manufacturing of utensils and sells the same in local market.
- On being asked, he stated that he imported “Cold Rolled Stainless Steel coil J3 Grade” by declaring the unit price in the range of USD 0.75 Per KG to USD 0.95 per kg during the year 2020 to 2023 from the above-mentioned suppliers.
- He stated that most of the import has been made by him is through Kolkata port and Mundra Port.
- He stated that he used to deal with the foreign suppliers for import in his firm M/s Gemini Metal Corporation. He used to place orders and negotiate prices with the suppliers through phone Whatsapp, email and Alibaba.com. He also used to deal with foreign suppliers through alibaba.com website.
- In case of Chinese suppliers, once price was finalized, he used to instruct them to issue invoices of lower price than the price that was finalized. These invoices were then used to file declaration before the Indian customs for clearance of the imported goods i.e. Cold Rolled Stainless Steel Coil J3 Grade. On being asked, he stated that undervaluation of import of Cold Rolled Stainless Steel Coil is being done to save govt. duty, taxes and to make the goods competitive in market.
- As regards the payment of the differential amount incurred due to difference in actual negotiated price and filed price of Stainless

Steel Coil J3 grade to the Chinese suppliers, he stated that the Chinese suppliers used to provide a phone number with direction to contact that number for making payment of differential amount via telegraphic transfer (TT). He used to make a call on the number provided to ask the person on phone for telegraphic transfer of part differential amount. Thereafter, he used to deliver the differential amount in cash in Indian currency to the person at place decided by the person to whom he made the call. He used to give cash in Indian currency for differential amount incurred due to undervaluation for the goods Cold Rolled Stainless Steel Coil imported in his firm M/s Gemini Metal Corporation through such hawala transaction. On being further asked, he stated that he had to convert differential amount in USD incurred due to undervaluation into rupee by adding 4-6 rupees more from the prevailing exchange rate. This addition was the commission of hawala transaction.

3H. Statement dated 04.03.2024 of Shri Gaurav Jindal proprietor of M/s Gemini Metal Corporation was recorded under Sec 108 of Customs Act, wherein he interalia stated that: (RUD No.27)

- He has gone through the statement dated 06.02.2024 of Shri Deepak Jindal wherein he has accepted that invoices for goods i.e. "Cold Rolled Stainless Steel J3 Grade", retrieved from his mobile phones are actual invoices in the price range of USD 1.14 to 1.583 per KG, which he received from Chinese Supplier. However, he declared the imported goods at a lower price @ 0.85 to 1.1 USD Per KG, by way of using forged/duplicate undervalued import invoices, before Indian Customs, to evade Customs Duty.
- He stated that the invoices for goods i.e. "Cold Rolled Stainless Steel J3 Grade" shown to him pertain to his firm M/s. Gemini Metal Corporation, wherein the price range is USD 1.2 to 1.5 per KG for the period 2022 & 2023. He stated that these were the actual price of goods imported from China.
- He stated that the actual price of goods i.e. "Cold Rolled Stainless Steel J3 Grade" imported from China, was higher in the price range of USD 1.2 to 1.5 per KG, however, he declared import consignment in the price range of USD 0.825 to 1.1 per KG. In this way, he accepts that he undervalued the import consignment by way of using fake/undervalued invoices to evade Customs Duty.
- He also put his dated signature on each invoice as a token of having seen, understood and agreed with the same.

- He further stated that Shri Deepak Jindal is his cousin who helped him in getting better import deals from Chinese Suppliers. All his import deals with Chinese Suppliers were negotiated by Shri Deepak Jindal, on his behalf. Therefore, the import invoices stored in the mobile phones of Shri Deepak Jindal were actual invoices supplied to him by Chinese Suppliers.
- He stated that his firm M/s. Gemini Metal Corporation is a manufacturing firm engaged in manufacturing of SS Utensils and SS circle from imported goods i.e. Cold Rolled Stainless-Steel Coil. He stated that he used to sell SS Utensils and SS Circle in domestic market showing lower price. In this way he was also resorting to under-valuation when selling the goods at domestic market by way of using under-valued GST invoices.
- The payments against under-valued GST invoices, were received through banking channels, however, the differential amount on account of undervaluation of the transaction used to be received by them in Cash from domestic buyers directly.

3I. Statement dated 15.12.2023 of Shri Sandeep Garg proprietor of M/s S.S. Enterprises was under Sec 108 of Customs Act, wherein he interalia stated that:
(RUD No.28)

- He established M/s S.S. Enterprises in the year 2012 wherein he was doing business of sale and purchase of Jute bags. In the year 2017, he obtained IEC No. ADZPG1501C and started Import of Jute bags. In the year 2018, he started import of Stainless Steel Coil. Simultaneously, he started manufacturing of Circle from Stainless Steel coil.
- Through his firm he is engaged in import of stainless steel Coil J3 grade from China, Indonesia and Vietnam. His main foreign suppliers are M/S FIA INTERNATIONAL TRADING CO. LTD., M/S NEWWEI TRADING COMPANY LIMITED, FOSHAN LIHENGYUAN STEEL CO., LTD., MCH STEEL INDUSTRY CO., LIMITED, HK PINGAN IMP AND EXP CO., LIMITED, EMETAL COMPANY LIMITED, FS-ESSENTIAL INTERNATIONAL CO., LIMITED, EXCELVANTAGE GLOBAL (HK) LTD, FOSHAN IDEKA INTERNATIONAL CO., LTD, MCH STEEL INDUSTRY CO LIMITED etc.
- On being asked he stated that his main Custom House Agent is Shri Atul Kishore Guglani, Proprietor of Custom Broker Firm M/s Choice Cargo Pvt. Ltd. He further stated that he used to take services of other CHA firms like M/s Mukesh Grover. However, bill was being raised only by M/s Choice Cargo Pvt. Ltd.
- He mainly imported "Cold Rolled Stainless Steel coil J3 Grade" for manufacturing of circles cutting for making utensils and also for

trading of the same in local Indian market. On being asked, he stated that he imports "Cold Rolled Stainless Steel coil J3 Grade" by declaring the unit price in the range of USD 0.75 Per KG to USD 0.98 per kg during the year 2021-2023 from the above-mentioned suppliers. On being asked he stated that the actual prices of these goods supplied by the above mentioned Chinese suppliers were in the range of USD 1.3 to 2.0 Per KG during last 5 years. He stated that imported goods i.e. Cold Rolled stainless steel were cleared at low price. Actual price of the goods were high.

- He stated that his cousin Shri Deepak Jindal proprietor of M/s Seeno Steel works with him in his office situated at Wazirpur Industrial Area. He assists him in day to day business related work of M/s S.S. Enterprises. As per his direction, he used to speak with Chinese supplier and all the price negotiations with Chinese suppliers were being done by his cousin Shri Deepak Jindal.
- He has seen copy of panchnama dated 15.12.2023 draw at Flat No. 4, Sukhdham Apartment, Sector-9, Rohini, Delhi-85. He put his dated signature on each page of Panchnama as a token of having been seen the same and its correctness. He stated that cash amounting to Rs. 19.5 Lakhs resumed under panchnama dated 15.12.2023 were sale proceed of goods i.e. circle manufactured from imported Cold Rolled Stainless Steel Coil J3Grade.
- The Chinese suppliers used to provide a Phone No. and directed him to call on that number to make payment in T.T. (Telegraphic Transfer). Thereafter, he used to call that number and ask the person on phone that he wanted to do T.T. Thereafter, he used to deliver the differential amount in cash in rupee currency to the person and place directed by the person to whom he made the call. . He gave cash in Indian rupee for payment of differential amount incurred due to under valuation for the goods Cold Rolled Stainless Steel Coil J3 grade imported in his firm M/s S.S. Enterprises though hawala at Chandni Chowk. On being further asked, he stated that they have to convert differential amount in USD incurred due to undervaluation into rupee by adding 4-6 rupee more from the prevailing exchange rate. This addition is the commission of Hawala transaction.

3J. Statement dated 06.02.2024 of Shri Sandeep Garg proprietor of M/s S.S. Enterprises was recorded under Sec 108 of Customs Act, wherein he stated that:
(RUD No. 29)

- He has gone through the import invoices for goods i.e. “Cold Rolled Stainless Steel J3 Grade”, which pertain to firms namely M/s S. S. Enterprises, M/s Seeno Stainless Steel, Gemini Metal Corporation, and M/s Royal Steel Trading. The rate mentioned in these invoices are in the price range of USD 1.2 to 1.5 Per KG. He further stated that these Invoices were actual invoices with actual price/rate at which we received imported goods (Cold Rolled Stainless Steel J3 Grade) from our Chinese supplier.
- He reiterated that he used to declare the imported goods at a lower price @ 0.75 to 0.98 USD Per KG, by way of using forged/duplicate under-valued Import Invoices, before Indian Customs, to evade Customs Duty. However, the actual price of imported goods was higher in the range of \$ 1.3 to \$ 2 USD Per Kg.
- He further stated that mobile phone I-phone-13 pro (recovered from his son Shri Keshav Garg) actually belongs to him and he is owning the invoices forensically recovered from the same. He stated that his son Shri Keshav Garg, has no role in the operation of his firm M/s S.S Enterprises and any other firms. However, he and his son Shri Keshav Garg are putting their dated signature on each invoices as a token of having seen and agreed with the same.
- He was negotiating and finalizing deals with Chinese suppliers with help of his cousin Shri Deepak Jindal, prop. of M/s Seeno Stainless Steel for his firm M/s S. S. Enterprises. Further, In M/s Royal Steel Trading (firm of his cousin Shri Vikas Jindal), M/s Gemini Metal Corporation (firm of his cousin Shri Gaurav Jindal) and M/s Seeno Stainless Steel (firm of his cousin Shri Deepak Jindal) respective owners of the firms were negotiating and finalizing deals with Chinese suppliers.
- He stated that they used to sell imported goods i.e. Cold Rolled Stainless-Steel Coil and Circles (manufactured by them with a machine installed at their factory premises) in domestic market at the lower price. In this way they were also resorting to under-valuation while selling the goods at domestic market by way of using under-valued GST Invoices. He stated that against under-valued GST invoices, they used to receive the payments through banking channels, and the differential amount on account of undervaluation of the transaction used to be received by them in Cash from domestic buyers directly.

3K. Statement dated 20.12.2023 of Shri Mukesh Grover- proprietor of M/s Mukesh Grover recorded under Sec 108 of Customs Act, in which he says: (RUD No.30 & 31)

- He stated that his firm is CHA firm M/s Mukesh Grover wherein he is the F- Card Holder. On being asked, he stated that he is engaged in the clearance work in import of item like Stainless Steel Coil, Calcium Carbonate (coated and uncoated), fusible Interlining, Ferrite Magnate, Glass Woven Fabric and etc. through his CHA firm.
- He admitted to have handled the customs clearance for the firms under investigation in import of Cold Rolled Stainless Steel Coil through his CHA firm M/s Mukesh Grover. (M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation)
- He was shown the printout of the import data of M/s Abhinandan Steel, the clearance of which were handled by his CHA firm and put his dated signatures on the same as a token of its correctness. He stated that in the said sheet M/s Abhinandan Steel has imported Non Magnetic stainless steel cold Rolled Coil Grade 201 vide bills of entry nos. 8630348 dated 04.11.2023, 9109381 dt. 07.12.2023, 6308234 dt. 07.06.2023, 6310328 dt. 07.06.2023, 7967426 dt. 23.09.2023 from China. The confirmed that bills of entries were filed through his CHA firm. He stated that Non Magnetic stainless steel Cold Rolled Coil Grade 201 and Cold Rolled Stainless Steel Coil J3 grade are same item with different names. He stated that the prices/rate of the goods i.e. Cold Rolled Stainless Steel Coil declared in the above said bills of entry by M/s Abhinandan Steel are ranging from USD 1.4 per kg to USD 1.8 per kg which was the actual value of the goods. On being specifically asked, he stated that the goods imported vide above said bills of entry by M/s Abhinandan Steel were cleared at actual price by M/s Abhinandan Steel as the goods were imported under advance license scheme where there was no requirement to pay the duty. Therefore, there was no benefit to resort to the under valuation in import of the same.
- He stated that import of cold rolled stainless steel coil J3 grade from China with respect to these firms were cleared mostly@ USD 0.75 per kg. However, the actual rates were higher than the declared price i.e. higher than USD 0.75 per kg.

3L. Statement dated 04.03.2024 of Shri Atul Kishore Guglani was recorded under Sec 108 of Customs Act, wherein he stated: (RUD No. 32)

- He joined M/s Air Impex Cargo Agency as H-Card Holder in the year 1998. In M/s Air Impex Cargo he used to do work related to

registration of DGFT License in the Customs. Further in the year 2003, he started his own firm in the name of M/s A.K. Enterprises which was engaged in DGFT Licence registration and later since 2007, CHA services was also provided by it.

- Thereafter, in year 2014-15 he started 02 firms namely M/s S.K. Enterprises, (Proprietorship firm, owned by him) and M/s Choice Cargo Agencies Pvt. Ltd (in which he is the Director along with my cousin Shri Kishan Kumar Guglani).
- M/s S.K. Enterprises is engaged in sale and purchase of DGFT Scripts and M/s Choice Cargo Agencies Pvt. Ltd is a firm engaged in providing of Clearing and forwarding services.
- He stated that he has been providing CHA services to above firms since 2018. For Customs clearance, in most of the above firms, he used to receive import documents from the proprietors of the firms directly, which he further passed on to Shri Mukesh Grover CHA for clearance. Shri Mukesh Grover who is proprietor of CHA firm M/s Mukesh Grover used to clear the Customs clearances of consignments at Customs Ports on his behalf, for which he used to issue invoices to him. He further used to issue invoices to the import firms by adding his margin to the cost of importation by Shri Mukesh Grover.
- Thus, his role in above firms was limited to clearance of import consignment only, which he used to outsource to Shri Mukesh Grover.
- Further, he was shown statement dated 18.12.2023 of Shri Deepak Jindal who on being asked stated that *“Shri Atul Kishore Guglani supports many importers like M/s Royal Steel Trading and M/s Seeno Stainless Steel in executing this whole custom fraud of under-valuation in India. This is done with close support of CHAs like Shri Mukesh Grover of CHA firms M/s Mukesh Grover. Shri Atul Kishore Guglani has effective control over many controlled firms like M/s Total Cargo Services, tec. These firms are actively used in realising this modus operandi of smuggling of under-valued cold rolled stainless steel of J3 grade in contravention with customs law”* and asked to comment on the same. He stated that he has been shown the statement dated 18.12.2023 of Shri Deepak Jindal. In this regard, he stated that the value of the goods i.e. cold Rolled Stainless Steel Coil was decided between the importer and the overseas supplier and his role was limited to filing the import documents provided by the importer for customs clearance.

- As was asked to provide details of those firms with its controller or proprietor for which he was doing customs clearance to which he stated that he is doing clearance work for various firms and stated the details of the same along with their controller/proprietor as under:

Sl. No.	Name of the firms (M/s)	Name of the person from whom he received firm for custom clearance (Shri)
1	M/s Royal Steel Trading	Vikas Jindal & Deepak Jindal).
2	M/s S.S. Enterprises	Sandeep Garg
3	M/s Seeno Stainless Steel	Deepak Jindal.

4. Genuine/actual invoices: Evidences for Under-valuation :

Further, during the course of investigation electronic devices, voluntarily submitted by the proprietors of the firms under investigation led to retrieval of incriminating evidences of undervaluation (i.e. genuine/actual invoices) in name of firms under investigation). Comparison of these genuine/actual with the actual declared invoices with Customs Authorities at time of import under Bills of Entry, clearly indicated that actual higher value of the goods was suppressed in Customs Declaration. Thus, it emerged that fake invoices (containing lower value) were used to file declaration with Custom Authorities to evade applicable custom duties and other levies However, settlement of payment with Chinese suppliers were made in full value, as per actual invoices (with Higher Value) part through Banking Channels and part in Cash through HAWALA.

Further, few sample Copies of such genuine/actual invoices are appended below for better understanding. These sets of two invoices have same Serial Numbers; but one is with lower value and other is with higher value. Whereas all such genuine/actual invoices are enclosed under (Appendix A) used in calculation of duty.

4A. Example 1: Genuine/actual Invoices of Chinese supplier M/s Bosom Metal Co Ltd. to M/s Royal Steel Trading vis-à-vis invoice declared with Customs authorities:

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BOSOM METAL CO.,LTD

ADD: NO.5-6, 2ND FLOOR. BLOCK 10, LANSHI METAL INTERNATIONAL TRADE CENTRE, FOSHAN GUANGDONG CHINA
TEL: +86 757 83075006

COMMERCIAL INVOICE

BUYER: ROYAL STEEL TRADING
ADD: C-9/1 1ST FLOOR WAZIRPUR INDUSTRIAL
AREA NEW DELHI 110052 INDIA
IEC: AEQPJ2765R, GST: 07AEQPJ2765R2ZK
EMAIL: JINDALDEEPAK1230@GMAIL.COM
COMMODITY: STAINLESS STEEL COIL
SHIPPING MARK: N/M

C/I NO. 2022MK0305
DATE: APR. 12, 2022

TERMS: CIF MUNDRA, INDIA

ITEM NO.	GRADE/ FINISH	SIZE	QUANTITY		UNIT PRICE	AMOUNT(USD)
		(MM*MM*COIL)	COILS	NET WEIGHT (MT)	(USD/MT)	
1	201 J2	0.26*520*COIL	1	3.742	1,900	\$7,109.80
2	201 J2	0.26*580*COIL	2	8.192	1,900	\$15,564.80
3	201 J2	0.26*650*COIL	3	7.468	1,900	\$14,189.20
4	201 J2	0.26*510*COIL	2	6.748	1,900	\$12,821.20
				26.150	TOTAL AMOUNT:	\$49,685.00
					DEPOSIT FOR COILS	\$10,000.00
					CUSTOM VALUE	\$23,535.00
					BALANCE FOR COILS	\$16,150.00

(ALL OTHER DETAILS AS PER CONTRACT NO.: 2022MK0305)

FILES ARE PRINTED FROM THE OFFICE OF BOSOM METAL CO., LIMITED 寶盛銘不銹鋼有限公司

For and on behalf of
BOSOM METAL CO., LIMITED

BOSOM METAL CO., LIMITED

Genuine/actual invoice of M/s Royal Steel Trading with Invoice no C/I NO. 2022MK0305

Above is the genuine/actual invoice dated 12 Apr 2022 retrieved during the course of investigation issued by Chinese supplier M/s Bosom Metal Co Ltd to M/s Royal Steel Trading to supply Cold Rolled Stainless Steel Coils Grade of dimensions in terms of thickness of coil x width of coil, along with weight, unit price, and amount in USD.

Whereas, the invoice submitted to Customs is appended below to draw a comparison between genuine/actual invoice and custom invoice.

BOSOM METAL CO.,LTD

ADD: NO.5-6, 2ND FLOOR, BLOCK 10,LANSHI METAL INTERNATIONAL TRADE CENTRE ,FOSHAN GUANGDONG CHINA
TEL: +86 757 83075006

COMMERCIAL INVOICE

BUYER:ROYAL STEEL TRADING
ADD:C-9/1 1ST FLOOR WAZIRPUR INDUSTRIAL
AREA NEW DELHI 110052 INDIA
IEC:AEQPJ2765R,GST:07AEQPJ2765R2ZK
EMAIL:JINDALDEEPAK1230@GMAIL.COM

C/I NO.2022MK0305
DATE:APR.11,2022

COMMODITY:Cold Rolled Stainless Steel Coils Grade J3 EX-STOCK
SHIPPING MARK:N/M

TERMS:CIF MUNDRA,INDIA

ITEM NO.	GRADE/ FINISH	SIZE	QUANTITY		UNIT PRICE	AMOUNT(USD)
		(MM*MM*COIL)	COILS	NET WEIGHT (MT)	(USD/MT)	
1	J3/2B	0.26*520*COIL	1	3.742	900	\$3,367.80
2	J3/2B	0.26*580*COIL	2	8.192	900	\$7,372.80
3	J3/2B	0.26*650*COIL	2	7.468	900	\$6,721.20
4	J3/2B	0.26*510*COIL	2	6.748	900	\$6,073.20
				26.150	TOTAL AMOUNT:	\$23,535.00
G.TOTAL:		1X 20'GP CONTAINER	CONTAINER NO:WHSU2381875			SEAL NO.:WHLR099192

SAY TOTAL U.S DOLLARS TWENTY THREE THOUSAND FIVE HUNDRED AND THIRTY FIVE ONLY.

(ALL OTHER DETAILS AS PER CONTRACT NO.: 2022MK0305)

FILES ARE PRINTED FROM THE OFFICE OF BOSOM METAL CO.,LIMITED



Custom invoice of M/s Royal Steel Trading with Invoice No.C/I NO. 2022MK0305

The comparison of the Customs invoice with genuine/actual invoice becomes evident that both these invoices have identical name of supplier, name of importer, invoice number, description of good in terms of dimensions and weight, account name and address **except** the date of invoice, unit price and grades of the goods (i.e. cold rolled stainless steel coils) which is suppressed from USD 1.9 per Kg to USD 0.9 per Kg.

4A1. Example 2: Genuine/actual Invoices of Chinese supplier M/s FOSHAN WEN ZHI YUAN TRADING CO. LTD to M/s Royal Steel Trading vis-à-vis invoice declared with customs authorities:

FOSHAN WEN ZHI YUAN TRADING CO.,LTD.
ROOM D, UNIT 2109, BUILDING 2, THRIVEUNITE IFC, 1ST SHI LONG SOUTH ROAD, GUICHENG, NANHAI DISTRICT, FOSHAN, CHINA.

Third-party agent payment can just be to this company, not to the ASM company account. If the payment goes to ASM company, the money will be returned, we will not be responsible for any loss of return, please be aware.

In addition, please do not write the name of the product or words like "freight charges" when asking a third-party agent to pay, otherwise, the payment will be returned. If you must write the purpose of payment, you can only write "payment for goods" OR "payment for invoice".

COMMERCIAL INVOICE

MESSRS:
Royal Steel Trading
Add: C-9/1 First Floor, Wazirpur Industrial Area, New Delhi-110052.
GST: 07AEQPJ2765R22K
PAN NO.: AEQPJ2765R
IEC NO.: AEQPJ2765R
TEL: +918010971183
Email: jindaldeepak1230@gmail.com

INVOICE NCASM22090501
PI NO: ASM22082203
DATE: 5-Sep-22
Order No.: ASM 75-2

PORT OF SHIPMENT: PORT OF DESTINATION: MUNDRA, INDIA
DATE OF SHIPMENT: NAME OF VESSEL:

1. COMMODITY: COLD ROLLED STAINLESS STEEL COIL GRADE J3 EX STOCK

No.	Grade	Thickness (mm)	Width (mm)	Finish	Edge	Quantity (ton)	Unit Price (usd/ton)	Total Amount (usd)
1	J3	0.22	600	2B	Mill	7.474	1500	11211.00
2	J3	0.22	650	2B	Mill	7.904	1500	11856.00
3	J3	0.22	690	2B	Mill	12.970	1490	19325.30
4	J3	0.26	600	2B	Mill	7.478	1440	10768.32
5	J3	0.26	650	2B	Mill	7.946	1440	11442.24
6	J3	0.26	690	2B	Mill	12.108	1430	17314.44
TOTAL:						55.880		81917.30
ADVANCE:								10000.00
BALANCE:								71917.30

G.TOTAL: 2*20GP CONTAINER
Price Term: CIF Mundra, India

BANK INFORMATION:

Beneficiary Name:	FOSHAN WEN ZHI YUAN TRADING CO.,LTD.
Beneficiary Address:	ROOM D, UNIT 2109, BUILDING 2, THRIVEUNITE IFC, 1ST SHI LONG SOUTH ROAD, GUICHENG, NANHAI DISTRICT, FOSHAN, CHINA
Beneficiary Bank Name:	GUANGDONG NANHAI RURAL COMMERCIAL BANK CO.,LTD.

Genuine/actual invoice of M/s Royal Steel Trading with Invoice no C/I NO. ASM22082203 date 05-Sep-2022

Above is the genuine/actual invoice dated 05 Sep 2022 retrieved during the course of investigation issued by Chinese supplier M/s FOSHAN WEN ZHI YUAN TRADING CO. LTD to M/s Royal Steel Trading to supply Cold Rolled Stainless Steel Coils Grade of dimensions in terms of thickness of coil x width of coil, along with weight, unit price, and amount in USD.

Whereas, the invoice submitted to the Customs authorities is appended below to draw a comparison between genuine/actual invoice and custom invoice.

ART STEEL MAGIC CO., LIMITED
RM.1902, EASEY COMM.BLDG., 253-261 HENNESSY ROAD, WANCHAI, HONG KONG.
www.asmsstainless.com Tel: +86 18718720651

COMMERCIAL INVOICE

MESSRS:
Royal Steel Trading
Add: C-9/1 First Floor, Wazirpur Industrial Area, New Delhi-110052.
GST: 07AEQPJ2765R2ZK
PAN NO.: AEQPJ2765R
IEC NO.: AEQPJ2765R
TEL: +918010971183
Email: jindaldeepak1230@gmail.com

INVOICE NO.: ASM22090501
PI NO: ASM22082203
DATE: 5-Sep-22
Order No.: ASM 75-2

PORT OF SHIPMENT: PORT OF DESTINATION: MUNDRA, INDIA
DATE OF SHIPMENT: NAME OF VESSEL:

1. COMMODITY: COLD ROLLED STAINLESS STEEL COIL GRADE J3 EX STOCK

No.	Grade	Thickness (mm)	Width (mm)	Finish	Edge	Quantity (ton)	Unit Price (usd/ton)	Total Amount (usd)
1	J3	0.22	600	2B	Mill	7.474	850	6352.90
2	J3	0.22	650	2B	Mill	7.904	850	6718.40
3	J3	0.22	690	2B	Mill	12.970	850	11024.50
4	J3	0.26	600	2B	Mill	7.478	850	6356.30
5	J3	0.26	650	2B	Mill	7.946	850	6754.10
6	J3	0.26	690	2B	Mill	12.108	850	10291.80
TOTAL:						55.880		47498.00

G.TOTAL: 2*20GP CONTAINER
Price Term: CIF Mundra, India

BANK INFORMATION:

Beneficiary Name:	ART STEEL MAGIC CO., LIMITED
Beneficiary Address:	3 Garden Road, Central, Hong Kong
Beneficiary Bank Name:	Citibank N.A., Hong Kong Branch
Beneficiary Bank Add:	3 Changi Business, Park Crescent, #07-00, Singapore 486026
Account Number:	705003481
SWIFT:	CITIHKHX (CITIHKHXXXX * If 11 characters are required)
BANK CODE:	006

Signature Not Verified
Digitally signed by Mukesh Grover
Date: 2022.10.04 19:37:12 IST
Reason: Secure Document
Location: India

?

For and on behalf of
Art Steel Magic Co., Limited
ART STEEL MAGIC CO., LIMITED
Authorized Signature(s)

Custom invoice of M/s Royal Steel Trading with Invoice No.C/I NO. ASM22082203 date 05-Sep-2022

Custom invoice in comparison with genuine/actual invoice has, name of importer, date of invoice, invoice number, nature of goods (i.e. cold rolled stainless steel coils J3 grade), description of good in terms of dimensions and weight, account name and address **except** the name of Chinese supplier and unit prices which are suppressed from USD 1.5 to 1.43 per Kg to USD 0.85 per Kg.

4B. Genuine/actual Invoices of Chinese supplier NEWWEI TRADING COMPANY LIMITED issued to M/s S S Enterprises vis-à-vis invoice declared with custom authorities:

NEWWEI TRADING COMPANY LIMITED

ADD:ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG

COMMERCIAL INVOICE

ORIGINAL

BUYER: S S ENTERPRISES**INVOICE NO.:** 23SS0623A-6**ADDRESS:**

C-9/1 WAZIRPUR INDUSTRIAL AREA NEW
 DELHI-110052
 GST:07ADZPG1501C1ZW
 IEC:ADZPG1501C
 PAN:ADZPG1501C
 EMAIL: JNDALDEEPAK1230@GMAIL.COM
 PH: +918010971183

DATE: 2023/08/04

PRODUCT'S NAME	SIZE(MM)	QUANTITY	TOTAL WEIGHT	UNIT PRICE	AMOUNT
		COILS	KG	USD/KG	USD
COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	0.1*721*C	1	4,402.00	1.548	6,814.30
	0.1*721*C	1	4,298.00	1.548	6,653.30
	0.1*780*C	1	4,864.00	1.548	7,529.47
	0.1*780*C	1	4,946.00	1.548	7,656.41
	0.1*592*C	1	4,782.00	1.548	7,402.54
	0.1*592*C	1	2,888.00	1.548	4,470.62
TOTAL		6	26,180.00	CIF MUNDRA,INDIA	40526.64

PAYMENT TERM: T/T

Please arrange payment to following account:

Account Name: NEWWEI TRADING COMPANY LIMITED

ADDRESS: ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG

Account NO: 774-018-14752-8

Bank Code: 040

Swift Code: DSBAAKHHXXX

Bank Name:Dah sing Bank, Limited

Bank Address: Shop No.G7,G7A & GBG/F, Dah Sing FinanciaCentre, 248 Queen'sRoad East,Wan Chai,Hong Kong

SIGNATURE:



Genuine/actual invoice of M/s S S Enterprises with Invoice no. 23SS0623A-6

Above is the genuine/actual invoice dated 2023/08/04 retrieved during the course of investigation issue by Chinese supplier M/s Newwei Trading Company Limited to M/s S S Enterprises to supply Cold Rolled Stainless Steel Coils Grade J3 of dimensions in terms of thickness of coil x width of coil, along with weight, unit price, and amount in USD.

Whereas, the invoice submitted to Customs is appended below to draw a comparison between genuine/actual invoice and custom invoice.

NEWWEI TRADING COMPANY LIMITED

ADD:ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG

COMMERCIAL INVOICE

ORIGINAL

BUYER: S S ENTERPRISES**INVOICE NO.:** 23SS0623A-6**ADDRESS:**

C-9/1 WAZIRPUR INDUSTRIAL AREA NEW
 DELHI-110052
 GST:07ADZPG1501C1ZW
 IEC:ADZPG1501C
 PAN:ADZPG1501C
 EMAIL: JINDALDEEPAK1230@GMAIL.COM
 PH: +918010971183

DATE: 2023/08/04

PRODUCT'S NAME	SIZE(MM)	QUANTITY	TOTAL WEIGHT	UNIT PRICE	AMOUNT
		COILS	KG	USD/KG	USD
COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	0.1*721*C	1	4,402.00	1.100	4,842.20
	0.1*721*C	1	4,298.00	1.100	4,727.80
	0.1*780*C	1	4,864.00	1.100	5,350.40
	0.1*780*C	1	4,946.00	1.100	5,440.60
	0.1*592*C	1	4,782.00	1.100	5,260.20
	0.1*592*C	1	2,888.00	1.100	3,176.80
TOTAL		6	26,180.00	CIF MUNDRA,INDIA	28798.00

PAYMENT TERM: T/T

Please arrange payment to following account:

Account Name: NEWWEI TRADING COMPANY LIMITED**ADDRESS:** ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG**Account NO:** 774-018-14752-8**Bank Code:** 040**Swift Code:** DSBABKHHXXX**Bank Name:** Dah sing Bank, Limited**Bank Address:** Shop No.G7,G7A & G8G/F, Dah Sing FinanciaCentre, 248 Queen'sRoad East,Wan Chai,Hong Kong

 SIGNATURE

Custom invoice of M/s S S Enterprises with Invoice No. 23SS0623A-6

The comparison of invoice submitted to Customs with genuine/actual invoice reveals that both invoices have identical name of supplier, name of importer, date of invoice, invoice number, nature of goods, description of good in terms of dimensions and weight, account name and address **except** the unit price, which is suppressed from USD 1.548 per Kg to USD 1.1 per Kg.

4C. Genuine/actual Invoices of Chinese supplier NEWWEI TRADING COMPANY LIMITED to M/s Seeno Stainless Steel vis-à-vis invoice declared with customs authorities:

NEWWEI TRADING COMPANY LIMITED

ADD:ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG

COMMERCIAL INVOICE

ORIGINAL

BUYER: SEENO STAINLESS STEEL **INVOICE NO.:** 23SS0713-1

ADDRESS: SHED NO.283, GIDC ESTATE, ODHAV,
AHMEDABAD, GUJARAT, 382415
GSTIN: 24AGSPJ1611Q1Z2
PAN: AGSPJ1611Q
IEC: AGSPJ1611Q
CONTACT PERSON: DEEPAK JINDAL
PH: +91 8010971183
EMAIL: SEENOSTAINLESS@GMAIL.COM

DATE: 2023/09/13

PRODUCT'S NAME	SIZE(MM)	QUANTITY	TOTAL WEIGHT	UNIT PRICE	AMOUNT
		COILS	KG	USD/KG	USD
COLD ROLLED STAINLESS STEEL COILS	0.29*600*C	1	3,964.00	1.235	4,895.54
	0.29*600*C	1	4,340.00	1.235	5,359.90
	0.29*690*C	1	4,596.00	1.235	5,676.06
	0.29*690*C	1	5,188.00	1.235	6,407.18
	0.29*690*C	1	5,134.00	1.235	6,340.49
	0.29*690*C	1	4,522.00	1.235	5,584.67
TOTAL		6	27,744.00	CIF MUNDRA,INDIA	34263.84

PAYMENT TERM: 100% IN ADVANCE.

Please arrange payment to following account:

Account Name: NEWWEI TRADING COMPANY LIMITED

ADDRESS: ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG

Account NO: 774-018-14752-8

Bank Code: 040

Swift Code: D5BAHKHHXXX

Bank Name:Dah sing Bank, Limited

Bank Address: Shop No.G7,G7A & G8G/F, Dah Sing FinanciaCentre, 248 Queen'sRoad East,Wan Chai,Hong Kong

SIGNATURE *Genuine/actual invoice of M/s Seeno Stainless Steel with Invoice no. 23SS0713-1*

Above is the genuine/actual invoice dated 13/09/2023 retrieved during the course of investigation issue by Chinese supplier M/s Newwei Trading Company Limited to M/s Seeno Stainless Steel to supply Cold Rolled Stainless Steel Coils Grade J3 of dimensions in terms of thickness of coil x width of coil, along with weight, unit price, and amount in USD.

Whereas, the custom invoice submitted is appended below to draw a comparison between genuine/actual invoice and custom invoice.

NEWWEI TRADING COMPANY LIMITED

ADD:ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG

COMMERCIAL INVOICE

ORIGINAL

BUYER: SEENO STAINLESS STEEL INVOICE NO.: 23SS0713-1
SHED NO.283, GIDC ESTATE, ODHAV,
AHMEDABAD, GUJARAT, 382415
GSTIN: 24AGSPJ1611Q1Z2
ADDRESS: PAN: AGSPJ1611Q DATE: 2023/09/13
IEC: AGSPJ1611Q
CONTACT PERSON: DEEPAK JINDAL
PH: +91 8010971183
EMAIL: SEENOSTAINLESS@GMAIL.COM

PRODUCT'S NAME	SIZE(MM)	QUANTITY	TOTAL WEIGHT	UNIT PRICE	AMOUNT
		COILS	KG	USD/KG	USD
COLD ROLLED STAINLESS STEEL COILS GRADE J3 EX STOCK	0.29*600*C	1	3,964.00	1.100	4,360.40
	0.29*600*C	1	4,340.00	1.100	4,774.00
	0.29*690*C	1	4,596.00	1.100	5,055.60
	0.29*690*C	1	5,188.00	1.100	5,706.80
	0.29*690*C	1	5,134.00	1.100	5,647.40
	0.29*690*C	1	4,522.00	1.100	4,974.20
TOTAL		6	27,744.00	CIF MUNDRA,INDIA	30518.40

PAYMENT TERM: 100% IN ADVANCE.

Please arrange payment to following account:

Account Name: NEWWEI TRADING COMPANY LIMITED
ADDRESS: ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG
Account NO: 774-018-14752-8
Bank Code: 040
Swift Code: DSBCHKHHXXX
Bank Name:Dah sing Bank, Limited
Bank Address: Shop No.G7,G7A & G8G/F, Dah Sing FinanciaCentre, 248 Queen'sRoad East,Wan Chai,Hong Kong

SIGNATURE: 

Custom invoice of M/s Seeno Stainless Steel with Invoice No. 23SS0713-1

Custom invoice in comparison with genuine/actual invoice has identical name of supplier, name of importer, date of invoice, number of invoice, nature of good, description of good in terms of dimensions and weight, account name and address except the unit price. Which is suppressed from USD 1.235 per Kg to USD 1.1 per Kg. Further, grade of Goods is mentioned in Custom Invoice but not in the genuine/actual invoice retrieved.

4D. Genuine/actual Invoices of Chinese supplier NEWWEI TRADING COMPANY LIMITED issued to M/s Gemini Metal Corporation vis-à-vis invoice declared with customs authorities:

NEWWEI TRADING COMPANY LIMITED

ADD:ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG
TEL:+85268568284

COMMERCIAL INVOICE

ORIGINAL

BUYER: GEMINI METAL CORPORATION
131 COTTON STREET 1ST FLOOR ROOM NO 106
KOLKATA 700007 WEST BENGAL,INDIA
GST NO.: 19ALXPJ7019A1ZW
PAN NO.: ALXPJ7019A
IEC: 0216907101
EMAIL: INFO@JINDALUTENSILS.COM
GEMINIJINDAL@GMAIL.COM
PH: 03340445484
PH: +919831895292

INVOICE NO.: NWSS1101-2

DATE: 2022/12/01

ADDRESS:

PRODUCT'S NAME	SIZE(MM)	QUANTITY	TOTAL WEIGHT	UNIT PRICE	AMOUNT
		COILS	KG	USD/KG	USD
COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	0.42*690*C	1	3,164.00	1.390	4,397.96
	0.45*600*C	1	5,140.00	1.380	7,093.20
	0.45*600*C	1	4,692.00	1.380	6,474.96
	0.45*600*C	1	5,486.00	1.380	7,570.68
	0.55*570*C	1	4,268.00	1.350	5,761.80
	0.45*600*C	1	4,984.00	1.380	6,877.92
	0.45*600*C	1	4,716.00	1.380	6,508.08
	0.55*570*C	1	4,326.00	1.350	5,840.10
	0.55*570*C	1	4,826.00	1.350	6,515.10
	0.45*600*C	1	4,980.00	1.380	6,872.40
	0.45*600*C	1	4,270.00	1.380	5,892.60
	0.45*600*C	1	4,692.00	1.380	6,474.96
TOTAL		12	55,544.00	CIF KOLKATA,INDIA	76279.76

PAYMENT TERM: T/T

Please arrange payment to following account:

Account Name: NEWWEI TRADING COMPANY LIMITED

ADDRESS: ROOM B22,7/F,KING YIP FACTORY BUILDING,59 KING YIP STREET,KWUN TONG,KOWLOON,HONGKONG

Account NO: 015-529-68-01569-4

Swift Code: BEASHKHH

Bank: The Bank of East Asia,Limited

Bank Address: 10 Des Voeux Road Central, Hong Kong

SIGNATURE: 

Genuine/actual invoice of M/s Gemini Metal Corporation with Invoice no. NWSS1101-2

Above is the genuine/actual invoice dated 2022/12/01 retrieved during the course of investigation issue by Chinese supplier M/s Newwei Trading Company Limited to M/s Gemini Metal Corporation to supply Cold Rolled Stainless Steel Coils Grade J3 of dimensions in terms of thickness of coil x width of coil, along with weight, unit price, and amount in USD.

Whereas, the customs invoice submitted is appended below to draw a comparison between genuine/actual invoice and customs invoice.

NEWWEI TRADING COMPANY LIMITED
 ADD: ROOM B22, 7/F, KING YIP FACTORY BUILDING, 59 KING YIP STREET, KWUN TONG, KOWLOON, HONGKONG
 TEL: +852 69568284

COMMERCIAL INVOICE
 ORIGINAL


BUYER: GEMINI METAL CORPORATION
 INVOICE NO.: NWSS1101-2
 131 COTTON STREET 1ST FLOOR ROOM NO 105
 KOLKATA 700007 WEST BENGAL, INDIA
 GST NO.: 19ALXPJ7019A1ZW
 PAN NO.: ALXPJ7019A
 IEC: 0216907101
 EMAIL: INFO@JINDALUTENSILS.COM
 GEMINI.JINDAL@GMAIL.COM
 PH: 03340445484
 FH: +919831895292

ADDRESS: DATE: 2022/12/01

PRODUCT'S NAME	SIZE(MM)	QUANTITY	TOTAL WEIGHT	UNIT PRICE	AMOUNT
		COILS	KG	USD/KG	USD
COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	0.42*690*C	1	3,164.00	1.050	3,322.20
	0.45*600*C	1	5,140.00	1.050	5,397.00
	0.45*600*C	1	4,692.00	1.050	4,926.60
	0.45*600*C	1	5,486.00	1.050	5,760.30
	0.55*570*C	1	4,268.00	1.050	4,481.40
	0.45*600*C	1	4,984.00	1.050	5,233.20
	0.45*600*C	1	4,716.00	1.050	4,951.80
	0.55*570*C	1	4,326.00	1.050	4,542.30
	0.55*570*C	1	4,826.00	1.050	5,067.30
	0.45*600*C	1	4,980.00	1.050	5,229.00
	0.45*600*C	1	4,270.00	1.050	4,483.50
	0.45*600*C	1	4,692.00	1.050	4,926.60
TOTAL		12	55,544.00	CIF KOLKATA, INDIA	58321.20

PAYMENT TERM: T/T

Please arrange payment to following account:
 Account Name: NEWWEI TRADING COMPANY LIMITED
 ADDRESS: ROOM B22, 7/F, KING YIP FACTORY BUILDING, 59 KING YIP STREET, KWUN TONG, KOWLOON, HONGKONG
 Account NO: 015-529-68-01569-4
 Swift Code: BEASHKHH
 Bank: The Bank of East Asia, Limited
 Bank Address: 10 Des Voeux Road Central, Hong Kong

SIGNATURE 

Custom invoice of M/s Gemini Metal Corporation with Invoice No. NWSS1101-2

The comparison of Customs declared invoice with the resumed genuine/actual invoice reveals that both the invoices have identical name of supplier, name of importer, date of invoice, number of invoice, nature of good, description of goods in terms of dimensions and weight, account name and address **except** the unit price which is suppressed from USD 1.390 per Kg to USD 1.050 per Kg.

5. Further, during the course of investigation voluntary deposits have been made by firms namely M/s Royal Steel Trading, M/s S S Enterprises, and M/s Gemini Metal Corporation to partially pay differential duty liability arising due to under-valuation during the importation of impugned goods:

TABLE-6

S. No.	Name of Firm	Name of Proprietor	Amount Voluntarily Deposited	RUD No.
1	M/s Royal Steel Trading	Shri Vikas Jindal	Rs 52,00,000	(RUD No.33)
2	M/s S.S. Enterprises	Shri Sandeep Garg	Rs 73,00,000	(RUD No. 34)
3	M/s Gemini Metal Corporation	Shri Gaurav Jindal	Rs 10,00,000	(RUD No. 35)

6. Legal Provisions:

A) 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 not paid or 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 willful 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.

7[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 thereunder 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 9[two years] shall be computed from the date of receipt of information under sub-section (2).

(4) Where any duty has not been 10[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 11[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 12[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 13 [fifteen per cent.] of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing.

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

- (i) that the duty with interest and penalty has been paid in full, then, the proceedings in respect of such person or other persons to whom the notice is served under sub-section (1) or sub-section (4), shall, without prejudice to the

provisions of sections 135, 135A and 140 be deemed to be conclusive as to the matters stated therein; or

(ii) that the duty with interest and penalty that has been paid falls short of the amount actually payable, then, the proper officer shall proceed to issue the notice as provided for in clause (a) of sub-section (1) in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of 14 [two years] shall be computed from the date of receipt of information under sub-section (5).

(7) In computing the period of two years referred to in clause (a) of sub-section (1) or five years referred to in sub-section (4), the period during which there was any stay by an order of a court or tribunal in respect of payment of such duty or interest shall be excluded.

(7A). Save as otherwise provided in clause (a) of sub-section (1) or in sub-section (4), the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed, and the provisions of this section shall apply to such supplementary notice as if it was issued under the said sub section (1) or sub-section (4).]

(8) The proper officer shall, after allowing the concerned person an opportunity of being heard and after considering the representation, if any, made by such person, determine the amount of duty or interest due from such person not being in excess of the amount specified in the notice.

(9) The proper officer shall determine the amount of duty or interest under sub-section (8),-

(a) within six months from the date of notice, 17 [***] in respect of cases falling under clause (a) of sub- section (1);

(b) within one year from the date of notice, 17 [***] in respect of cases falling under sub-section (4).

Provided that where the proper officer fails to so determine within the specified period, any officer senior in rank to the proper officer may, having regard to the circumstances under which the proper officer was prevented from determining the amount of duty or interest under sub-section (8), extend the period specified in clause (a) to a further period of six months and the period specified in clause (b) to a further period of one year:

Provided further that where the proper officer fails to determine within such extended period, such proceeding shall be deemed to have concluded as if no notice had been issued.

(9A) Notwithstanding anything contained in sub-section (9), where the proper officer is unable to determine the amount of duty or interest under sub-section (8) for the reason that-

(a) an appeal in a similar matter of the same person or any other person is pending before the Appellate Tribunal or the High Court or the Supreme Court; or

(b) an interim order of stay has been issued by the Appellate Tribunal or the High Court or the Supreme Court; or

(c) the Board has, in a similar matter, issued specific direction or order to keep such matter pending; or

(d) the Settlement Commission has admitted an application made by the person concerned, the proper officer shall inform the person concerned the reason for non determination of the amount of duty or interest under sub-section (8) and in such case, the time specified in sub-section (9) shall apply not from the date of notice, but from the date when such reason ceases to exist.]

(10) Where an order determining the duty is passed by the proper officer under this section, the person liable to pay the said duty shall pay the amount so determined along with the interest due on such amount whether or not the amount of interest is specified separately.

(10A) Notwithstanding anything contained in this Act, where an order for refund under sub-section (2) of section 27 is modified in any appeal and the amount of refund so determined is less than the amount refunded under said sub-section, the excess amount so refunded shall be recovered along with interest thereon at the rate fixed by the Central Government under section 28AA, from the date of refund up to the date of recovery, as a sum due to the Government.

(10B) A notice issued under sub-section (4) shall be deemed to have been issued under sub-section (1), if such notice demanding duty is held not sustainable in any proceeding under this Act, including at any stage of appeal, for the reason that the charges of collusion or any wilful mis-statement or suppression of facts to evade duty has not been established against the person to whom such notice was issued and the amount of duty and the interest thereon shall be computed accordingly.

11 Notwithstanding anything to the contrary contained in any judgement, decree or order of any court of law, tribunal or other authority, all persons appointed as officers of Customs under sub-section (1) of section 4 before the 6th day of July, 2011 shall be deemed to have and always had the power of assessment under section 17 and shall be deemed to have been and always had been the proper officers for the purposes of this section.]

Explanation 1 . - *For the purposes of this section, "relevant date" means,-*

(a) in a case where duty is 21[not levied or not paid or short-levied or short-paid], or interest is not charged, the date on which the proper officer makes an order for the clearance of goods;

- (b) in a case where duty is provisionally assessed under section 18, the date of adjustment of duty after the final assessment thereof or re-assessment, as the case may be;
- (c) in a case where duty or interest has been erroneously refunded, the date of refund;
- (d) in any other case, the date of payment of duty or interest.

Explanation 2 . - For the removal of doubts, it is hereby declared that any non-levy, short-levy or erroneous refund before the date on which the Finance Bill, 2011 receives the assent of the President, shall continue to be governed by the provisions of section 28 as it stood immediately before the date on which such assent is received.]

22[**Explanation 3** . - For the removal of doubts, it is hereby declared that the proceedings in respect of any case of non-levy, short-levy, non-payment, short-payment or erroneous refund where show cause notice has been issued under sub-section (1) or sub-section (4), as the case may be, but an order determining duty under sub-section (8) has not been passed before the date on which the Finance Bill, 2015 receives the assent of the President, shall, without prejudice to the provisions of sections 135, 135A and 140, as may be applicable, be deemed to be concluded, if the payment of duty, interest and penalty under the proviso to sub-section (2) or under sub-section (5), as the case may be, is made in full within thirty days from the date on which such assent is received.]

23[**Explanation 4** - For the removal of doubts, it is hereby declared that notwithstanding anything to the contrary contained in any judgment, decree or order of the Appellate Tribunal or any Court or in any other provision of this Act or the rules or regulations made thereunder, or in any other law for the time being in force, in cases where notice has been issued for non-levy, short-levy, non-payment, short payment or erroneous refund, prior to the 29th day of March, 2018 (13 of 2018), being the date of commencement of the Finance Act, 2018, such notice shall continue to be governed by the provisions of section 28 as it stood immediately before such date.]

B) 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.]

C.) 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 day (including holidays) preceding the day 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 the Board may, in such cases as it may deem fit, prescribe different time limits for presentation of the bill of entry, which shall not be later than the end of the day of such arrival:*

Provided further that a bill of entry may be presented 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 also 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: -

(a) any goods imported by sea or air which are unloaded or attempted to be unloaded at any place other than a customs port or customs airport appointed under clause (a) of section 7 for the unloading of such goods;

(b) any goods imported by land or inland water through any route other than a route specified in a notification issued under clause (c) of section 7 for the import of such goods;

(c) any dutiable or prohibited goods brought into any bay, gulf, creek or tidal river for the purpose of being landed at a place other than a customs port;

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to

any prohibition imposed by or under this Act or any other law for the time being in force;

(e) any dutiable or prohibited goods found concealed in any manner in any conveyance;

(f) any dutiable or prohibited goods required to be mentioned under the regulations in an 1 [arrival manifest or import manifest] or import report which are not so mentioned;

(g) any dutiable or prohibited goods which are unloaded from a conveyance in contravention of the provisions of section 32, other than goods inadvertently unloaded but included in the record kept under sub-section (2) of section 45;

(h) any dutiable or prohibited goods unloaded or attempted to be unloaded in contravention of the provisions of section 33 or section 34;

(i) any dutiable or prohibited goods found concealed in any manner in any package either before or after the unloading thereof;

(j) any dutiable or prohibited goods removed or attempted to be removed from a customs area or a warehouse without the permission of the proper officer or contrary to the terms of such permission;

(k) any dutiable or prohibited goods imported by land in respect of which the order permitting clearance of the goods required to be produced under section 109 is not produced or which do not correspond in any material particular with the specification contained therein;

(l) any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;

(m) 2[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 3 [in respect thereof, or in the case of goods under trans-shipment, with the declaration for trans-shipment referred to in the proviso to sub-section (1) of section 54];

(n) any dutiable or prohibited goods transited with or without trans-shipment or attempted to be so transited in contravention of the provisions of Chapter VIII;

(o) any goods exempted, subject to any condition, from duty or any prohibition in respect of the import thereof under this Act or any other law for the time being in force, in respect of which the condition is not observed unless the non-observance of the condition was sanctioned by the proper officer;

(p) any notified goods in relation to which any provisions of Chapter IVA or of any rule made under this Act for carrying out the purposes of that Chapter have been contravened.

(q) any goods imported on a claim of preferential rate of duty which contravenes any provision of Chapter VAA or any rule made thereunder.

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, 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, 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 1 [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 :

Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the penalty so determined;]

(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 4 [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 5 [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 6 [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 2 [****]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 3 [sub-section (8) of section 28] shall also be liable to pay a penalty equal to the duty or interest so determined:

4 [**Provided** that where such duty or interest, as the case may be, as determined under 3 [sub-section (8) of section 28], and the interest payable thereon under section 5 [28AA], is paid within thirty days from the date of the communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent of the duty or interest, as the case may be, so determined:

Provided further that the benefit of reduced penalty under the first proviso shall be available subject to the condition that the amount of penalty so determined has also been paid within the period of thirty days referred to in that proviso :

Provided also that where the duty or interest determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, for the purposes of this section, the duty or interest as reduced or increased, as the case may be, shall be taken into account:

Provided also that in case where the duty or interest determined to be payable is increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, the benefit of reduced penalty under the first proviso shall be available if the amount of the duty or the interest so increased, along with the interest payable thereon under section 5 [28AA], and twenty-five percent of the consequential increase in penalty have also been paid within thirty

days of the communication of the order by which such increase in the duty or interest takes effect :

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

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

(i) the provisions of this section shall also apply to cases in which the order determining the duty or interest 3 [sub-section (8) of section 28] relates to notices issued prior to the date* on which the Finance Act, 2000 receives the assent of the President;

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

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.

I) Further, vide Finance Act, 2011 w.e.f. 08.04.2011 "Self-Assessment" has been introduced under the Customs Act, 1962. Section 17 of the said Act provides for self-assessment of duty on import 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, as per Section 46 or 50 respectively. Thus, under self-assessment, it is the importer or exporter who will ensure that he declares the correct classification, applicable rate of duty, value, benefit of exemption notification claimed, if any in respect of the imported/exported goods while presenting Bill of Entry or Shipping Bill.

J) In addition, Section 2 (39) of Customs Act defines "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;

k) Section 146 of Customs Act 1962 read with Customs Brokers Licensing Regulations, 2018 (CHALR 2018):

Regulation 10 of CHALR 2018 provides for Obligations of Customs Broker.

Customs Broker shall —

(a)

(b).....

(c)

(d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;

(e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;

(f) not withhold information contained in any order, instruction or public notice relating to clearance of cargo or baggage issued by the Customs authorities, as the case may be, from a client who is entitled to such information;

(g)

(h)

(i).....

(j)

(k)

(l)

(m)

(n)

(o)

(p) maintain all records and accounts that are required to be maintained under these regulations and preserve for at least five years and all such records and accounts shall be made available at any time for the inspection of officers authorised for this purpose; and

(q) co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees.

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 writing with the prior approval of the officer of Customs not below the rank of 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.

H) 121. Confiscation of sale-proceeds of smuggled goods.

- Where any smuggled goods are sold by a person having knowledge or reason to believe that the goods are smuggled goods, the sale-proceeds thereof shall be liable to confiscation.

7. Outcome of Investigation:

A thorough examination of evidences (i.e. genuine/actual invoices) retrieved during the course of investigation along with statements recorded of key persons indicates under-valuation of Chinese origin cold rolled stainless steel coils by the following firms:

- Proprietorship firm M/s Royal Steel Trading of Shri Vikas Jindal
- Proprietorship firm M/s S.S. Enterprises of Shri Sandeep Garg
- Proprietorship firm M/s Seeno Stainless Steel of Shri Deepak Jindal
- Proprietorship firm M/s Gemini Metal Corporation of Shri Gaurav Jindal

7A. Evidence suggesting under-valuation of cold rolled stainless steel coils **by M/s Royal Steel Trading** are as follows:

7A(a). Series of Genuine/actual Invoices have been retrieved from the electronic devices submitted by Shri Vikas Jindal, Shri Sandeep Garg and Shri Deepak Jindal. Few such genuine/actual invoices vis-à-vis custom invoices of M/s Royal Steel Trading are tabulated below indicating suppression in declared assessable value with customs authorities with an intent to evade applicable customs duties and other levies:

S. No.	Name of Firm	Invoice No.	Invoice Date	Item Description	Unit Price in Genuine/actual Invoice (in USD/KG)	Unit Price in Invoice declared with Customs (in USD per KG)	Bill of Entry and Date
1	Royal Steel Trading	2022MK0321	29.04.2022	COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	1.98	0.9	8816910 Dated 24.05.2022
2	Royal Steel Trading	23SS0606-8	31.07.2023	COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	1.457	1.1	7474529 dated 22-08-2023
3	Royal Steel Trading	23SS0515-3	09.06.2023	COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	1.363	0.9	6636964 Dated 29-06-2023
4	Royal Steel Trading	23SS0320-12	30.05.2023	COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	1.481	0.9	6516960 dated 21-06-2023

7A(b). Admission of under-valuation in statements recorded under Sec 108 of Customs Act of relevant persons i.e. Shri Vikas Jindal, Shri Deepak Jindal, Shri Sandeep Garg, Shri Mukesh Grover, and Shri Atul Kishore Guglani.

7B. Evidence suggesting under-valuation of cold rolled stainless steel coils by **M/s S.S. Enterprises. The Invoices on sample basis** are as follows:

7B(a). Series of Genuine/actual Invoices retrieved from the electronic devices submitted by Shri Vikas Jindal, Shri Sandeep Garg and Shri Deepak Jindal. Few such genuine/actual invoices vis-à-vis customs invoices of M/s S.S. Enterprises are tabulated below indicating suppression in declared assessable value with custom authorities with an intent to evade applicable custom duties and other levies:

S. No	Name of Firm	Invoice No.	Invoice Date	Item Description	Unit Price in Genuine /actual Invoice (in USD/KG)	Unit Price in Invoice declared with Customs (in USD per KG)	Bill of Entry and Date
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1	S S Enterprises	23SS062 3A-2	24-07- 2023	Cold Rolled Stainless Steel Coils Ex Stock Grade J3	1.25	1.1	7375205 dated 16-08-2023
2	S S Enterprises	NWSS11 16-1	07.12.2 022	cold rolled stainless steel coils ex stock grade j3	1.3	1.05	4226852 Dated 17.01.2023
3	S S Enterprises	NWSS12 26	05.01.2 023	cold rolled stainless steel coils ex stock grade j3	1.41	1.05	4338201 Dated 24-01-2023
4	S S Enterprises	NWSS11 19-2	17.12.2 022	cold rolled stainless steel coils ex stock grade j3	1.44	1.05	4191243 Dated 14-01-2023

7B(b). Admission of under-valuation in statements recorded under Sec 108 of Customs Act of relevant persons i.e. Shri Sandeep Garg, Shri Deepak Jindal, Shri Mukesh Grover, and Shri Atul Kishore Guglani.

7C. Evidences suggesting under-valuation of cold rolled stainless steel coils by M/s Seeno Stainless Steel are as follows:

7C(a). Series of Genuine/actual Invoices retrieved from the electronic devices submitted by Shri Vikas Jindal, Deepak Jindal, Shri Sandeep Garg. Few such genuine/actual invoices vis-à-vis custom invoices of M/s Seeno Stainless Steel are tabulated below indicating suppression in declared assessable value with custom authorities with an intent to evade applicable custom duties and other levies:

S. No	Name of Firm	Invoice No.	Invoice Date	Item Description	Unit Price in Genuine / actual Invoice (in USD/KG)	Unit Price in Invoice declared with Customs (in USD per KG)	Bill of Entry and Date
1	Seeno Stainless Steel	23SS0713-1	13-09-2023	CR Stainless Steel Coils Grade J3 Ex Stock	1.235	1.1	8074987 Dated 29.09.2023
2	Seeno Stainless Steel	23SS0515-8	20-06-2023	COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	1.34	1.05	6838128 Dated 12-07-2023

3	Seeno Stainless Steel	23SS0606-3	11-07-2023	COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	1.284	1.1	7076828 Dated 27-07-2023
4	Seeno Stainless Steel	23SS0515-5	10-06-2023	COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3	1.34	1.05	6655693 Dated 30-06-2023

7C(b). Admission of under-valuation in statements recorded under Sec 108 of Customs Act of relevant persons i.e. Shri Deepak Jindal, Shri Sandeep Garg, Shri Mukesh Grover, and Shri Atul Kishore Guglani.

7D. Evidences suggesting under-valuation of cold rolled stainless steel coils by M/s Gemini Metal Corporation are as follows:

7D(a). Series of Genuine/actual Invoices retrieved from the electronic devices submitted by Shri Vikas Jindal, Shri Sandeep Garg and Shri Deepak Jindal. Few such genuine/actual invoices vis-à-vis custom invoices of M/s Gemini Metal Corporation are tabulated below indicating suppression in declared assessable value with customs authorities with an intent to evade applicable custom duties and other levies:

S. No.	Name of Firm	Invoice No.	Invoice Date	Item Description	Unit Price in Genuine/actual Invoice (in USD/KG)	Unit Price in Invoice declared with Customs (in USD per KG)	Bill of Entry and Date
1	Gemini Metal Corporation	NWSS1014-4	30-11-2022	CR Stainless Steel Coils Grade J3	1.484	1.05	3849208 Dated 21-12-2022
2	Gemini Metal Corporation	23SS0324D-3	12-06-2023	CR Stainless Steel Coils Grade J3 Ex Stock	1.364	1,1	7204062 dated 04-08-2023
3	Gemini Metal Corporation	23SS0324C-3	08-06-2023	CR Stainless Steel Coils Grade J3 Ex Stock	1.273	0.91	6916169 Dated 17-07-2023
4.	Gemini Metal Corporation	ASM22111901	19-11-2022	CR Stainless Steel Coils Grade J3 Ex Stock	1.34	1.05	3831228 Dated 20-12-2022

7D(b). Admission of under-valuation in statements recorded under Sec 108 of Customs Act of relevant persons i.e. Shri Gaurav Jindal, Shri Deepak Jindal, and Shri Sandeep Garg.

Note: Complete list of genuine/actual invoices retrieved during the course of investigation is annexed (Appendix A) for ready reference.

8. Modus Operandi unearthed was that the proprietors of firms namely, M/s Royal Steel Trading, M/s S. S. Enterprises, M/s Gemini Metal Corporation with support Shri Deepak Jindal who is proprietor of M/s Seeno Stainless Steel negotiated rates of coils of cold rolled stainless steel with Chinese suppliers. Thereafter, these proprietors engaged in manipulation and creation of forged invoices to suppress the actual unit price of imported cold rolled stainless steel in their respective firm. These forged invoices were submitted with Customs to evade customs liabilities with respect to actual prices of imported goods.

Further, financial transactions were indicated to be settled through banking channels to the extent of value declared with Customs to carefully avoid inconsistency in their declaration. But, differential amount of value (i.e. difference between actual value of invoice and suppressed value of invoice declared with customs) was settled through hawala transfers and other modes of non-transparent transfers to Chinese suppliers.

Thereafter, these improperly imported coils of cold rolled stainless steel were either traded directly in domestic market at suppressed GST invoices or used for manufacturing finished goods; Further, financial settlements of such domestic transactions were also indicated to be settled through banking channels to the extent values declared in GST invoices and differential amount (i.e. difference between the actual price at which goods are sold and suppressed value declared in GST invoices) were settled through cash.

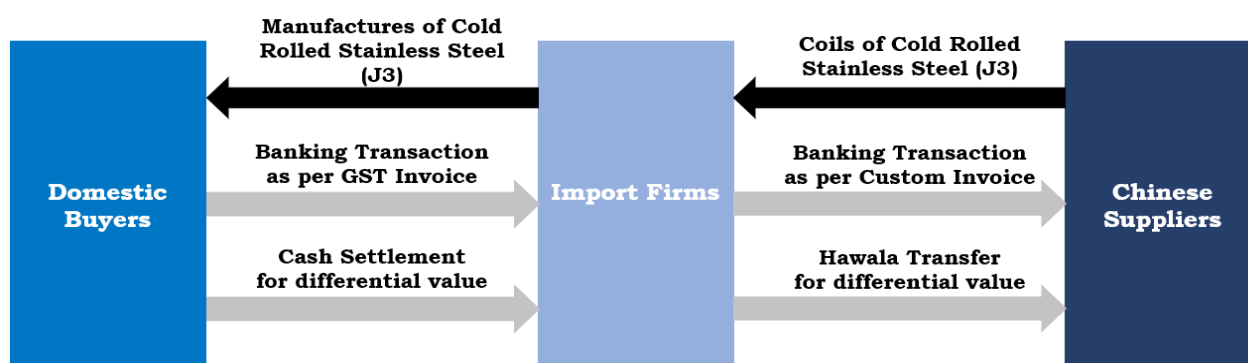


Fig: Schematic diagram of movement of goods and money

9. Valuation of Goods:

From the investigation as discussed above, the following has inter alia emerged:

- Genuine/actual Invoices with a higher value than that declared with Customs in case of import of cold rolled stainless steel have surfaced during the course of investigation. The undervaluation has been admitted by Shri Vikas Jindal for M/s Royal Steel Trading, Shri Sandeep Garg for M/s S.S. Enterprises, Shri Deepak Jindal for M/s Seeno Stainless Steel, and Shri Gaurav Jindal for M/s Gemini Metal Corporation by acceptance of the value in the resumed genuine/actual invoice as the correct value of goods.
- There is a clear admission by Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal about undervaluation in imports in his voluntary statements recorded under Sec 108 of Customs Act 1962.

9A. Rejection of transaction value declared, under Rule 12 of Customs Valuation Rules 2007:

In the instant case, Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal **using their respective firms** appear to have orchestrated the fraud involving undervaluation of goods in the Bills of entry by way of submission of forged and fabricated invoices with an intent to illegally evade payment of appropriate Customs duty during import. The duplicate invoice for same consignments indicates that Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal instead of declaring the correct transaction value at the landing port, resorted to wilfully suppressing the actual value of goods. Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal in their voluntary statements recorded under Sec 108 of the Customs Act have admitted forging of invoices issued by overseas suppliers and submitting the forged invoices before customs authorities for clearances. Moreover, the importers of goods in their voluntary statements had divulged as to how they have perpetrated the offence.

Hence, it appears that the content declared in the Bills of Entry declared under Section 46(4) of the Customs Act 1962, by above 04 importers for the impugned goods, during the period 2020 to 2024, and cleared for home consumption, were fake, forged and not correct. That the transaction value declared by the said importers at the time of filing of the Bills of Entry is not true transaction value as much as the same had been vitiated by the said importers by fake/forged invoices.

9A.1. Import data of these 04 firms revealed import unit price (in USD/KG) and import value of the impugned goods for the last five year (2020 to 2024), as below:

TABLE-7

S.	NAME OF THE FIRMS (M/S)	RANGE OF UNIT PRICE DECLARED
----	-------------------------	------------------------------

NO.		(USD PER KG)		
		J3 GRADE	J2 GRADE	N1 GRADE
1	ROYAL STEEL TRADING	0.75 to 1.15	-----	1.30 to 1.48
2	S.S. ENTERPRISES	0.75 to 1.11	-----	1.36 to 1.48
3	SEENO STAINLESS STEEL	0.85 to 1.45	-----	1.25
4	GEMINI METAL CORPORATION	0.75 to 1.10	-----	1.27 to 1.38
	GRAND TOTAL			

9A.2. However, retrieved genuine/actual invoices of these firms show actual unit price of the impugned goods in the range as below, detailed in **APPENDIX A-:**

TABLE-8

S. NO.	NAME OF THE FIRMS (M/S)	RANGE OF UNIT PRICE AS PER GENUINE/ACTUAL INVOICE (In USD PER KG)		
		J3 GRADE	J2 GRADE	N1 GRADE
1	ROYAL STEEL TRADING	1.15 to 1.98	1.43	-----
2	S.S. ENTERPRISES	1.25 to 1.61	1.28 to 1.57	1.41 to 1.54
3	SEENO STAINLESS STEEL	1.14 to 1.44	1.29	1.41 to 1.45
4	GEMINI METAL CORPORATION	1.23 to 1.55	1.28 to 1.35	1.413

Therefore, the Total transaction value (as mentioned in Table to Pint 13A, 13B, 13C & 13D of this SCN) declared by said imports is liable to be rejected. Further, in terms of Section 14 of the Customs Act, 1962, the value of the imported goods shall be the transaction value that is to say that price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation, subject to such other conditions as may be specified in this behalf by the rules made in this regard.

Further, in accordance with such provisions, value of goods has to be determined as per the Customs Valuation (Determination of value of imported goods) Rules, 2007 (herein after referred to as "CVR 2007").

9B. Re-determination of Value:

9B.1 Rule 3 (1) of the CVR, 2007 lays down that the value of the imported goods shall be the transaction value adjusted in accordance with provisions of Rule 10 CVR 2007. Further Rule 2(g) of CVR 2007 defines transaction value as the value referred to in sub-section (1) of Section 14 of the Customs Act 1962.

Rule 13 of the CVR, 2007 lays down that the interpretative notes specified in the Schedule to these rules shall apply for the interpretation of these rules. The interpretative note to Rule 3 provides that price actually paid or payable is the total payment made or to be made by the buyer to or for the benefit of the seller for the imported goods.

9B.2. On a combined reading of the Section 14 *ibid* & the CVR 2007, it appears that customs duty is payable on transaction value that is to say that:

- (1) Price actually paid or payable for the goods i.e. the total payment made by the buyer
- (2) When sold for export to India for delivery
- (3) At the time and place of importation

9B.3. As per import data, total Numbers of Bills of Entries filed by above 04 firms, Total Number of Original/Genuine/actual Invoices retrieved, Number of Bills of Entries for which Original/Genuine/actual Invoices available, are as below:

TABLE-9

Total Bills of Entries Filed	Total Number of Genuine / actual invoices retrieved	Number of Genuine/actual invoices pertained to above 04 firms	Number of Bills of Entries, for which Original/Genuine/actual Invoices available
308 (<i>Containing 1434 items</i>)	208	184	113

9B.3.(a) Valuation of goods where Actual/Genuine/actual Invoices are available:

As per Rule 3 of the Customs Valuation (Determination of value of imported goods) Rules, 2007, subject to Rule 12 *ibid*, the **value of the goods shall be the 'Transaction Value of goods'**. Further, in terms of Section 14 of the Customs Act, 1962, the transaction value is the price actually paid or payable for the goods when the goods are sold for delivery at the time and place of importation. In this case, the investigations have led to the recovery of irrefutable evidence that the value declared before Customs is not the actual transaction value of goods. Therefore, in terms of Rule 3(1) of Customs Valuation Rules, read with Section 14 of the Customs Act 1962, for the Bills of Entry where actual/Genuine/actual Invoices are available the value mentioned in these actual/Genuine/actual Invoices being taken as the actual transaction value of the goods for the purpose of valuation of the goods.

9B.3.(b) Valuation of goods where Actual/Genuine/actual Invoices not are available:

Further, for the goods where original invoices are **not** available, the value of said consignments are to re-determined under Customs Valuation (Determination of value of imported goods) Rules, 2007.

9B.4. It appears that in terms of Rule 3 (4) of the said rules, **for the Bills of Entry where actual/Genuine/actual Invoices are not available**, the value has to be re-determined by proceeding sequentially through Rule 4 to 9.

Application of Rule 4 of CVR, 2007:

From the plain reading of **Rule 4**, it is evident that the said Rule provides for the determination of transaction value of the imported goods by comparing the declared value with the contemporaneous imports 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. The importer, in their bills of entry had mentioned description of goods as 'STAINLESS STEEL COLD ROLLED COIL GRADE (of different grades), thickness xx MM and width yy MM". The value of the Cold Rolled Stainless Steel Coils depends upon number of factors including their constituents, width, thickness, surface finish, etc. Further, the nature of goods vary greatly in physical characteristics due to their composition , quality, reputation etc. In the absence of correct composition, surface finish etc., it is not feasible to identify the '**identical goods**' imported by the other importers during contemporaneous time for comparing the value declared by the other importers vis a vis value declared by the instant importer. The evidence recovered in the instant case so far indicates that the instant importer had submitted manipulated and fraudulent documents with the bills entry with the Customs. Against this backdrop, **it is not feasible to redetermine the transaction value of the imported goods under Rule 4 of CVR, 2007.**

Application of Rule 5 of CVR, 2007:

28.3 Rule 5 of the CVR 2007 provides for the determination of the transaction value of the imported goods by comparing the declared transaction value of the '**similar goods**' imported by other importer(s) at or around the same time and goods which can be considered as similar goods are specified in Rule 2(f) of the CVR, 2007. As discussed above, in absence of key specifications viz. constituents of material from which the said Coils were made up and surface finish of the coils which are required to ascertain their quality and have direct bearing on the value of the goods. The factors, like quality of material, model name/number, reputation of the manufacturer, details of the constituents of the material, their percentage, size of item, brand name (if any) etc., are relevant for determining the

value of the imported goods and for identifying the goods of ‘**similar**’ specifications, characteristics, component material which could be used interchangeably with the subject goods, imported by another importer. Against this backdrop, **it is not feasible to re-determine the transaction value of the imported goods under Rule 5 of CVR, 2007.**

Application of Rule 6 of CVR,2007:

Rule 6 of CVR, 2007 stipulated that 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.

Deductive Value (Rule 7) of CVR,2007:

Rule 7 of the Customs Valuation Rules, 2007, provides for ‘**deductive value**’, i.e. the value is to be determined on the basis of unit price of goods being valued for identical goods or similar imported goods sold in India. In the condition as imported at or about the time at which the declaration for determination of value is presented, subject to deductions stipulated under the rule. From the plain reading of Rule 7 of CVR, 2007, it appears that in order to arrive at a reasonable value under the said rule, authentic data regarding sale of the imported goods, or identical or similar imported goods to unrelated persons shall be the benchmark. However, in the instant case, as discussed above, it is not feasible to find the sale price of identical or similar goods in the domestic market as the goods are found in different variety, description, specification, model, brand, make, sizes and quality, **therefore, it appears that redetermination of value under Rule 7 of CVR, 2007 is not possible.**

Computed Value (Rule 8) of CVR,2007:

Rule 8 of the CVR is reproduced below:

“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”*

Substantial data related to cost of the value of material and fabrication, or processing employed in producing the imported goods is required to compute the value under Rule 8. The imported goods were manufactured in China and therefore, the authentic data in respect of the said goods imported from China is not available. Further the impugned goods are of varied description, variety,

specification. **Therefore, in absence of requisite data, the value of the imported goods, imported under the Bills of Entry, cannot be determined by taking recourse to Rule 8 of CVR, 2007 either.**

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 goods. Rule 9 provides for determination of value using reasonable means consistent with the principles and general provisions of these rules.

Rule 9 of CVR 2007 of the CVR 2007; Residual Method:

On analysing all these Original/Genuine/actual invoices, it was noticed that actual price range (Minimum to Maximum) for the goods for different grades, are as below:

Actual price range (Minimum to Maximum) as found mentioned in Genuine/actual Invoices for different grades of Cold Rolled Stainless Steel

TABLE-8

S. NO.	NAME OF THE FIRMS (M/S)	RANGE OF UNIT PRICE AS PER GENUINE/ACTUAL INVOICE (In USD PER KG)		
		J3 GRADE	J2 GRADE	N1 GRADE
1	ROYAL STEEL TRADING	1.15 to 1.98	1.43	-----
2	S.S. ENTERPRISES	1.25 to 1.61	1.28 to 1.57	1.41 to 1.54
3	SEENO STAINLESS STEEL	1.14 to 1.44	1.29	1.41 to 1.45
4	GEMINI METAL CORPORATION	1.23 to 1.55	1.28 to 1.35	1.413

Rule 9 of CVR 2007 provides for the determination of value using reasonable means consistent with the principles and general provisions of these rules. The underlying principle behind the Valuation Rules for the determination of transaction value is that it should reflect the actual price paid or payable for the import goods. It appears that, in keeping with the principles of the said rules and Section 14 of the Act, price mentioned in the original/ genuine/actual invoices retrieved during investigation, issued by the overseas suppliers, appears reasonable for valuation purpose.

Thus, for the Bills of Entries, where corresponding original/ genuine/actual invoices are **not** available, the lowest unit price of the goods (of different grades) mentioned in available Original/genuine/actual invoice **of that firm**, appear justifiable for valuation purpose.

Further, where no genuine/actual invoices are available for a particular **firm/grade**, in such case, lowest value for that grade mentioned in **Table 8** above (minimum value for that grade mentioned in Original/genuine/actual invoice of all the firms) has been taken to re-determine the value of such imported goods. The

details of Actual/Genuine/actual Invoice of the firms having lowest value of a particular grade , are as below:

Lowest value available in Original /Genuine/actual Invoices a for cold rolled stainless steel of different Grades :

TABLE-10

GRADE J3							
S. NO	NAME OF IMPORTER	NAME OF CHINESE SUPPLIER	GENUINE/ ACTUAL INVOICE NO.	GENUINE/ ACTUAL DATE OF INVOICE	UNIT PRICE AS PER GENUINE / ACTUAL INVOICE (USD/KG)	BE NUMBER AND DATE	PRICE DECLARED BEFORE CUSTOMS (USD/KG)
1	ROYAL STEEL TRADING	FOSHAN WEN ZHI YUAN TRADING CO LTD	LHYC220301	01-03-2022	1.15	8032135 dated 26-03-2022	1.15
2	S.S. ENTERPRISES	NEWWEI TRADING COMPANY LIMITED	23SS0623A-2	24-07-2023	1.25	7375205 dated 16-08-2023	1.1
3	SEENO STAINLESS STEEL	NEWWEI TRADING COMPANY LIMITED	23SS0710-2	08-08-2023	1.14	7641239 dated 02-09-2023	1.1
4	GEMINI METAL CORPORATION	NEWWEI TRADING COMPANY LIMITED	23SS0623B-1	02-08-2023	1.23	7907774 dated 19-09-2023	1.1

Table-11

GRADE N1							
S. No .	NAME OF IMPORTER	NAME OF CHINESE SUPPLIER	GENUINE/ ACTUAL INVOICE NO.	GENUINE /ACTUAL DATE OF INVOICE	UNIT PRICE AS PER GENUINE / ACTUAL INVOICE (USD/KG)	BE NUMBER AND DATE	PRICE DECLARED BEFORE CUSTOMS (USD/KG)
1	ROYAL STEEL TRADING	NEWWEI TRADING COMPANY LIMITED	23SS0911-5	03-11-2023	1.432	8870570 dated 21-11-2023	1.1
2	S.S. ENTERPRISES	NEWWEI TRADING COMPANY LIMITED	23SS0911-9	22-11-2023	1.413	9177390 dated 11.12.2023	1.1
3	SEENO STAINLESS STEEL	NEWWEI TRADING COMPANY LIMITED	23SS0911-8	08-11-2023	1.413	9031112 dated 01-12-2023	1.1

Table-12

GRADE J-2							
S. No.	NAME OF IMPORTER	NAME OF CHINESE SUPPLIER	GENUINE/ACTUAL INVOICE NO.	GENUINE/ACTUAL DATE OF INVOICE	UNIT PRICE AS PER GENUINE / ACTUAL INVOICE (USD/KG)	BE NUMBER AND DATE	PRICE DECLARED BEFORE CUSTOMS (USD/KG)
1	S.S. ENTERPRISES	NEWWEI TRADING COMPANY LIMITED	23SS0623B-4	15-10-2023	1.282	---	----
2	SEENO STAINLESS STEEL	NEWWEI TRADING COMPANY LIMITED	23SS0724A-2	14-10-2023	1.285	8501003 dated 27-10-2023	1.1

9B.5. Accordingly, valuation of the imported goods (Cold Rolled Stainless Steel of J3/N1/J3 grade) by these 04 firms namely, M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation, have been arrived at (details of which have been provided in **Annexure A, B, C, and D** respectively.)

10. Confiscation of Goods and Cash seized under Section 110(1) read with Sec 124 of Customs Act, 1962:

During the course of investigation, the goods and cash seized under Sec 110(1) of Customs Act 1962 were investigated, the detailed outcome of investigation supporting confiscation under Sec 111 (m) of Customs Act 1962 is tabulated below:

TABLE-14

S. No.	Details of Goods/Cash seized	Details of Seizure Memo	Evidences for Confiscation
1	Cash of Rs 19,50,000/-	Detained under panchanama dated 15.12.2023 drawn at Flat No. 4, Sukhdham Apartment, Sector 9, Rohini, Delhi-85 from the premises of M/s S.S. Enterprises	<ul style="list-style-type: none"> Statement dated 15.12.2023 of Shri Sandeep Garg proprietor of M/s S.S. Enterprises recorded under Sec 108 of Customs Act, 1962 says; <i>"I have seen copy of panchnama dated 15.12.2023 draw at Flat No. 4, Sukhdham Apartment, Sector-9, Rohini, Delhi-85. I put my dated signature on each page of panhcma on token of having been seen the same and its correctness. I state that cash amounting to Rs. 19.5 Lakhs resumed under panchnama dated 15.12.2023 were sale proceed of goods i.e. cicle</i>

			<i>manufactured from imported Cold Rolled Stainless Steel Coil J3Grade ” liable for confiscation under section 121 of Customs Act 1962.</i>
2	One roll of stainless steel coil (Size: Thickness 0.26mm x width 680mm) and weight 4444 Kg	Detained under panchnama dated 15.12.2023 from the premises of M/s Royal Steel Trading at B-62 Wazirpur Industrial Area, Delhi, North West, 110052	<ul style="list-style-type: none"> Genuine/actual Invoices of retrieved of M/s Royal Steel Trading, M/s S S Enterprises and M/s Seeno Stainless Steel. Statements recorded of proprietors of M/s Royal Steel Trading, M/s S S Enterprises, and M/s Seeno Stainless Steel clearly admitted the act of undervaluation through the means of creation of forged/fake invoices. Proprietors of above firms fail to provide any acceptable evidences to prove that the seized goods are not smuggled goods, improperly imported by them by means of forged undervalued invoices to evade custom duty. Evidences submitted by proprietors of claiming the seized goods as domestic goods are after thought, devoid of identification. <i>(discussed in Para 10A below)</i> Therefore, said Coils are Chinese origin coils which are liable for confiscation under Sec 111(m) of Customs Act 1962.
3	Stainless Steel Coils 1. Size: thickness 0.20mm x width 690 mm and weight 4580 Kg; 2. Size: thickness 0.20mmx width 690mm, and weight 4424Kg; 3. Size: thickness 0.20mmx width 730mm and	Detained under panchnama dated 17.12.2023 from the premises of M/s Balaji Metal (Job worker of M/s Royal Steel Trading), B-20, Group Wazirpur, Industrial Area, 110052	<ul style="list-style-type: none"> Genuine/actual Invoices retrieved of M/s Royal Steel Trading, M/s S S Enterprises and M/s Seeno Stainless Steel. Statements recorded of proprietors of M/s Royal Steel Trading, M/s S S Enterprises, and M/s Seeno Stainless Steel clearly admitted the act of undervaluation through the means of creation of Fake/forged invoices. Proprietors of above firms fail to provide any acceptable evidences to prove that the seized goods are not smuggled goods, improperly imported by them by means of forged/fake undervalued invoices to evade custom duty. Evidences submitted by proprietors of claiming the seized

	weight 4186Kg		<p>goods as domestic goods are after thought, devoid of identification. (<i>discussed in Para 10A below</i>)</p> <ul style="list-style-type: none"> Therefore, said Coils are Chinese origin coils which are liable for confiscation under Sec 111(m) of Customs Act 1962.
4	Stainless Steel Coils 8 in No., Approx. 4 tonne each	Detained under panchnama dated 15.12.2023 from the premise of M/s Royal Steel Trading at C-9/1, First Floor Wazirpur Industrial Area, Delhi 110052	<ul style="list-style-type: none"> Genuine/actual Invoices of retrieved of M/s Royal Steel Trading, M/s S S Enterprises and M/s Seeno Stainless Steel. Statements recorded of proprietors of M/s Royal Steel Trading, M/s S S Enterprises, and M/s Seeno Stainless Steel clearly admitted the act of undervaluation through the means of creation of Fake/forged invoices. Proprietors of above firms fail to provide any acceptable evidences to prove that the seized goods are not smuggled goods, improperly imported by them by means of forged undervalued invoices to evade custom duty. Evidences submitted by proprietors of claiming the seized goods as domestic goods are after thought and devoid of identification. (<i>discussed in Para 10A below</i>) Therefore, said Coils are Chinese origin coils which are liable for confiscation under Sec 111(m) of Customs Act 1962.
5	<ol style="list-style-type: none"> 1. Cold Rolled Stainless Steel Coil of weight 31111 Kg 2. Cold Rolled Stainless Steel Circles of weight 3615.24 Kg 3. Stainless Steel Coil (pipe) of weight 26296 Kg 4. Stainless Steel Coil of weight 	Detained under panchnama dated 15.12.2023 from the premise of M/s S S Enterprises at Left side on hall of ground floor C-9/1, Wazirpur Industrial Area, Delhi	<ul style="list-style-type: none"> Genuine/actual Invoices of retrieved of M/s Royal Steel Trading, M/s S S Enterprises and M/s Seeno Stainless Steel. Statements recorded of proprietors of M/s Royal Steel Trading, M/s S S Enterprises, and M/s Seeno Stainless Steel clearly admitted the act of undervaluation through the means of creation of fake/forged invoices. Proprietors of above firms fail to provide any acceptable evidences to prove that the seized goods are not smuggled goods, improperly imported by them by means of forged undervalued invoices to evade custom duty.

	83,410 Kg; 5. Stainless Steel Circle of weight 5109.6 Kg	110052	<ul style="list-style-type: none"> Therefore, said manufactures of smuggled goods which are of Chinese origin and are liable for confiscation under Sec 111(m) and Sec 120 of Customs Act 1962.
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10.A. Non-tenable claim of the importers that the confiscated goods were domestically purchased:

i) Goods seized in respect of M/s Royal Steel Trading (Proprietor Shri Vikas Jindal) appearing at Serial No. 2, 3 & 4 above:

Scrutiny of Panchnama(s): As per Panchnama dated 17.12.2023, during the search of the premises of M/s Balaji Metal (Job worker of M/s Royal Steel Trading), at B-20, Group Wazirpur, Industrial Area, 110052, 07 coils were initially found, on being asked Shri Vikas Jindal produced only documents related to 04 coils as domestically purchased and could not show any documents related to rest 03 coils. Accordingly, 04 coils were immediately released at spot and rest 03 coils were detained under Panchnama dated 17.12.2023.

Further, as per Panchnama dated 15.12.2023, during the search at premises of M/s Royal Steel Trading at B-62 Wazirpur Industrial Area, Delhi, North West, 110052, Shri Vikas Jindal was asked to produce the documents related to 01 coils which Shri Vikas Jindal could not produce to proof them as domestically purchased. Accordingly, the said 01 coil was detained under Panchnama dated 15.12.2023.

Similarly, as per Panchnama dated 15.12.2023, at other premises of M/s Royal Steel Trading, i.e. at C-9/1, First Floor Wazirpur Industrial Area, Delhi 110052, Shri Vikas Jindal did not produce any documents regarding domestic origin of the goods lying at the premises, therefore the goods were detained under Panchnama dated 15.12.2023.

Further, the importer submitted 03 domestic sale invoices claiming for total 36039 KG of the impugned (*including goods lying at premises of his Job worker M/s Balaji Metal*) as domestic purchased:

S No.	Name of domestic supplier	Invoice No.	Quantity in KG mentioned on Invoices submitted	Quantity claimed against above seized goods (in KG)

1	M/s Mudit Impex Pvt Ltd., Wazirpur, Delhi (GSTN-07AACCM1671J1ZG)	MIPL 23-24/1657 DATED 23.11.2023	5714	5714
2	M/s Sati Steel, Ahmedabad, Gujarat (GSTN-24ALQPC8887J1ZE)	2023-24/215 dated 12.12.2023	4374	4374
3	M/s Metal India-Sanad, Ahmedabad, Gujarat (GSTN-24AAFPH1103A1ZV)	MI-SD-111/23-24 dated 24.11.2023	41297	25,951
	TOTAL		51385	36039

On scrutiny of the above invoices (RUD:33) , it was noticed that crucial description & details like **grades** of Cold Rolled Stainless Steel Coil (i.e. J3, J2, N1, 304 etc.), **thickness** of coil, **width** of coil, **quality of lot** (i.e Ex-Stock or not) are not mentioned in the given invoices. The details are as under:

- a) **Non-submission of complete invoices:** Seized goods of M/s Royal Steel Trading as mentioned in **Table 14** above are more than the invoices submitted.
- b) **Description of goods:** - The submitted invoices mention description as “Stainless Steel Coils” without mentioning **Grades like J3, J2, N1, 304 etc.**, Without these essential information, submitted invoices can-not be accepted as a source of seized goods.
- c) **Dimensions of goods:** - The invoices submitted did not mention dimensions of the goods **Thickness of Coil, Width of Coil**. Without these essential information, submitted invoices can-not be accepted as a source of seized goods.
- d) **Surface Finish of goods:** Surface finish refers to the appearance of stainless steel, which is created through different manufacturing techniques like polishing, rolling, and blasting. These finishes can range from dull to bright and have unique textures for specialised applications. Without details of **Quality of Lot i.e. Ex-Stock or not.**, such submitted invoices are rejected as source of seized goods.
- e) **Non-compliance with Summons:** In this regard, Shri Vikas Jindal Proprietor of M/s Royal Steel Trading was issued Summons dated 11.06.2024 and 30.08.2024 to join the investigation but the importer did not join the same.
- f) **Absence of one to one correlation of submitted invoices with seized goods.**

In view of above findings and submission of documents/invoices by Shri Vikas Jindal after a lapse of considerable time, which lacks key details and are ambiguous in nature, thus, the submitted documents appear to be an afterthought.

ii) Goods seized in respect of M/s S S Enterprises (Proprietor Shri Sandeep Garg) appearing at Serial No. 5 above:

Scrutiny of Panchnama(s): In addition, as per Panchnama dated 15.12.2023, during the search of the premises at Left side on hall of ground floor C-9/1, Wazirpur Industrial Area, Delhi 110052 of M/s S S Enterprises, Shri Sandeep Garg could not produce any documentary evidences of the goods therefore the same were seized under Panchnama dated 15.12.2023.

Further, the importer submitted 03 domestic sale invoices claiming for total 77,180 KG of the impugned as domestic purchased

S No.	Name of domestic supplier	Invoice No.	Quantity in KG mentioned on Invoices submitted	Quantity claimed against above seized goods (in KG)
1	M/s Seeno Stainless Ahmedabad (GSTN-24AGSPJ1611Q1Z2)	338 DATED 25.11.2023	27764	77180
2		323 DATED 30.10.2023	40592	
3	M/s White Star Homeware, Wazirpur Delhi (GSTN-07AWAPJ4644HIZ4)	WS/23-24/79 dated 02.05.2023	11918	
	TOTAL		80274	77180

On scrutiny of the above invoice (RUD:34), it was noticed that many crucial description & details like **grades** of Cold Rolled Stainless Steel Coil (i.e. J3, J2, N1, 304 etc.), **thickness** of coil, **width** of coil, **quality of lot** (i.e Ex-Stock or not) are not mentioned in the given invoices. The details are as under:

- Non-submission of complete invoices:** Seized goods of M/s SS Enterprises as mentioned in **Table 14** above are more than the invoices submitted.
- Description of goods:** - The submitted invoices mention description as "Stainless Steel Coils" without mentioning **Grades like J3, J2,**

N1, 304 etc., Without these essential information, submitted invoices can-not be accepted as a source of seized goods.

- c) **Dimensions of goods:** - The invoices submitted did not mention dimensions of the goods **Thickness of Coil, Width of Coil**. Without these essential information, submitted invoices can-not be accepted as a source of seized goods.
- d) **Surface Finish of goods:** Surface finish refers to the appearance of stainless steel, which is created through different manufacturing techniques like polishing, rolling, and blasting. These finishes can range from dull to bright and have unique textures for specialised applications. Without details of **Quality of Lot i.e. Ex-Stock or not.,** such submitted invoices are rejected as source of seized goods.
- e) Further, in respect of goods appearing at serial No. 1 & 2 above, the supplier is M/s Seeno Stainless (GSTN-24AGSPJ1611Q1Z2); Proprietor **Shri Deepak Jindal**, who is also a co-accused in the subject investigation for commission of under-valuation for the impugned goods. Therefore, the credibility of the invoices issued by the co-accused is questionable. Further, the possibility that the goods supplied domestically by the co-accused-being imported by way of under-valuation, is also not beyond doubt.
- f) **Non-compliance with Summons:** In this regard, Shri Sandeep Garg, Proprietor of M/s S S Enterprises was issued Summons dated 11.06.2024 and 30.08.2024 to join the investigation, but the importer did not prefer to join the same.
- g) Further, the seized goods at serial No. 5 of Table 14 above are Stainless Steel Coils and Circles, Pipe etc. (manufactured thereof), therefore, few goods have also changed forms using the improperly imported Cold Rolled Stainless Steel Coils against which no documents are submitted by M/s SS Enterprises. Therefore, these goods are liable to be confiscated under Section 120 of the Customs Act 1962.
- h) **Absence of one to one correlation of submitted invoices with seized goods.**

In view of above findings and submission of documents/invoices by Shri Shri Sandeep Garg after a lapse of considerable time, which lacks key details and are ambiguous in nature, thus, the submitted documents appear to be an afterthought.

Further, the period of issuance of Show Cause Notice under Section 124 of the Customs Act 1962- for the above mentioned seized goods under Section 110(1) of the Customs Act 1962, was extended for further 06 months by the Competent Authority under Section 110(2) of the Customs Act, 1962 vide letter F. No DRI/HQ-CI/A-Cell/50D/Enq-20/2023 dated 12.06.2024.

Therefore, the submitted invoices by the importers are liable to be rejected on the above mentioned grounds as the source of seized goods.

11. Role of Key Persons and Analysis and findings:

From the investigation conducted in the case and from the facts and records, evidences have come on record from which it appears that:

- A) **Shri Vikas Jindal** opened and operated firm namely M/s Royal Steel Trading as proprietor and controller, whereas M/s Royal Steel Trading have been used to import goods i.e. coils of cold rolled stainless steel at under-valued prices by way of creation of forged invoices. Further, Shri Deepak Jindal of M/s Seeno Stainless Steel and Shri Sandeep Garg of M/s S.S. Enterprises supported Shri Vikas Jindal in M/s Royal Steel Trading to under-value import consignment. Whereas, Shri Deepak Jindal was playing the role of negotiator with Chinese Suppliers. Shri Deepak Jindal was supporting Shri Vikas Jindal in getting forged Customs Invoices with suppressed values to be declared with Indian Customs. Further, Shri Sandeep Garg was helping Shri Vikas Jindal in sending the differential amount between genuine/actual invoice and custom invoice through hawala routes to China.

Further, Shri Mukesh Grover and Shri Atul Kishore Guglani helped Shri Vikas Jindal of M/s Royal Steel Trading in doing the Custom clearances at suppressed values. Therefore, in order to hood wink the Customs department and with an aim to evade customs duty on the imported goods, Shri Vikas Jindal in support of Shri Deepak Jindal, Shri Sandeep Garg, Shri Mukesh Grover and Shri Atul Kishore Guglani appears to have devised a clever plan of forging the invoices issued by the overseas supplier. Shri Vikas Jindal had very meticulously planned the unscrupulous scheme to defraud the government by not declaring the correct value of the imported goods and consequently paid/attempted to pay lesser Customs duty on import of the goods.

Further, the illicit act of undervaluation of the goods has been carried out by M/s Royal Steel Trading not on one occasion but on multiple occasions where the value of the goods was undervalued with an intent to evade payment of appropriate customs duty. During the course of investigation,

Shri Vikas Jindal admitted to having resorted to undervaluation of goods. Further, Shri Vikas Jindal has also deposited certain amount against the differential duty in respect of the partial discharge of duty liability arising out of goods imported vide Bill of Entries of past imports. Statement of Shri Vikas Jindal, Shri Deepak Jindal, Shri Sandeep Garg were recorded on different occasions wherein they have admitted the under-valuation done in M/s Royal Steel Trading at the time of importation of cold rolled stainless steel coils by way of forging of invoices and how Shri Mukesh Grover and Shri Atul Kishore Guglani helped in in custom clearances at under-valued invoices.

Additionally, statements of Shri Mukesh Grover and Shri Atul Kishore Gulani were recorded, wherein they have admitted the under-valuation done by firms like M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation. Thus, Shri Vikas Jindal appear to have violated the provisions of Section 46(4) of the customs act in as much as he has undervalued the value of the goods imported by him and given a false declaration in the bills of entry mentioned in **Annexure A**.

- B) **Shri Sandeep Garg** opened and operated firm namely M/s S.S. Enterprises as proprietor and controller, whereas M/s S.S. Enterprises have been used to import goods i.e. coils of cold rolled stainless steel of at under-valued prices by way of creation of forged invoices.

Further, M/s S.S. Enterprises managed and controlled by Shri Sandeep Garg and supported by Shri Deepak Jindal, had indulged in cross under-valuation of value as per investigation above. Where, Shri Deepak Jindal was handling all the negotiations with Chinese Suppliers and arrangement of forged custom invoices with suppressed value to be declared with Indian Customs.

Further, Shri Mukesh Grover and Shri Atul Kishore Guglani were engaged in custom clearance of cold rolled stainless steel coils of M/s S.S. Enterprises based on forged custom invoices. In order to hood wink the Customs department and with an aim to evade customs duty on the imported goods, Shri Sandeep Garg in support of Shri Deepak Jindal, Shri Mukesh Grover and Shri Atul Kishore Guglani appears to have devised a plan of forging the invoices issued by the overseas suppliers. He had very meticulously planned the unscrupulous scheme to defraud the government by not declaring the correct value of the imported goods and consequently paid/attempted to pay lesser Customs duty on import of the goods.

Further, the illicit act of undervaluation of the goods had been done by M/s S.S. Enterprises not on one occasion but on multiple occasions where the value of the goods was undervalued with an intent to evade payment of appropriate customs duty. During the course of investigation, Shri Sandeep Garg admitted to having resorted to the undervaluation of goods. Further, Shri Sandeep Garg has also deposited certain amount against the differential duty in respect of the partial discharge of duty liability arising out of goods imported vide Bill of Entries of past imports. Further, as per statement of Sh. Deepak Jindal (M/s Seeno stainless steel) Sh. Sandeep Garg, also helped him, in sending the differential amounts to the overseas Chinese suppliers.

Statement of Shri Sandeep Garg and Shri Deepak Jindal are recorded on different occasions wherein they have admitted the under-valuation in respect of M/s S.S. Enterprises at the time of importation of cold rolled stainless steel coils by way of forging of invoices and role of Shri Mukesh Grover and Shri Atul Kishore Guglani in customs clearances.

Further, statements of Shri Mukesh Grover and Shri Atul Kishore Guglani are also recorded, where they have accepted the clearance of goods for M/s S.S. Enterprises. Thus, Shri Sandeep Garg appear to have violated the provisions of Section 46(4) of the customs act in as much as he has undervalued the value of the goods imported by him and given a false declaration in the bills of entry mentioned in **Annexure B**.

- C) **Shri Deepak Jindal** opened and operated firm namely M/s Seeno Stainless Steel as proprietor and controller, whereas M/s Seeno Stainless Steel have been used to import goods i.e. coils of cold rolled stainless steel of at under-valued prices by way of creation of forged invoices.

Further, M/s Seeno Stainless Steel managed and controlled by Shri Deepak Jindal had indulged in cross under-valuation of value as per investigation above. In order to hood wink the Customs department and with an aim to evade customs duty on the imported goods, Shri Deepak Jindal appears to have devised a plan of forging the invoices issued by the overseas supplier. He had very meticulously planned the unscrupulous scheme to defraud the government by not declaring the correct value of the imported goods and consequently paid/attempted to pay lesser Customs duty on import of the goods.

The illicit act of undervaluation of the goods had been done by M/s Seeno Stainless Steel not on one occasion but on multiple occasions where the value of the goods was undervalued with an intent to evade payment of appropriate customs duty. During the course of investigation, Shri Deepak Jindal admitted to having done the undervaluation. Statement of

Shri Deepak Jindal was recorded on different occasions wherein they have admitted the under-valuation done in M/s Seeno Stainless Steel at the time of importation of cold rolled stainless steel coils by way of forging of invoices. Thus, Shri Deepak Jindal appear to have violated the provisions of Section 46(4) of the customs act in as much as he has undervalued the value of the goods imported by him and given a false declaration in the bills of entry mentioned in **Annexure C**.

Further, Shri Deepak Jindal has also played a role of negotiator with Chinese suppliers in other firms namely, M/s Royal Steel Trading, M/s S.S. Enterprises and M/s Gemini Metal Corporation and played a key role in arranging the forged customs invoices with suppressed values to be declared with Indian customs along with the proprietors of these firms which are Shri Vikas Jindal, Shri Sandeep Garg, and Shri Gaurav Jindal respectively.

- D) **Shri Gaurav Jindal** opened and operated firm namely M/s Gemini Metal Corporation as proprietor and controller, whereas M/s Gemini Metal Corporation have been used to import goods i.e. coils of cold rolled stainless steel of at under-valued prices by way of creation of forged invoices.

M/s Gemini Metal Corporation managed and controlled by Shri Gaurav Jindal and supported by Shri Deepak Jindal and Shri Sandeep Garg had indulged in gross under-valuation of valuation of import of cold rolled stainless steel coil. In order to hood wink the Customs department and with an aim to evade customs duty on the imported goods, Shri Gaurav Jindal in support of Shri Deepak Jindal and Shri Sandeep Garg appears to have devised a plan of forging the invoices issued by the overseas supplier. He had very meticulously planned the unscrupulous scheme to defraud the government by not declaring the correct value of the imported goods and consequently paid/attempted to pay lesser Customs duty on import of the goods.

The illicit act of undervaluation of the goods had been done by M/s Gemini Metal Corporation not on one occasion but on multiple occasions where the value of the goods was undervalued with an intent to evade payment of appropriate customs duty. During the course of investigation, Shri Gaurav Jindal admitted to having done the undervaluation. Further, Shri Gaurav Jindal has also deposited certain amount against the differential duty in respect of the partial discharge of duty liability arising out of goods imported vide Bill of Entries of past imports. Statement of Shri Gaurav Jindal, Shri Deepak Jindal, Shri Sandeep Garg were recorded on different occasions wherein they have admitted the under-valuation done in M/s Gemini Metal Corporation at the time of importation of cold

rolled stainless steel coils by way of forging of invoices. Thus, Shri Gaurav Jindal appear to have violated the provisions of Section 46(4) of the customs act in as much as he has undervalued the value of the goods imported by him and given a false declaration in the bills of entry mentioned in **Annexure D**.

- E) Thus, the above firms namely M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation appears to have wilfully mis-declared the value of the goods, made mis-statement in the documents filed before Customs authorities and suppressed the facts of actual value of the goods with intent to evade payment of Customs duty on import. In terms of Section 46(4), *the importers, while presenting the Bill of Entry shall make and subscribe to a declaration as 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, relating to the imported goods.* In view of the above, it appears that M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel, and M/s Royal Steel Trading have violated the provisions of Section 46 of the Customs Act, 1962 by mis-declaring the value of the goods.
- F) The goods imported vide above mentioned bills of entry as per Annexure A, B, C and D which were mis-declared in respect to their value in the Bills of entry, therefore appear liable to be confiscated in terms of section 111(m) of the Customs act, 1962.
- G) The goods seized in **Table 3** are improperly imported coils and manufactures thereof as examined in Para 10, thus liable for confiscation under Section 111(m) and Section 120 of Customs Act 1962 respectively. However, these coils have already been accounted in Para 13 while taking in consideration of all past imports.
- H) The cash seized in **Table 3** as sale proceeds of smuggled good as admitted by Shri Sandeep Garg in his statement dated 15.12.2023. Thus, cash seized is liable for confiscation under Section 121 of Customs Act 1962.
- I) The impugned goods under **Annexure A** have been rendered liable to confiscation by acts and omission of M/s Royal Steel Trading and Shri Vikas Jindal, under **Annexure B** have been rendered liable to confiscation by acts and omission of M/s S.S. Enterprises and Shri Sandeep Garg, under **Annexure C** have been rendered liable to confiscation by acts and omission of M/s Seeno Stainless Steel and Shri Deepak Jindal and under **Annexure D** have been rendered liable to confiscation by acts and omission of M/s Gemini Metal Corporation and Shri Gaurav Jindal.

From the investigation discussed above, it appears that Shri Deepak Jindal along with Shri Vikas Jindal, Shri Sandeep Garg, and Shri Gaurav Jindal are the main persons involved in negotiation of price; were proprietors and the main persons involved in devising the scheme to defraud Government

of India by forging invoice and other documents and execution of such scheme. In their voluntary statements, they have admitted having committed the violations. The irrefutable evidence brought on record clearly indicates the well thought out plan and complicity in perpetration of offence. They appear to have done so with full knowledge and rather they are the one who conceived and employed the whole conspiracy to smuggle the goods by way of mis-declaration of value of the goods.

- J) Due to the mis-declaration of value as discussed above, correct duty has not been levied on the impugned goods and therefore, the differential duty on account of such mis-declaration as per **Annexure A**, **Annexure B**, **Annexure C**, and **Annexure D** are liable to be demanded from the M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel, and M/s Gemini Metal Corporation respectively under Sec 28(4) of the Customs Act 1962. It further appears from the above that the act of undervaluation, forging of invoices and mis-declaration of value was a deliberate attempt to hoodwink the customs Authorities with intent to evade duty by way of wilful mis-statement and suppression of facts.

12. Applicability of Section 28(4) of the Customs act, 1962:

12.1. In the present case, it is evident that the actual facts were known to Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal along with, , and Shri Gaurav Jindal, who were emerged to be the actual beneficial owners of the impugned goods imported by the firms namely M/s Royal Steel Trading, M/s S.S. Enterprises , M/s Seeno Stainless Steel and M/s Gemini Metal Corporation, respectively; that Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal along with, , and Shri Gaurav Jindal had knowingly and deliberately indulged in suppression of facts and wilfully misrepresented/mis-stated the material facts in contravention of the provisions of Section 46(4) of the Customs Act, 1962 read with other provisions mentioned at para 13 above. In terms of Section 46(4) of Customs Act, 1962, the importer was required to make a declaration as to truth of the contents of the Bills of Entry submitted for assessment of Customs duty. For these contraventions and violations, the goods fall under the ambit of 'smuggled goods' within the meaning of Section 2(39) of the Customs Act, 1962, and are liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962.

12.2. It further emerged that mis-declaration in classification and valuation of the impugned goods in the import documents viz. Bills of Entry, import invoices etc. presented by M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel, and M/s Gemini Metal Corporation, before the Customs authorities, were done by their respective proprietors; beneficial owners of these firms, in order to avoid appropriate levy of Customs duty on the actual transaction value

Thus, Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal engaged in under-valuation and mis-declaration of imported goods i.e. Cold Rolled Stainless Steel Grade J3/N1.

12.3 All the aforesaid acts of omissions and commissions on the part of Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal, have rendered the imported goods liable for confiscation under Section 111 (m) of the Customs Act, 1962, and consequently rendered them liable for penalty under Section 112 of the Customs Act, 1962. Further, acts of Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal, beneficial owners of the impugned goods who knowingly and intentionally prepared/got prepared, signed/got signed and used the declaration, statements and/or documents presented the same to the Customs authorities, which were incorrect in as much as they were not representing the true, correct and actual value of the imported goods, has rendered themselves liable for penalty under section 114AA of the Customs Act, 1962. Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal beneficial owners of the impugned goods imported by M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation, respectively have also violated the provisions of Section 17 and 46 of the Customs Act, 1962. Therefore, the duty not paid/short paid is liable to be recovered from M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation by invoking the extended period of five years as per Section 28(4) of the Customs Act, 1962, in as much as the duty is short paid on account of wilful mis-statement as narrated above.

Thus, the instant case appears to fall squarely within the ambit of Section 28(4) of Customs Act, 1962, and the differential duty appears liable to be demanded as per the extended period clause container therein, and accordingly the importers also appear liable for penalty under Sec 114A of Customs Act 1962.

12.4 Further, the firms and their proprietors have indulged in such acts and omission as discussed above and concerned themselves in carrying, removing, keeping, purchasing and dealing with the imported goods which they knew and had reasons to believe that these were liable to confiscation. It has also emerged as a result of investigation that they have intentionally used false and incorrect material i.e. invoices and made false and incorrect declaration in the bills of entry. Accordingly, M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation appear to have rendered themselves liable for penalty under Section 114A of the Customs Act, 1962 and its proprietors Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal appear to have rendered

themselves liable for penalty under Section 112(a) and (b) and 114AA of the Customs Act 1962.

12.5 As CHA/Customs Broker , Shri Mukesh Grover and Shri Atul Kishore Guglani were entrusted with all the work including documentations and were responsible for the movement of cargo right from entering the port till it was cleared by customs. Shri Mukesh Grover being in the trade for so long were fully aware of their own responsibilities as CHA/Customs Brokers but still failed to deliver and in a way aided undervaluation by M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless and M/s Gemini Metal Corporation. Further, Shri Atul Kishore Guglani aided and abetted the importing firms with proprietors Shri Vikas Jindal, Shri Sandeep Garg, Shri Deepak Jindal and Shri Gaurav Jindal in the scheme involving undervaluation of goods. As discussed above, for the purpose of Customs clearance, in most of the above firms, he used to receive import documents from the proprietors of the firms directly, which he further passed on to Shri Mukesh Grover CHA for clearance. It is also evident from the statements of Shri Mukesh Grover and Shri Atul Kishore Guglani it is apparent that they had knowledge that the imported goods were under-valued.

13. Calculation of Duty:

As the value of goods declared by the importers have been rejected on the basis of investigation and valuation of goods have been done. Therefore, the calculation of duty with respect to all four firms under investigation are tabulated below:

13A. Calculation of Duty for M/s Royal Steel Trading (2020-2024):

Sr. No.	Ports / ICDs	ASSESSABLE VALUE DECLARED BY THE IMPORTER (RS.)	DUTY PAID (RS.)	ASSESSABLE VALUE RE-DETERMINED (RS.)	DUTY PAYABLE (Rs.)			Customs Duty Short paid/ to be recovered (Rs.) (Col 6-Col 4)
					BCD +SWS	IGST	Total	
1	INMUN1	19,00,79,791	4,63,64,678	25,27,66,735	2,08,53,256	4,92,51,598	7,01,04,854	2,37,40,176
	TOTAL	19,00,79,791	4,63,64,678	25,27,66,735	2,08,53,256	4,92,51,598	7,01,04,854	2,37,40,176

13B. Calculation of Duty for M/s S.S. Enterprises (2020-2024):

Sr. No.	Ports / ICDs	ASSESSABLE VALUE DECLARED BY THE IMPORTER (RS.)	DUTY PAID (RS.)	ASSESSABLE VALUE RE-DETERMINED (RS.)	DUTY PAYABLE (RS.)			Customs Duty Short paid/ to be recovered (Rs.) (Col 6-Col 4)
					BCD	IGST	Total	
1	INCCU1	94,74,321	26,27,703	1,24,66,211	10,28,462	24,29,04	34,57,504	8,29,801

2	INMUN1	29,20,52,717	7,92,12,220	41,27,12,304	3,40,48,76 5	8,04,16,992	11,44,65,757	3,52,53,537
	TOTAL	30,15,27,038	8,18,39,92 3	42,51,78,515	3,50,77,22 7	8,28,46,03 3	11,79,23,26 1	3,60,83,338

13C. Calculation of Duty for M/s Seeno Stainless Steel (2023-2024):

Sr. No.	Ports / ICDs	ASSESSABLE VALUE DECLARED BY THE IMPORTER (RS.)	DUTY PAID (RS.)	ASSESSABLE VALUE RE-DETERMINED (RS.)	DUTY PAYABLE (RS.)			Customs Duty Short paid/ to be recovered (Rs.) (Col 6-Col 4)
					BCD +SWS	IGST	Total	
1	INMUN1	12,13,66,154	3,36,60,903	14,59,23,690	1,20,38,704	2,84,33,230	4,04,71,935	68,11,032
	TOTAL	12,13,66,154	3,36,60,90 3	14,59,23,690	1,21,49,239	2,84,33,23 0	4,04,71,93 5	68,11,032

13D. Calculation of Duty for M/s Gemini Metal Corporation (2021-2024):

Sr. No.	Ports / ICDs	ASSESSABLE VALUE DECLARED BY THE IMPORTER (RS.)	DUTY PAID (RS.)	ASSESSABLE VALUE RE-DETERMINED (RS.)	DUTY PAYABLE (RS.)			Customs Duty Short paid/ to be recovered (Rs.) (Col 6-Col 4)
					BCD +SWS	IGST	Total	
1	INCCU1	20,85,98,140	5,78,54,695	28,81,43,899	2,37,71,872	5,61,44,839	7,99,16,711	2,20,62,016
2	INMUN1	2,02,23,517	54,72,273	2,86,88,772	23,66,824	55,90,007	79,56,831	24,84,558
	TOTAL	22,88,21,657	6,33,26,968	31,68,32,671	2,61,38,69 6	6,18,02,16 2	8,78,73,54 2	2,45,46,574

Accordingly, the differential Customs duty amounting to **Rs 2,37,40,176/-** in respect of the imports made at various Ports/ICD's viz. INMUN1 as indicated in **Annexure-A** to the SCN, is liable to be recovered from "**M/s Royal Steel Trading**", under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28 AA ibid.

Accordingly, the differential Customs duty amounting to **Rs 3,60,83,338/-** in respect of the imports at various Ports/ICD's viz. INMUN1 & INCCU1 as indicated in **Annexure-B** to the SCN, is liable to be recovered from "**M/s S.S. Enterprises**", under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28 AA ibid.

Accordingly, the differential Customs duty amounting to **Rs 68,11,032/-** in respect of the imports at various Ports/ICD's viz. Mundra port (INMUN1) as indicated in **Annexure-C** to the SCN, is liable to be recovered from "**M/s Seeno Stainless Steel**", under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28 AA ibid

This demand of duty involved in the goods imported through multiple ports viz. INMUN1 (Mundra) and INCCU1 (Kolkata). **This Show Cause Notice is being issued by the competent authority at Customs Mundra Port (INMUN1) as per Notification No. 28/2022-Customs (N.T.) dated 31.03.2022 and Notification No. 30/2022-Customs (N.T.) dated 31.03.2022 issued by Central Board of Indirect Taxes and Customs (CBIC) being the port i.e. Customs Mundra Port where highest duty and highest value of goods are involved with respect to three firms namely M/s Royal Steel Trading, M/s S.S. Enterprises, and M/s Seeno Stainless Steel, under Section 28(4) read with Section 124 of the Customs Act 1962, respectively.**

Further, for M/s Gemini Metal Corporation, competent authority as per CBIC's Notification No. 28/2022-Customs (N.T.) dated 31.03.2022 is Customs Kolkata Port.

14. Now, therefore **Shri Vikas Jindal** resident of **RP-105, Pitam Pura, Delhi, 110088** proprietor of **M/s Royal Steel Trading** are hereby called upon to show cause within thirty days from the date of receipt of this notice to the Adjudicating Authority i.e. the Pr. Commissioner of Customs, Custom House Mundra having his office at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujarat-370421 as to why:

a. The declared assessable value of **Rs 19,00,79,791/-** of the imported goods as per **Annexure A** should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules 2007 and re-determined as **Rs. 25,27,66,735/-** in terms of Rule 3(1) and Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.

b. The above goods as at (a) above should not be held liable for confiscation under Section 111(m) of Customs Act 1962 for mis-declaring the value.

c. The Seized goods under Section 110 (1) pertaining to M/s Royal Steel Trading (*as mentioned in Sl. No. 2, 3, and 4 of Table 3 of this SCN*) why these goods should not be confiscated under **Section 124** of Customs Act 1962, read with **Section 111(m)** of Customs Act 1962.

d. The differential duty as detailed in Annexure A totally amounting to **Rs.2,37,40,176/-** arising out of the mis-declaration of value should not be

demanded and recovered from him under **Section 28(4)** of the Customs act 1962.

e. Interest under **Section 28AA** of the Customs Act, 1962 as applicable, should not be demanded and recovered from him.

f. An amount of **Rs. 52,00,000/-** deposited during the investigation should not be appropriated and adjusted towards the duty/interest/other adjudication levies.

g. Penalty should not be imposed upon M/s Royal Trading through its proprietor Shri Vikas Jindal under **Section 114A and/or 112 (a) and Section 114AA** of Customs Act 1962 for an act of omission and commission of M/s Royal Steel Trading.

h. Penalty should not be imposed upon **Shri Deepak Jindal** under **Section 112 (b)** for commission of Act of abetting undervaluation in M/s Royal Steel Trading, as discussed above.

j. Penalty should not be imposed upon **Shri Sandeep Garg** under **Section 112 (b)** for commission of Act of abetting undervaluation in M/s Royal Steel Trading, as discussed above.

15. Now, therefore **Shri Sandeep Garg** resident of **Flat No. 04, Sukhdham Apartment, Sector 09, Rohini 85** and proprietor of **M/s S.S. Enterprises** are hereby called upon to show cause within thirty days from the date of receipt of this notice to the Adjudicating Authority i.e. the Pr. Commissioner of Customs, Custom House Mundra having his office at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujarat-370421 as to why:

a. The declared assessable value of **Rs. 30,15,27,038/-** of the imported goods as per **Annexure B** should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules 2007 and re-determined as **Rs.42,51,78,515 /-** in terms of Rule 3(1) and Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.

b. The above goods as at (a) above should not be held liable for confiscation under Section 111(m) of Customs Act 1962 for mis-declaring the value.

c. The Seized goods under Section 110 (1) pertaining to M/s S.S. Enterprises (*as mentioned in Sl. No. 5 of Table 3 of this SCN*) why these goods should not be confiscated under **Section 124** of Customs Act 1962, read with **Section 111(m)** of Customs Act 1962, **Section 120** of Customs Act 1962.

d. The Seized cash of **Rs. 19,50,000/-** under Section 110 (1) pertaining to M/s S.S. Enterprises (*as mentioned in Sl. No. 1 of Table 3 of this SCM*) why this cash should not be confiscated under **Section 124** of Customs Act 1962, read with **Section 121** of Customs Act 1962, being sale proceeds of smuggled goods.

e. The differential duty as detailed in Annexure B totally amounting to **Rs.3,60,83,338 /-** arising out of the mis-declaration of value should not be demanded and recovered from him under **Section 28(4)** of the Customs act 1962.

f. Interest under **Section 28AA** of the Customs Act, 1962 as applicable, should not be demanded and recovered from him.

g. An amount of **Rs. 73,00,000/-** deposited during the investigation should not be appropriated and adjusted towards the duty/interest/other adjudication levies.

h. Penalty should not be imposed upon M/s S.S Enterprises through its proprietor **Shri Sandeep Garg** under **Section 114A and/or 112(a) and Section 114AA** of Customs Act 1962 for an act of omission and commission under M/s S.S. Enterprises.

i. Penalty should not be imposed upon **Shri Deepak Jindal** under **section 112 (b)** for commission of Act of abetting undervaluation in M/s S.S. Enterprises, as discussed above.

16. Now, therefore **Shri Deepak Jindal** resident of **RP-105, Pitam Pura, Delhi, 110088** proprietor of **M/s Seeno Stainless Steel** are hereby called upon to show cause within thirty days from the date of receipt of this notice to the Adjudicating Authority i.e. the Pr. Commissioner of Customs, Custom House Mundra having his office at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujarat-370421 as to why:

a. The declared assessable value of **Rs. 12,13,66,154 /-** of the imported goods as per **Annexure C** should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules 2007 and re-determined as **Rs. 14,59,23,690/-** in terms of Rule 3(1) and Rule 9 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.

b. The above goods as at (a) above should not be held liable for confiscation under Section 111(m) of Customs Act 1962.

c. The differential duty as detailed in **Annexure C** totally amounting to **Rs. 68,11,032 /-** arising out of the mis-declaration of value should not be demanded and recovered from him under Section 28(4) of the Customs act 1962.

d. Interest under Section 28AA of the Customs Act, 1962 as applicable, should not be demanded and recovered from him.

e. Penalty should not be imposed upon M/s Seeno Stainless Steel through its proprietor Shri Deepak Jindal under Section 114A and/or 112 (a) and Section 114AA of Customs Act 1962 for an act of omission and commission of M/s Seeno Stainless Steel.

f. Penalty should not be imposed upon **Shri Sandeep Garg** under **section 112 (b)** for commission of Act of abetting undervaluation in M/s Seeno Stainless Steel, as discussed above.

17. Now, therefore **Shri Atul Kishore Guglani** resident of **318, Tarun Enclave, Pitampura, North West Delhi 110034** are hereby called upon to show cause within thirty days from the date of receipt of this notice to the Adjudicating Authority i.e. the Pr. Commissioner of Customs, Custom House Mundra having his office at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujarat-370421 as to why penalty should not be imposed upon him under Section 112(b) of Customs Act separately in order to support the under-valuation of coil of Cold Rolled Stainless Steel in firms namely, M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel.

18. Now, therefore **Shri Mukesh Grover** proprietor of **M/s Mukesh Grover** resident of **4/6, 8748, D.B. Gupta Road, Paharganj, New Delhi** are hereby called upon to show cause within thirty days from the date of receipt of this notice to the Adjudicating Authority i.e. the Pr. Commissioner of Customs, Custom House Mundra having his office at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujarat-370421 as to why penalty should not be imposed upon him under Section 112(b) of Customs Act separately in order to support the under-valuation of coil of Cold Rolled Stainless Steel in firms namely, M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel.

19. The Noticees should state in their written reply to this notice as to whether they desire to be heard in person. If no reply to this notice is received from them within 30 days from the date of receipt of this notice or if they fail to appear for the personal hearing on the date and time intimated to them, the case is liable to be decided ex parte based on evidence available on record without any further reference to them.

- 20.** The Noticees has an option to make an application under Sec 127(B) of the Customs Act, 1962, prior to adjudication of this case, to the Settlement Commission to have the case settled, in such form and in such manner, specified in the rules and also inform the same to the Adjudication Authority.
- 21.** This notice is issued without prejudice to any other action that may be taken against the Noticees or any other person(s) under the provisions of the Customs Act, 1962 and the Rules & Regulations made thereunder or any other law for the time being in force.
- 22.** Department reserves its rights to add, alter, amend, modify or supplement this Notice at any time on the basis of any evidence, material facts related to import of goods in question, which may come to the notice of the department after issuance of this notice and prior to the adjudication of the case. Further, this Show Cause Notice is only with respect to the issue in the instant case and the department reserves the right to issue Show Cause Notice on other issues relation to M/s Royal Steel Trading, M/s S.S. Enterprises, M/s Seeno Stainless Steel and M/s Gemini Metal Corporation. This Show Cause Notice is issued without prejudice to any other action that may be taken against the persons/firms mentioned herein or any other person under the Customs Act 1962 or any other law for the time being in force.
- 23.** A copy of the Show Cause Notice is also e-mailed to the notices at their email ID as under in terms of clause (C) of sub-section 1 of Section 153 of the Customs Act 1962, so that such service through e-mail shall be deemed to have been received by the notices in terms of clause (C) of sub-section 1 of section 153 of the Customs Act 1962,

Encl: As above.

(K. Engineer)

Pr. Commissioner of Customs
Custom House, Mundra.

TO NOTICEES:

- i) M/s Royal Steel Trading and Shri Vikas Jindal, RP-105, Pitam Pura, Delhi, 110088
- ii) M/s S.S. Enterprises and Shri Sandeep Garg, Flat No. 04, Sukhdham Apartment, Sector 09, Rohini 85.

- iii) M/s Seeno Stainless Steel and Shri Deepak Jindal, RP-105, Pitam Pura, Delhi, 110088.
- iv) M/s Mukesh Grover (Shri Mukesh Grover), 4/6, 8748, D.B. Gupta Road, Paharganj, New Delhi.
- v) Shri Atul Kishore Guglani , 318, Tarun Enclave, Pitampura, North West Delhi 110034.

Copy to:-

1. The Deputy Director (CI), Directorate of Revenue Intelligence (Headquarters) 7th Floor, Drum Shaped Building, D- Block, IP Bhawan, IP Estate, New Delhi -110002
2. The Deputy Commissioner of Customs (EDI), Custom House, Mundra for necessary action please.
3. Guard file.