

	<p>सीमा शुल्क के आयुक्त का कार्यालय सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात</p> <p>OFFICE OF THE PR. COMMISSIONER OF CUSTOMS</p> <p>CUSTOMS HOUSE, MUNDRA, KUTCH, GUJARAT <u>Phone No.02838-271165/66/67/68 FAX.No.02838-271169/62.</u> <u>Email-adj-mundra@gov.in</u></p>
A. File No.	GEN/ADJ/COMM/211/2024-Adjn-O/o Pr. Commr- Cus-Mundra
B. Order-in-Original No.	MUN-CUSTM-000-COM-47-25-26
C. Passed by	Nitin Saini, Commissioner of Customs, Customs House, AP & SEZ, Mundra.
D. Date of order and Date of issue:	29.12.2025 29.12.2025
E. SCN No. & Date	GEN/ADJ/COMM/211/2024-Adjn-O/o Pr. Commr- Cus-Mundra dated 29.05.2024
F. Importer	<ol style="list-style-type: none"> 1. M/s Victory Polytubes (IEC No.AAPFV8439B), UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057. 2. M/s Taurus Industries (IEC No.AANFT1366M) UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057. 3. M/s Zidiac Pipes & Fittings (IEC No.AACFZ0064B), UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057. 4. M/s Galvin Pipes (IEC No.AARFG3100C), 1690, Manakpura, Karol Bagh, New Delhi. 5. Shri Harjeet Singh Harjeet Singh son of Shri Manjeet Singh, 16/14, First Floor, Tilak Nagar, New Delhi-110018 6. Shri Bhupinder Singh son of Shri Gurbwaksh Singh, WZ-1, Block-A, Hindnagar, Tilaknagar, Delhi-110018. 7. Shri Krishan Kumar Bansal, Director of M/s Salasar Impex Limited, DSM-321, DLF Towers, Najafgarh Road Industrial Area, Delhi 8. Shri Vishal Yadav G-Card M/s Skyking (I) Tour & Travels (CHA), 173, HOG Market, Behind Deep Shikha Building, Rajindra Place, New Delhi-110008
G. DIN	20251271MO000000F5D5

1. यहअपीलआदेश संबन्धित को निःशुल्क प्रदान किया जाता है।
This Order - in - Original is granted to the concerned free of charge.
2. यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 6(1) के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 129A(1) के अंतर्गत प्रपत्र सीए3-में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-
Any person aggrieved by this Order - in - Original may file an appeal under Section 129 A (1) (a) of

Customs Act, 1962 read with Rule 6 (1) of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -3 to:

“केन्द्रीय उत्पाद एवं सीमा शुल्क और सेवाकर अपीलीय प्राधिकरण, पश्चिम जोनल पीठ, 2nd फ्लोर, बहुमाली भवन, मंजुश्री मील कंपाउंड, गिर्धनगर ब्रिज के पास, गिर्धनगर पोस्ट ऑफिस, अहमदाबाद-380 004”

“Customs Excise & Service Tax Appellate Tribunal, West Zonal Bench, 2nd floor, Bahumali Bhavan, Manjushri Mill Compound, Near Girdharnagar Bridge, Girdharnagar PO, Ahmedabad 380 004.”

3. उक्त अपील यह आदेश भेजने की दिनांक से तीन माह के भीतर दाखिल की जानी चाहिए।
Appeal shall be filed within three months from the date of communication of this order.
4. उक्त अपील के साथ -/ 1000रूपये का शुल्क टिकट लगा होना चाहिए जहाँ शुल्क, व्याज, दंड या शास्ति रूपये पाँच लाख या कम माँगा हो 5000/- रुपये का शुल्क टिकट लगा होना चाहिए जहाँ शुल्क, व्याज, शास्ति या दंड पाँच लाख रुपये से अधिक किंतु पचास लाख रुपये से कम माँगा हो 10,000/- रुपये का शुल्क टिकट लगा होना चाहिए जहाँ शुल्क, दंड व्याज या शास्ति पचास लाख रुपये से अधिक माँगा हो। शुल्क का भुगतान खण्ड पीठ बेंच आहरित ट्रिब्यूनल के सहायक रजिस्ट्रार के पक्ष में खण्ड पीठ स्थित जगह पर स्थित किसी भी राष्ट्रीयकृत बैंक की एक शाखा पर बैंक ड्राफ्ट के माध्यम से भुगतान किया जाएगा।

Appeal should be accompanied by a fee of Rs. 1000/- in cases where duty, interest, fine or penalty demanded is Rs. 5 lakh (Rupees Five lakh) or less, Rs. 5000/- in cases where duty, interest, fine or penalty demanded is more than Rs. 5 lakh (Rupees Five lakh) but less than Rs.50 lakh (Rupees Fifty lakhs) and Rs.10,000/- in cases where duty, interest, fine or penalty demanded is more than Rs. 50 lakhs (Rupees Fifty lakhs). This fee shall be paid through Bank Draft in favour of the Assistant Registrar of the bench of the Tribunal drawn on a branch of any nationalized bank located at the place where the Bench is situated.

5. उक्त अपील पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपये कोर्ट फीस स्टाम्प जबकि इसके साथ संलग्न आदेश की प्रति पर अनुसूची- 1, न्यायालय शुल्क अधिनियम, 1870 के मद सं-6 के तहत निर्धारित 0.50 पैसे की एक न्यायालय शुल्क स्टाम्प बहन करना चाहिए।

The appeal should bear Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paisa only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.

6. अपील ज्ञापन के साथ ड्यूटी/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये। Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.
7. अपील प्रस्तुत करते समय, सीमाशुल्क (अपील) नियम, 1982 और CESTAT (प्रक्रिया) नियम, 1982 सभी मामलों में पालन किया जाना चाहिए।

While submitting the appeal, the Customs (Appeals) Rules, 1982 and the CESTAT (Procedure) Rules 1982 should be adhered to in all respects.

8. इस आदेश के विरुद्ध अपील हेतु जहाँ शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहाँ केवल जुर्माना विवाद में हो, न्यायाधिकरण के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Tribunal on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.

BRIEF FACTS OF THE CASE:-

Intelligence was developed by DRI, Noida Regional Unit that M/s GRD Industries having IEC No. 0517531836 and address UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057, a proprietorship firm of Shri Harjeet Singh, has imported PVC Resin without payment of duty under Advance Authorisation Scheme during the period July 2017 to April 2018 and has diverted the duty free material in domestic market instead of using it in manufacture of export goods.

2. Intelligence was further developed, which revealed that five more partnership firms having Shri Harjeet Singh and Shri Bhupinder Singh as Partners have also imported PVC Resin without payment of customs duty under Advance Authorisation Scheme. As per analysis of import/export data, quantity imported and duty saved by these firms during the period from July 2017 to August 2018, emerged to be as under:-

S. No.	Name of Firm with address and IEC No.	Quantity of goods imported (MT)	Value of Goods imported (INR)	Duty foregone (INR)
1	GRD Industries (IEC No.0517531836), UG-17, Vishwasadan, District Centre, Janakpuri,-110058	1164.00	66007741	20893683
2	Victory Polytubes (IEC No.AAPFV8439B), UG-17, Vishwasadan, District Centre, Janakpuri,-110058	1513.00	96200835	35837064
3	Almighty Mukan Udhyog (IEC No.0517543672), UG-17,Vishwasadan, District Centre, Janakpuri, New Delhi-110058	813.20	48645053	17277081
4	Taurus Industries (IEC No.AANFT1366M), 1690, Manakpura, Karol Bagh, Delhi	221.00	14837824	4934125
5	Zidiac Pipes & Fittings (IEC No.AACFZ0064B), UG-17,Vishwasadan, District Centre, Janakpuri, New Delhi-110058	232.50	14650659	5354375
6	Galvin Pipes (IEC No.AARFG3100C), 1690, Manakpura, Karol Bagh, Delhi	765.98	47560303	17976502
	Total	4709.68	287902415	102272830

However, no export under Advance Authorisation Scheme by these importer firms was noticed.

3. Searches were attempted at the declared addresses as well Branch addresses of the above said firms. None of the above said firms were found to be existent/working at the declared address. The outcome of searches at the declared premises of the above said firms are as under-

- i. **Premises at UG-17, Vishwasadan Building, District Centre, Janakpuri, New Delhi-110058**- This address was declared as the IEC address of four firms namely **M/s GRD Industries, M/s Almighty Muskan Udyog, M/s Victory Polytubes and M/s Zidiac Pipes& Fittings**. Search was attempted on 08.09.2018. The said premises was found closed, none of these firms was found operating from the said premises. Enquiries from neighbours revealed that said premises/shop was closed since last three months.
- ii. **Kh. No.43/11/2, Min3-1/4, Ghuman Nagar-B, Sarhind Bypass Road, Patiala, Punjab**- This premises was declared as the Branch address of **M/s GRD Industries**. Search was attempted on 20.09.2018 but could not be conducted as no such address was found, which was also confirmed by the local Postman.
- iii. **Kh. No.52/61/63, Min26/51/63, Ghuman Nagar-B, Patiala, Punjab**-This premises was declared as the Branch address of **M/s Victory Polytubes**. Search was attempted on 20.09.2018 but could not be conducted as no such address was found, which was also confirmed by the local Postman.
- iv. **Plot No.192/362/51, Min63/21/32, Sarhind Bypass Road, Patiala, Punjab**- This premises was declared as the Branch address of **M/s Zidiac Pipes & Fittings**. Search was attempted on 20.09.2018 but could not be conducted as no such address was found, which was also confirmed by the local Postman.
- v. **Premises at 10690, KatraChajju Pandit, Manakpura, Karol Bagh, Delhi-110005**- This address was declared as the IEC address of two firms namely **M/s Taurus Industries** and **M/s Galvin Pipes**. Search was attempted but it was informed by the landlord that Mr. Harjeet Singh was a tenant at this premises which was being used for residential purposes and that Mr. Harjeet Singh left the premises about two years ago.
- vi. **Plot No.450/11, Focal Point Industrial Area, Ludhiana**-This premises was declared as the Branch address of **M/s Taurus Industries**. Search was attempted on 13.11.2018 but could not be conducted as no such address was found.
- vii. **Plot No.450, Focal Point Industrial Area, Ludhiana**-This premises was declared as the Branch address of **M/s Galvin Pipes**. Search was attempted on 07.11.2019 but could not be conducted as no such address was found.

Proceedings conducted/attempted at these addresses has been recorded in Panchnama drawn on spot/or visit reports/and has been annexed as RUD-1 collectively.

4. Apart from searches at the declared IEC addresses, visits/attempts to search the residential addresses of the partners namely Shri Harjeet Singh and Shri Bhupinder Singh were made, outcome of which was as under:-

- i. **Premises at 16/14, First Floor, Tilak Nagar, Delhi- 110018-** This premises was declared as residential address of Mr. Harjeet Singh, Proprietor of GRD Industries and partner in remaining five firms. Search was attempted on 24.09.2018, however could not be conducted as Mr. Harjeet Singh left this address around 3 years ago which was confirmed by the landlord of the said premises.
- ii. **Premises at WZ-1, Block-A, Hind Nagar, Tilak Nagar, New Delhi-110018 -**This premises was declared as residential address of Mr. Bhupinder Singh, Partner in above referred five firms. Search was attempted on 24.09.2018 but could not be conducted as no such person was found at the said address.

Proceedings conducted/attempted at these addresses have been recorded in Panchnama drawn on spot and annexed as RUD-2 collectively.

5. Documents were sought from Customs, DGFT and CHAs and received from them. On the basis of the documents procured, following position of imports by these firms under advance authorization scheme emerged:-

1. GRD INDUSTRIES (IEC No.-0517531836)									
S No .	BE No.	BE DATE	ITEM DESCRIPTION	QTY (MTS)	ASSVALUE (INR)	DUTY FORGONE (INR)	LICENSE NUMBER	LICENSE DATE	PORT OF IMPORT
1	2414599	12.07.2017	PVC RESIN	160.00	8915021	2242857	510403237	28.06.2017	INTKD6
2	2433234	13.07.2017	PVC RESIN	160.00	8915021	2242857	510403272	29.06.2017	INTKD6
3	3789335	28.10.2017	PVC RESIN	123.75	7428695	2014328	510403455 510404363	20.07.2017 25.10.2017	INTKD6
4	4478292	20.12.2017	PVC RESIN	154.50	8720011	3452694	510404363	25.10.2017	INTKD6
5	4719799	08.01.2018	PVC RESIN	75.25	4140142	1645349	510404780	07.12.2017	INTKD6
			PVC RESIN	79.25	4360216	1732810	510405153	29.12.2017	INTKD6
6	5240909	16.02.2018	PVC RESIN	88.75	5168383	2053304	510405153	29.12.2017	INTKD6
			PVC	65.75	382897	152118	5104055	05.02.20	INTKD

			RESIN		1	0	32	18	6
7	6136346	26.04.2018	PVC RESIN	102.25	6056227	2414207	510405532	05.02.2018	INTKD6
			TOTAL	1009.5	57532687	19319586			
8	2637962	28.07.2017	PVC RESIN	154.50	8475054	1574097	510403455	20.07.2017	INLON6
			G.TOTAL	1164	66007741	20893683			

2. VICTORY POLYTUBES (IEC No.-AAPFV8439B)

S N o.	BE No.	BE DATE	ITEM DESCRIPTI ON	QTY (MTS)	ASSVAL UE (INR)	DUTY FORGO NE (INR)	LICENC E NUMBE R	LICENC E DATE	PORT OF IMPO RT
1	5499116	08.03.2018	PVC RESIN	145.00	8766854	3462294	510405525	05.02.2018	INTKD6
2	5497398	08.03.2018	PVC RESIN	154.50	9354196	3694253	510405525	05.02.2018	INTKD6
3	6746404	11.06.2018	PVC RESIN	257.50	15926032	6170075	510406529	21.05.2018	INTKD6
			TOTAL	557	34047082	13326622			
4	6355149	12.05.2018	PVC RESIN	515.00	32116212	12651304	510405525	05.02.2018	INMUN1
5	6980809	27.06.2018	PVC RESIN	306.00	20788906	7294029	510406529	21.05.2018	INMUN1
			TOTAL	821	52905118	19945333			
6	6446275	19.05.2018	PVC RESIN	135.00	9248635	2565109	510406042	03.04.2018	INNSA1
			G. TOTAL	1513.00	96200835	35837064			

3. ALMIGHTY MUSKAN UDYOG (IEC - 0517543672)

S N	BE No.	BE DATE	ITEM DESCRIP	QTY (MT	ASSVA LUE	DUTY FORG	LICEN CE	LICEN CE	POR T OF
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o.			TION	S)	(INR)	ONE (INR)	NUMB ER	DATE	IMPO RT
1	4167 309	27.11. 2017	PVC RESIN	148. 50	94303 13	25570 77	51040 3459	20.07. 2017	INTK D6
2	4255 529	04.12. 2017	PVC RESIN	99.0 0	58732 39	15925 58	51040 4361	24.10. 2017	INTK D6
3	4555 617	26.12. 2017	PVC RESIN	154. 50	90821 01	35425 57	51040 4819	08.12. 2017	INTK D6
4	4611 395	29.12. 2017	PVC RESIN	61.0 0	34444 81	13603 56	51040 4361	24.10. 2017	INTK D6
				93.5 0	52796 55	20851 36	51040 5169	29.12. 2017	INTK D6
5	5448 415	05.03. 2018	PVC RESIN	206. 00	12472 260	49256 70	51040 5169	29.12. 2017	INTK D6
							51040 5545	06.02. 2018	
6	6153 448	27.04. 2018	PVC RESIN	50.7 0	30630 04	12137 27	51040 3459	20.07. 2017	INTK D6
							51040 4819	08.12. 2017	
							51040 5545	06.02. 2018	
			TOTAL	813. 20	48645 053	17277 081			

4. TAURUS INDUSTRIES

(IEC- AANFT1366M)

S No.	BE No.	BE DATE	ITEM DESCRIPTION	QTY (MT S)	ASSV ALUE (INR)	DUT Y FOR GON E (INR)	LICE NCE NUM BER	LICENC E DATE	POR T OF IMP ORT

1	642 139 2	17.05 .2018	PVC RESIN	119. 00	8033 544	2546 765	5104 0603 4	03.04.20 18	INL ON6
2	687 505 8	20.06 .2018	PVC RESIN	102. 00	6804 280	2387 360	5104 0652 1	18.05.20 18	INM UN1
			TOTAL	221	1483 7824	4934 125			

5. ZIDIAC PIPES AND FITTINGS (IEC-
AACFZ0064B)

S No.	BE No.	BE DATE	ITEM DESC RIPTI ON	QTY (MT S)	ASSV ALUE (INR)	DUT Y FOR GON E (INR)	LICE NCE NUM BER	LICE NCE DATE	PO RT OF IM PO RT
1	5447 099	05.03. 2018	PVC RESIN	154. 50	9354 196	3694 252	5104 0553 9	06.02 .2018	INT KD 6
2	7642 653	14.08. 2018	PVC RESIN	78.0 0	5296 463	1660 123	5104 0654 2	21.0 5.201 8	IN MU N1
			TOTAL	232. 50	1465 0659	5354 375			

6.M/S GALVIN PIPES
(IEC No.- AARFG3100C)

S N o.	BE No.	BE DATE	ITEM DESCRIP TION	QTY (MT S)	ASSVA LUE (INR)	DUTY FORG ONE (INR)	LICEN CE NUMB ER	LICEN CE DATE	POR T OF IMPO RT
1	5689 792	22.03. 2018	PVC RESIN	104. 48	64723 34	25355 07	51040 5787	06.03. 2018	INTK D6
2	7324 255	23.07. 2018	PVC RESIN	247. 50	16608 686	46064 19	51040 6637	28.05. 2018	INTK D6

			TOTAL	351.98	23081020	7141926			
3	6051837	19.04.2018	PVC RESIN	206.00	12780696	5006778	510405787 510405946	06.03.2018 31.03.2018	INMUN1
4	5693116	22.03.2018	PVC RESIN	208.00	11698587	5827798	510405787	06.03.2018	INMUN1
			TOTAL	414.00	24479283	10834576			
			G. TOTAL	765.98	47560303	17976502			

Total position of import and duty saved by aforesaid six firms is tabulated below:-

S. No.	Name of Firm	Quantity of goods imported (MT)	Value of Goods imported (INR)	Duty foregone (INR)
1	GRD Industries	1164.00	66007741	20893683
2	Victory Polytubes	1513.00	96200835	35837064
3	Almighty Muskan Udhyog	813.20	48645053	17277081
4	Taurus Industries	221.00	14837824	4934125
5	Zidiac Pipes	232.50	14650659	5354375
6	Galvin Pipes	765.98	47560303	17976502
	Total	4709.68	287902415	102272830

Documents received from Customs/DGFT are collectively annexed as **RUD-3**.

6. The above six firms availed the benefit of exemption extended to them by Notification No.18/2015-Cus Dated 01.04.2015, as amended, and they did not pay any Customs duty on such input materials at the time of import on condition of using those materials for manufacture of export goods. The intelligence indicated that all six firms mentioned above did not fulfill their export obligation and diverted the imported material in domestic market. It also emerged that the importer firms despite having failed to fulfill

export obligation (EO) did not pay the differential amount of Customs duty as stipulated under Notification No.18/2015-Cus dated 01.04.2015, as amended.

7. As tabulated below, repeated summons were issued to Mr. Harjeet Singh and Mr. Bhupinder Singh, the two partners of the above said five firms but neither Harjeet Singh nor Bhupinder Singh turned up before the DRI Noida in compliance of the summons. (Copy of summons are annexed as **(RUD-4)**).

Date of summon	Date of appearance	Issued to	Mode of service	Remarks
24.09.2018	01.10.2018	Harjeet Singh & Bhupinder Singh	By pasting on IEC address	
03.10.2018	15.10.2018	Harjeet Singh & Bhupinder Singh	Speed Post at residential address on IEC	Returned undelivered
26.11.2018	07.12.2018	Harjeet Singh & Bhupinder Singh	By pasting on IEC address	
15.01.2019	21.01.2019	Harjeet Singh & Bhupinder Singh	Served upon to CHA	
11.07.2019	23.07.2019	Harjeet Singh & Bhupinder Singh	By pasting on IEC address	
20.01.2020	03.02.2020	Harjeet Singh & Bhupinder Singh	By pasting on IEC address	
26.02.2021	03.03.2021	Harjeet Singh & Bhupinder Singh	By Email	

8. The import documents revealed that CHA services have been provided to these importer firms by the following Customs Brokers:-

- i. M/s Skyking (I)Tours &Travels
- ii. M/s Hemjyot Agency
- iii. M/s A D Mehta Clearing Agency

Accordingly summons were issued to these CHA firms.

9. Statement of Shri Vishal Yadav appearing on behalf of CHA M/s Skyking (I)Tours & Travels was recorded on 15.01.2019 (**RUD-5**) under Section 108 of the Customs Act, 1962, wherein he inter-alia stated that:-

- M/s Skyking (I) Tours & Travels is engaged in the Clearing and Forwarding services as CHA since 1992. Shri Hari Kishan Yadav is Proprietor of this CHA firm;
- Shri Hari Kishan Yadav is his paternal uncle;
- He is G-Card holder in M/s Skyking (I)Tours & Travels;
- His work profile is to manage the clearance & coordination with the clients regarding the clearance and import shipments from ICDs;
- This firm mainly looks after the clearance work of PVC Resin, Polymers, SS Scrap, Shredded Steel Scrap, Ferro Nickel, MDF Boards, etc.;
- They have provided CHA services to GRD Industries (IEC No.0517531836), Victory Polytubes (IEC No.AAPFV8439B), Almighty Muskan Udhyog (IEC No.0517543672), Zidiac Pipes & Fittings (IEC No.AACFZ0064B), and Taurus Industries (IEC No.AANFT1366M);
- Mr. Harjeet Singh contacted him for the clearance work of these five firms; he informed him that he (Harjeet) is the partner in these firms and also deals for the import/export related activities of these firms. They have received KYC documents in respect of all these firms.

10. Statement of Shri Devang Mehta, appearing on behalf of CHA M/s A D Mehta Clearing Agency was recorded on 12.02.2020 (**RUD-6**) under Section 108 of the Customs Act, 1962, wherein he inter-alia stated that:-

- CHA firm M/s A D Mehta Clearing Agency was started in 2011; they have clients in Manufacturing Sector and SEZ;
- On being asked about Galvin Pipes, he stated that Shri Krishan Bansal and Minesh Shah visited their office for FTWZ in SEZ; they introduced OSR Overseas as their sister concern and gave number of Vishal Yadav to be contacted for clearance. Email was received from OSR Overseas requesting to clear goods in name of M/s Galvin Pipes on HSS basis;
- Mr. Vishal had sent Email from OSR Overseas on 14.03.2018 and informed shipment will be cleared under Advance License to Galvin Pipes; KYC was provided in Scan by OSR Overseas; he submitted the printout of Email and KYC of OSR Overseas and Galvin Pipes;
- 208MT PVC Resin was cleared under Advance License.
- Mr. Vishal Yadav provided transport and gave details of Truck Numbers to their office.
- No person was present for clearance on behalf of M/s Galvin Pipes. Mr. Vishal Yadav of OSR Overseas was in communication with their office;

- M/s OSR Overseas has paid all the charges to their company's HDFC Bank account;
- He has not met Mr. Vishal Yadav; he has never met with any of the partner of M/s Galvin Pipes nor have any conversation with them.

11. CHA M/s Hemjyot Agencies vide letter dated 04.03.2020 (**RUD-7**), in compliance of the Summons issued on 17.02.2020 for appearance on 27.02.2020, submitted the desired documents. Vide this letter M/s Hemjyot Agencies submitted that they have not met Harjeet Singh of M/s Galvin Pipes; the clearances related to M/s Galvin Pipes were undertaken by him on the instructions of High Sea Supplier i.e. M/s OSR Overseas. Charges of his services were also paid by M/s OSR Overseas through NEFT/RTGS; he submitted ledger for the same.

12. A Statement of Shri Vishal Yadav was also recorded on 04.11.2020 (**RUD-8**) in another case related to diversion of duty free PVC Resin under Section 108 of the Customs Act, 1962. Since the role of Krishan Bansal has emerged in the instant case, submissions made by Shri Vishal Yadav in the above statement dated 04.11.2020 appears relevant to this case also and are therefore mentioned below:-

- He is partner of M/s OSR Overseas which is engaged in import of PVC Resin, Polyester Chips and Calcium Carbonate;
- He is Director of M/s OSR Express Cargo Pvt. Ltd.(Transport firm), Partner of M/s OSR Logistics (Transport Firm), Director of M/s SSS Profound Solutions Pvt. Ltd. (Transport firm), Partner of M/s OSR Overseas (Trading firm), Proprietor of OSR Forwarders (CHA firm) and indirectly associated with M/s Skyking (I) Tours and Travels (CHA firm). Except OSR Forwarders, all the firms have been closed;
- OSR Overseas is a trading firm established by him in 2011. There was no import during 2011 to 2017. They started import of calcium in this firm in 2017, then polyester chips and PVC Resin. They have sold PVC Resin in domestic market and some of the shipments have been sold on High Sea Sale basis;
- They have sold PVC Resin on HSS to M/s A M Vinyl Pvt. Ltd., Bhiwadi, M/s Victory Polytubes, New Delhi and M/s Galvin Pipes, New Delhi;
- On being asked how he came into business of PVC Resin, he stated that he was having need of increased OD limit in Bank for import of polyester chips and calcium carbonate for which Shri Krishan Bansal of M/s Salasar Impex Limited who was his client in CHA/Transportation at that time offered him to import his(Bansal's) PVC Resin in the name of his(Vishal) firm M/s OSR Overseas; Bansal also introduced him to the RM of Deutsche Bank Connaught Place for increase his OD Limit on turnover basis; the PVC Resin imported through M/s OSR Overseas was sold to M/s Salasar Impex Ltd., which was duty paid; the PVC Resin sold by M/s OSR Overseas to M/s A M Vinyl Pvt. Ltd., Bhiwadi, M/s Victory Polytubes, New Delhi and M/s Galvin Pipes, New Delhi, was also imported for Mr. Krishan Bansal and was sold to these companies on HSS on his (Bansal's) directions;

- They have received RTGS from M/s Salasar Impex Limited or M/s Gauri Shankar Overseas Pvt. Ltd., for making the foreign payment of the suppliers and the material has been sold on HSS to other importers/manufacturers as per instructions of Shri Krishan Bansal; after the material clearance from Customs, the payments had been received from the high sea sale buyers to the account of M/s OSR Overseas and then RTGS/Funds has been returned to Salasar Impex Limited/Gauri Shankar Overseas Pvt. Ltd., as per their instructions to clear bank entries;
- He has never interacted with the foreign suppliers of PVC Resin nor he has contacted telephonically with them, however he has sent confirmation mails to the suppliers on the email ID (Provided by Shri Krishan Bansal) after making remittances. For making remittances against purchase of PVC Resin, the proforma invoices were shared by Shri Krishan Bansal either on whatsapp or personally;

13. The Bonds submitted to Customs for duty free import under Notification No. 18/2015-Cus dated 01.04.2015 by four firms namely Victory Polyubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings and Taurus Industries having Shri Harjeet Singh and Shri Bhupinder Singh as Partners, revealed that Mr. Gourav (Employee of Shri Vishal Yadav) has signed as a witness on these Bonds. Accordingly, his statement was recorded on 29.01.2021(**RUD-9**) under Section 108 of the Customs Act, 1962, wherein, he inter-alia, stated that:

- Apart from being authorized signatories in companies for Shri Krishan Bansal, he has also signed on papers like Bonds as witness related to some other companies;
- He identified his signatures and photographs affixed on these Bonds;
- Victory Polytubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings and Taurus Industries are firms of Harjeet Singh, who was introduced to him by Shri Krishan Bansal of M/s Salasar Impex Limited; he doesn't know the partner of Harjeet Singh in these firms;
- He knows Shri Harjeet Singh since 2018 through Shri Krishan Bansal. He (Gourav) was made partner in A M Vinyl and A K Enterprises with Harjeet Singh by Shri Krishan Bansal. He always met Shri Harjeet Singh in the office of Shri Krishan Bansal;
- He did not get anything from Harjeet Singh for signing these Bonds as witness;
- He doesn't know the present address of Harjeet Singh as he always met him(Harjeet) at public place;

14. Another Statement of Shri Vishal Yadav was also recorded on 02.02.2021(**RUD-10**) under Section 108 of the Customs Act, 1962, wherein he inter-alia stated that:-

- The firm M/s Skyking (I) Tours and Travels is a CHA firm from 1992 owned by Late Shri Hari Kishan Ji (proprietor). He is working as Marketing Manager from

2005 to 2019 and procure the business from the market and deals with clients for the day to day updates of their shipments. Shri Hari Kishan was his uncle;

- Harjeet Singh was introduced to him by Shri Krishan Bansal Director of M/s Salasar Impex Limited. He was introduced to Harjeet Singh at his office for the clearance of import shipments related to GRD Industries (IEC No.0517531836), Victory Polytubes (IEC No.AAPFV8439B), Almighty Muskan Udhyog (IEC No.0517543672), Zidiac Pipes& Fittings (IEC No.AACFZ0064B), and Taurus Industries (IEC No.AANFT1366M). Initially Harjeet Singh asked him for custom clearance work of M/s GRD Industries which was his proprietorship firm. After that other firms were introduced to him by Harjeet Singh. As per KYC documents of other firms, Harjeet Singh was Partner in these firms with Shri Bhupinder Singh.
- He has met Harjeet Singh 2-3 times at Krishan Bansal's old office in Onkar Nagar, Trinagar, Delhi and 3-4 times at his office which was at Rajouri Garden, New Delhi. He has not met Bhupinder Singh.
- M/s Skyking (I) Tours & Travels has obtained the following KYC documents in respect of the firms related to Shri Harjeet Singh:-
 1. Aadhar Card
 2. PAN Card
 3. IEC Code
 4. GST registration certificate
 5. Authorisation letter
 6. Cancelled cheque
- Neither he nor his any of employee has visited manufacturing addresses of these firms;
- He has not provided transport services to any of the firm related to Shri Harjeet Singh, however he has provided CHA services to M/s Galvin Pipes in addition to the firms mentioned above. He has done KYC verification of M/s Galvin Pipes;
- The PVC Resin imported by M/s OSR Overseas was imported for Shri Krishan Bansal and sold on high sea sale basis to the firms of Shri Harjeet Singh and M/s A M Vinyl Pvt. Ltd.,

15. Summons were issued on 02.02.2021 to transporters namely Aman Transport Co. and Mehta Cargo Movers for appearance on 03.02.2021 and handed over to Shri Vishal Yadav for service to the transporters. Shri Vishal Yadav appeared on 12.02.2021 **(RUD-11)** and apart from submitting three sheets having details like name of importer, BE NO., Container No., Vehicle No., Place of dispatch and name of transporter tendered his statement under Section 108 of the Customs Act, 1962, wherein on being asked about the delivery of summons issued to the transporters and handed over him for service, he stated that;

- he has handed over these summons to the transporters on 03.02.2021, however both of them (Aman Transport and Mehta Transport) have shown their inability to appear at DRI office, instead they have given him letters dated 03.02.2021 alongwith the photocopy of GRs.
- He also submitted photocopies of GR's of another transporter M/s Swaminarayan Transport alongwith letter dated 03.02.2021;
- on being asked why the GRs submitted by him bear name of M/s Skyking (I) Tour & Travels as Consignor, he stated that in case of import consignments, transporter always mention name of the CHA as consignor on GRs for the clearance done from ICDs;
- on being asked where the goods transported by these transporters were unloaded as none of the importer had factory in Sanjay Gandhi Transport Nagar, he stated that he does not know where these goods were unloaded as he was not concerned with the transportation of the goods.

16. Letter submitted by Aman Transport **(RUD-12)** mentioned container numbers and name of Importer stating there in that these containers were unloaded in godowns of Salasar Impex and Gaurishankar overseas at Khera Kalan Delhi. On being correlated with the container numbers mentioned on the Bills of entry filed by the importers named in this letter, it has emerged that these containers were cleared under authorization scheme against following Bills of entry:-

CONTAINER NO.	BILL OF ENTRY NO/DATE	NAME OF IMPORTER
GAOU6026467	7324255/23.07.2018	GALVIN PIPES
PMLU9016907	7324255/23.07.2018	GALVIN PIPES
DAYU6109682	6746404/11.06.2018	VICTORY POLYTUBES
MSKU1992380	6746404/11.06.2018	VICTORY POLYTUBES
PONU8175947	6746404/11.06.2018	VICTORY POLYTUBES
UESU4616008	6746404/11.06.2018	VICTORY POLYTUBES
BMOU5204539	6136346/26.11.2018	GRD INDUSTRIES
DFSU6490315	6136346/26.11.2018	GRD INDUSTRIES
HDMU6834487	6136346/26.11.2018	GRD INDUSTRIES
CZZU6430050	5240909/16.02.2018	GRD INDUSTRIES
KMTU9254257	4611395/29.12.2017	ALMIGHTY MUSKAN UDHYOG

TEMU6521362	4611395/29.12.2017	ALMIGHTY MUSKAN UDHYOG
TEMU7220213	4611395/29.12.2017	ALMIGHTY MUSKAN UDHYOG
UETU5451713	4611395/29.12.2017	ALMIGHTY MUSKAN UDHYOG

17. Letter submitted by Swaminarayan Transport **(RUD-13)** mentioned that it has transported following consignments of duty free PVC Resin imported by GRD Industries, Almighty Muskan Udhyog and Galvin Pipes. This transporter, in this letter too, it is stated that the material was unloaded at the godowns of Salasar Impex and Gaurishankar Overseas in Khera Kalan, Delhi. On being correlated with the container numbers mentioned on the Bills of entry filed by the importers named in this letter, it has emerged that these containers were cleared under authorization scheme against following Bills of entry:-

CONTAINER NO.	BILL OF ENTRY NO/DATE	NAME OF IMPORTER
TCNU7976448	7324255/23.07.2018	GALVIN PIPES
TCNU8174344	7324255/23.07.2018	GALVIN PIPES
TCNU8210842	7324255/23.07.2018	GALVIN PIPES
TCNU9033019	7324255/23.07.2018	GALVIN PIPES
HDMU6675786	6136346/26.11.2018	GRD INDUSTRIES
ESPU8042207	5240909/16.02.2018	GRD INDUSTRIES
FCIU8138594	5240909/16.02.2018	GRD INDUSTRIES
BMOU6228957	4717799/08.01.2018	GRD INDUSTRIES
BMOU6261317	4717799/08.01.2018	GRD INDUSTRIES
CLHU8996390	4167309/27.11.2017	ALMIGHTY MUSKAN UDHYOG
GATU8200935	4167309/27.11.2017	ALMIGHTY MUSKAN UDHYOG
HLBU1706418	4167309/27.11.2017	ALMIGHTY MUSKAN UDHYOG

UACU5602076	4167309/27.11.2017	ALMIGHTY MUSKAN UDHYOG
UACU5614837	4167309/27.11.2017	ALMIGHTY MUSKAN UDHYOG
UACU5912913	4167309/27.11.2017	ALMIGHTY MUSKAN UDHYOG
ZCSU2588824	4555617/26.12.2017	ALMIGHTY MUSKAN UDHYOG
ZCSU2606701	4555617/26.12.2017	ALMIGHTY MUSKAN UDHYOG
ZCSU2615806	4555617/26.12.2017	ALMIGHTY MUSKAN UDHYOG
ZCSU2682553	4555617/26.12.2017	ALMIGHTY MUSKAN UDHYOG
ZCSU2750365	4555617/26.12.2017	ALMIGHTY MUSKAN UDHYOG
ZCSU2785947	4555617/26.12.2017	ALMIGHTY MUSKAN UDHYOG
BMOU6361419	4478292/20.12.2017	GRD INDUSTRIES
BMOU6815912	4478292/20.12.2017	GRD INDUSTRIES
CRSU9315509	4478292/20.12.2017	GRD INDUSTRIES
KMTU9304738	4478292/20.12.2017	GRD INDUSTRIES
TCNU7313189	4478292/20.12.2017	GRD INDUSTRIES
TEMU6647108	4478292/20.12.2017	GRD INDUSTRIES
TCNU6041240	3789335/26.10.2017	GRD INDUSTRIES
TCNU6051145	3789335/26.10.2017	GRD INDUSTRIES
CMAU8073950	2414599/12.07.2017	GRD INDUSTRIES
CMAU8247223	2414599/12.07.2017	GRD INDUSTRIES
BAXU5050959	4255529/04.12.2017	ALMIGHTY MUSKAN UDHYOG

BAXU5058923	4255529/04.12.2017	ALMIGHTY MUSKAN UDHYOG
BAXU5064417	4255529/04.12.2017	ALMIGHTY MUSKAN UDHYOG
BAXU5064823	4255529/04.12.2017	ALMIGHTY MUSKAN UDHYOG
CRSU9314647	4611395/29.12.2017	ALMIGHTY MUSKAN UDHYOG
KMTU9286233	4611395/29.12.2017	ALMIGHTY MUSKAN UDHYOG
APZU4570470	2433234/13.07.2017	GRD INDUSTRIES
APZU4784487	2433234/13.07.2017	GRD INDUSTRIES
FSCU4626882	2433234/13.07.2017	GRD INDUSTRIES

18. Letter submitted by Mehta Cargo Movers (**RUD-14**) reflect that it has transported three containers in June 2018 which were unloaded in godowns of M/s Salasar Impex and M/s Gaurishankar Overseas. On being correlated with the container numbers mentioned on the Bills of entry filed by the importers named in this letter, it has emerged that these containers were cleared under authorization scheme against following Bills of entry:-

CONTAINER NO.	BILL OF ENTRY NO/DATE	NAME OF IMPORTER
MSKU4555612	6746404/11.06.2018	VICTORY POLYTUBES
MSKU8878894	6746404/11.06.2018	VICTORY POLYTUBES
MSKU9408811	6746404/11.06.2018	VICTORY POLYTUBES

- a. A statement of Shri Ashwani Kumar, Proprietor of M/s Aman Transport was recorded on 22.03.2021 (**RUD-15**) wherein, he inter-alia stated that Aman Transport is a Proprietorship firm started in 2002-03; he gives vehicles on rent to other transporters through this firm; there is no direct billing to any party in this firm; they have not printed any Bilty/GR Book for this firm; the letter head of Aman Transport reportedly provided to DRI by Shri Vishal Yadav does not belong to him; the details like Mob Number and address are incorrect and does not belong to his company; similarly round stamp affixed on letterhead does not belongs to him; the vehicles numbers given on this letter head belongs to him; these vehicles were given on rent to the firms/companies of Shri Vishal Yadav

namely M/s OSR Logistics and M/s SSS Profound Solution; he submitted a sheet mentioning locations where the goods transported by his trucks were unloaded; these locations are Khera Kalan and Bawana Delhi.

- b. Statement of Mr. Shashank Mehta Prop of M/s Mehta Cargo Movers was recorded on 31.03.2021 (**RUD-16**) under Section 108 of the Customs Act, 1962, wherein he stated that letter dated 03.02.2021 was given to Shri Vishal Yadav of M/s OSR Logistics; the material transported by his company was dispatched at Khera Kalan & Bawana; on being shown GRs, he stated that these GRs does not belongs to his firm; These trucks were given on rent to Shri Vishal Yadav; he knows Vishal Yadav since last 11 years.
- c. Efforts were made to trace M/s Swaminarayan Transport, Dharamvir Market, Office No. 7, MB Road, Lal Kuan, New Delhi, however no such firm was found existing at this address. Accordingly, the details of owners of vehicles mentioned in the list provided by Shri Vishal Yadav in respect of M/s Swaminarayan Transport, were downloaded from www.vahan.parivahan.gov.in(**RUD-17 collectively**), which revealed that all the trucks mentioned in this list were owned by firms/companies of Shri Vishal Yadav namely, M/s OSR Logistics, M/s SSS Profound Solutions Pvt. Ltd and Vishal Yadav himself.

20. Information about owners of truck numbers mentioned in the letter of M/s Swaminarayan Transport was downloaded from www.vahan.parivahan.gov.in, which revealed that these trucks belongs to M/s SSS Profound Solutions Pvt. Ltd and M/s OSR Logistics owned by Shri Vishal Yadav. Accordingly, another Statement of Shri Vishal Yadav was recorded on 26.03.2021(**RUD-18**) under Section 108 of the Customs Act, 1962, wherein he inter-alia stated that:-

- His job responsibilities in M/s Skyking (I) Tour & Travels, are coordination with clients which includes the collection of documents for filing the Bill of Entry for clearance of shipments, collection of Shipping line payments, collection of delivery order from the shipping line, informing then the customs duty etc, for the payment to the customs and arranging the delivery of the material through the transporters to then as well as in case of clearances from the ports.
- He has visited the office premises of M/s GRD Industries, Victory Polytubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings, Taurus Industries, M/s Aggrasen Industries and Jammu Udhyog and Galvin Pipes but never visited their factory premises.
- He has interacted with Mr. Harjeet Singh in relation to the import clearances of M/s GRD Industries, Victory Polytubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings, Taurus Industries, and Galvin Pipes, with Shri K K Gupta for M/s Aggrasen Industries and in Jammu Udhyog with Mr. Himanshu Chopra of M/s A M Vinyl Pvt. Ltd, Bhiwadi, Rajasthan.
- He has done KYC verification of these firms/companies.

- He has not directly provided transportation services to these firms/companies, however they arranged local transporters for these companies except M/s Jammu Udhyog;
- He has interacted with Mr. Harjeet Singh and Mr. Parth Dodeja in relation to transport of goods imported by M/s GRD Industries, Victory Poly tubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings, Taurus Industries, and Galvin Pipes and with Mr. Mumtaj & Mr. Himanshu Chopra in relation to goods imported by M/s Jammu Udhyog;
- He does not know where the goods were unloaded by the transporters, however as per the bills raised by these transporters to his firms OSR Logistics and M/s SSS Profound Solutions Pvt. Ltd, the goods were transported to Sanjay Gandhi Transport Nagar/Local Delhi;
- On being shown the printouts downloaded from www.vahan.parivahan.gov.in, in respect of vehicles numbers mentioned in the letter of M/s Swaminarayan Transport Company, he stated that these 10 trucks were given on monthly rent of Rs. 60000/ per truck during the period from January 2017 to December 2018. No formal agreement was made with M/s Swaminarayan Transport as the payment was given by them in cash.
- He was taking services of M/s Aman Transport since 2010-2011 for transportation of containers from ICD TKD to local Delhi/New Delhi; there was a dispute in 2019 with them regarding detention charges of the shipping line deducted from their transportation charges bill due to accident. The containers mentioned in their letter dated 03.02.2021 were transported by them which is evident from the GRs of M/s Aman Transport submitted by him during his statement on 12.02.2021.
- On being asked about address, contact number, email id of M/s Swaminarayan, he stated that he has not visited M/s Swaminarayan Transport company and therefore he does not have these details.
- On being asked when de does not have any details of M/s Swaminarayan Transport Company, how he get letter dated 03.02.2021 from them and how he stated that he has given 10trucks on rent of Rs. 60000/ per month per truck, he stated that letter dated 03.02.2021 was prepared and printed in his office. His submission regarding renting of trucks to Swaminarayan Transport Co is incorrect.
- On being asked about GRs of M/s Swaminarayan Transport Co submitted by him on 12.02.2021 during his statement, he stated that they received GR books from Mr. Parth Dodeja of M/s Salasar Impex Limited with the instructions to use these GRs in case of transport of goods imported other than Salasar Impex Limited and Gaurishankar Overseas that is why he prepared the letter dated 03.02.2021 of M/s Swaminarayan Transport Co.;
- On being asked why the goods imported by these firms were transported to Khera Kalan/Bawana/Sanjay Gandhi Transport Nagar, he stated that it is common

practice in Delhi that importers file BE on the office address and unload the material in their warehouse located at other places at Delhi;

- He has received payment in cash from M/s Salasar Impex Limited against the transportation of goods on the GRs of M/s Swaminarayan Transport Co.

20.1 Enquiries conducted with CHA, High Sea Suppliers and Transporters revealed that most of the consignments were purchased on HSS basis from M/s OSR Overseas, M/s Salasar Impex (P) Ltd, M/s J P Overseas and M/s GRD Industries. Shri Vishal Yadav provided services of CHA through his uncle’s firm M/s Skyking (I) Tour & Travels and transported the material through the Trucks by the firms/companies owned by him. His company OSR Overseas was also High Sea Seller in 5 consignments. Bills of Entry wise details of Importer, HSS Seller, CHA and Transporter are tabulated below for ease of reference:-

1. M/s.GRD INDUSTRIES (IEC No.-0517531836)									
S N o.	BE No.	BE DATE	QTY (MTS)	ASSV ALUE (INR)	DUTY FORG ONE (INR)	Name of HSS seller	Name of CHA	Name of Transpo rter	POR T OF IMP ORT
1	2414 599	12.07. 2017	160.0 0	89150 21	22428 57	J P Overse as	Skykin g (I) Tour & Travel	--	INTK D6
2	2433 234	13.07. 2017	160.0 0	89150 21	22428 57	J P Overse as	Skykin g (I) Tour & Travel	Swamin arayan Transpo rt	INTK D6
3	3789 335	28.10. 2017	123.7 5	74286 95	20143 28	OSR Overse as	Skykin g (I) Tour & Travel	Swamin arayan Transpo rt	INTK D6
4	4478 292	20.12. 2017	154.5 0	87200 11	34526 94	--	Skykin g (I) Tour & Travel	Swamin arayan Transpo rt	INTK D6
5	4719 799	08.01. 2018	75.25	41401 42	16453 49	--	Skykin g (I) Tour & Travel	Swamin arayan Transpo rt	INTK D6
			79.25	43602 16	17328 10				

6	5240909	16.02.2018	88.75	5168383	2053304	--	Skyking (I) Tour & Travel	Aman Transport Swamin arayan Transport	INTK D6
			65.75	3828971	1521180	--			
7	6136346	26.04.2018	102.25	6056227	2414207	--	Skyking (I) Tour & Travel	Aman Transport, Swamin arayan Transport	INTK D6
		TOTAL	1009.5	57532687	19319586				
8	2637962	28.07.2017	154.50	8475054	1574097	--	Skyking (I) Tour & Travel	--	INLON6
		G.TOTAL	1164	66007741	20893683				

2. VICTORY POLYTUBES (IEC No.-AAPFV8439B)

S No .	BE No.	BE DATE	QTY (MTS)	ASSVALUE (INR)	DUTY FORGONE (INR)	Name of HSS seller	Name of CHA	Name of Transporter	POR T OF IMP ORT
1	5499116	08.03.2018	145.00	8766854	3462294	GRD Industries	Skyking (I) Tour & Travels	--	INTK D6

2	5497398	08.03.2018	154.50	9354196	3694253	GRD Industries	Skyking (I) Tour & Travels	--	INTK D6
3	6746404	11.06.2018	257.50	15926032	6170075	Shree Shyam Overseas LLP	Skyking (I) Tour & Travels	Aman Transport, Mehta Cargo Movers	INTK D6
		TOTAL	557	34047082	13326622				
4	6355149	12.05.2018	515.00	32116212	12651304	Salasar Impex (P) Ltd	Hemjyot Agency	--	INM UN1
5	6980809	27.06.2018	306.00	20788906	7294029	Salasar Impex (P) Ltd	Hemjyot Agency	--	INM UN1
		TOTAL	821	52905118	19945333				
6	6446275	19.05.2018	135.00	9248635	2565109	OSR Overseas	Venkatesh Agency	--	INNS A1
		G. TOTAL	1513.00	96200835	35837064				

3. M/s. ALMIGHTY MUSKAN UDYOG (IEC - 0517543672)

S N o.	BE No.	BE DATE	QTY (MT S)	ASSV ALUE (INR)	DUT Y FOR GON E (INR)	Name of HSS seller	Name of CHA	Name of Transporter	POR T OF IMPO RT
1	4167309	27.11.2017	148.50	9430313	2557077	OSR Overse	Skyking (I) Tour &	Swamina rayan	INTK D6

						as	Travels	Transpor t	
2	4255 529	04.12. 2017	99.0 0	58732 39	1592 558	GRD Indust ries	Skyking (I) Tour & Travels	Swamina rayan Transpor t	INTK D6
3	4555 617	26.12. 2017	154. 50	90821 01	3542 557	GRD Indust ries	Skyking (I) Tour & Travels	Swamina rayan Transpor t	INTK D6
4	4611 395	29.12. 2017	61.0 0	34444 81	1360 356	GRD Indust ries	Skyking (I) Tour & Travels	Aman Transpor t, Swamina rayan Transpor t	INTK D6
			93.5 0	52796 55	2085 136				INTK D6
5	5448 415	05.03. 2018	206. 00	12472 260	4925 670	GRD Indust ries	Skyking (I) Tour & Travels	--	INTK D6
6	6153 448	27.04. 2018	50.7 0	30630 04	1213 727	GRD Indust ries	Skyking (I) Tour & Travels	--	INTK D6
		TOTAL	813 .20	4864 5053	1727 7081				

4. M/s. TAURUS INDUSTRIES (IEC No.- AANFT1366M)

S No .	BE No.	BE DATE	QTY (MTS)	ASSV ALUE (INR)	DUT Y FOR GON E (INR)	Name of HSS seller	Name of CHA	Name of Transpo rter	POR T OF IMPO RT
1	6421 392	17.05. 2018	119. 00	8033 544	2546 765	Exim Incorpora	Skykin g (I)	--	INLO N6

						tion	Tour & Travels		
2	6875058	20.06.2018	102.00	6804280	2387360	Salasar Impex (P) Ltd	Hemjyot Agency	--	INMUN1
		TOTAL	221	14837824	4934125				

5. M/s. ZIDIAC PIPES AND FITTINGS (IEC-AACFZ0064B)

S No.	BE No.	BE DATE	QTY (MTS)	ASSV ALUE (INR)	DUTY FORG ONE (INR)	Name of HSS seller	Name of CHA	Name of Transp orter	PORT OF IMPO RT
1	5447099	05.03.2018	154.50	9354196	3694252	GRD Industries	Skyking (I) Tour & Travels	--	INTK D6
2	7642653	14.08.2018	78.00	5296463	1660123	Tricon Energy (I) Pvt. Ltd	Venkatesh Agency	--	INMUN1
		TOTAL	232.50	14650659	5354375				

6. M/S GALVIN PIPES (IEC No.- AARFG3100C)

S No.	BE No.	BE DATE	QTY (MTS)	ASSV ALUE (INR)	DUTY FORG ONE (INR)	Name of HSS seller	Name of CHA	Name of Transpor ter	POR T OF IMPO RT
1	5689792	22.03.2018	104.48	6472334	2535507	OSR Overseas	Skyking (I) Tour & Travels	--	INTK D6
2	7324255	23.07.2018	247.50	16608686	4606419	GRD Indust ries	Skyking (I) Tour &	Aman Transpor t,	INTK D6

							Travels	Swamina rayan	
		TOTAL	351	2308	7141				
		L	.98	1020	926				
3	6051 837	19.04. 2018	206. 00	12780 696	50067 78	OSR Overse as	Hemjyot Agency	--	INMU N1
4	5693 116	22.03. 2018	208. 00	11698 587	58277 98	OSR Overse as	A D Mehta	--	INMU N1
		TOTAL	414	2447	1083				
		L	.00	9283	4576				
		G.	765	4756	1797				
		TOTAL	.98	0303	6502				
		L							

20.2 From the above table, it is apparently clear that Shri Vishal Yadav played multiple roles in execution of this planned evasion of customs duty on import of PVC Resin under Advance Authorisation Scheme in the name of above referred firms. He was original importer in five cases, CHA in 21 consignments out of total 28 consignments. Entire PVC Resin imported at ICD Tughalakabad and ICD Loni was transported through him either in his own trucks (in case of Swaminarayan Transport) or by hiring trucks from other transporters in his companies namely OSR Logistics and SSS Profound Solution. The CHAs M/s Hemjyot Agency and M/s A D Mehta, who cleared PVC Resin from Mundra port, have also stated that these clearances were made for Shri Vishal Yadav and documents were received from Email account of his firm OSR Overseas.

21. Despite repeated summons, Shri Harjeet Singh and Shri Bhupinder Singh did not join investigation. Therefore a complaint seeking their punishment under Section 172, 174 & 175 of the Indian Penal Code for non-compliance of summons issued under Section 108 of the Customs Act, 1962 has been filed by the concerned Senior Intelligence Officer of DRI, Regional Unit, Noida on 08.03.2021 before the court of Learned Chief Judicial Magistrate, Noida, Gautam Budh Nagar (U.P).

22. Another statement of Shri Vishal Yadav was recorded on 06.04.2021 **(RUD-19)** under Section 108 of the Customs Act, 1962, wherein, he inter-alia, stated that;

- Harjeet Singh Prop. of M/s GRD Industries and partner of M/s Victory Polytubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings, Taurus Industries, Galvin Pipes and Jammu Udhyog was introduced to him by Shri Krishan Kumar Bansal of M/s Salasar Impex Limited, New Delhi at their office in July 2017 in Trinagar, Delhi;

- On being shown the statement dated 02.04.2021 of Shri Krishan Kumar Bansal wherein he stated that Harjeet Singh was introduced to him by Vishal Yadav, he (Vishal) stated that statement of Krishan Kumar Bansal is incorrect as he (Bansal) is the only person who introduced him (Vishal) to Harjeet Singh of GRD Industries at his office at Onkar Nagar, Tri Nagar, New Delhi;
- He has not procured/arranged any Advance Authorisation scheme licenses to any of the firm. The licenses were provided by Shri Krishan Kumar Bansal of M/s Salasar Impex Limited. All the proprietors/directors of these firms/companies are well known to Krishan Bansal associated with them from last 10-15 years.
- The duty free material imported by these firms/companies was delivered at Khera Kalan at the godown of M/s Salsar Impex Limited. Shri Parth Dodeja has provided the relevant documents for the movement of material.

23 From the investigation conducted, Shri Vishal Yadav emerged to have knowingly involved in fraudulent evasion of customs duty and have acquired possession and was concerned in carrying, removing, depositing, selling or purchasing duty free PVC Resin which he knew and has reason to believe was liable to confiscation under Section 111(o) of the Customs Act, 1962. Accordingly, he was arrested on 06.04.2021 under Section 104 of the Customs Act, 1962 after due approval of ADG, DRI, Lucknow Zonal Unit for the offence punishable under Section 135(1)(a) and 135(1)(b) of the Customs Act, 1962. Presently he is on bail.

24 FINDINGS OF INVESTIGATION:-

- a) Shri Harjeet Singh in his Proprietorship firm namely M/s GRD Industries (IEC No.0517531836) and with his partner Shri Bhupinder Singh in M/s Victory Poly tubes (IEC No.AAPFV8439B), M/s Almighty Muskan Udhyog (IEC No.0517543672), M/s Zidiac Pipes & Fittings (IEC No.AACFZ0064B), M/s Taurus Industries (IEC No.AANFT1366M) and M/s Galvin Pipes (IEC No.AARFG3100C) have imported total quantity of **4709.68MT** of duty free PVC Resin having assessable value of **Rs.28,79,02,415/-** on which total duty foregone is **Rs.10,22,72,830/-** (as tabulated in Para 5 above) and have diverted the same in domestic market.
- b) Their sole intention was to procure duty free PVC Resin and divert it in the domestic market, which is evident from the fact that for duty free clearances of the imported PVC Resin, Shri Harjeet Singh and Shri Bhupinder Singh resorted to willful mis-statement of facts as the addresses, which were declared to be factory for manufacture of export goods did not exist at all.
- c) No exports under these Advance Authorisations have been made by these firms.
- d) There were no existence of office of these firms at UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057 which was declared to be IEC address of four firms namely M/s GRD Industries, M/s Victory Poly tubes, M/s Almighty Muskan Udhyog, M/s Zidiac Pipes & Fittings;

- e)** There was no office at 1690 Manakpura Karol Bagh, Delhi which was declared to be IEC address of two firms namely M/s Taurus Industries and M/s Galvin Pipes. This was found to be a residential premises where Shri Harjeet Singh used to live as a tenant in past.
- f)** There was no factory at any of the addresses declared to be branch addresses in the IEC of these firms.
- g)** Shri Harjeet Singh and Shri Bhupinder Singh were not found residing at their respective declared addresses.
- h)** Shri Vishal Yadav of M/s OSR Overseas, who have sold PVC Resin on High Sea Sale basis to the firms namely M/s GRD Industries, M/s Victory Poly tubes, M/s Almighty Muskan Udhyog and M/s Galvin Pipes stated that he came into business of PVC Resin through the company M/s Salasar Impex Limited owned by Director Shri Krishan Bansal who was his client in CHA/Transportation at that time; Harjeet Singh was introduced to him by Shri Krishan Bansal Director of M/s Salasar Impex Limited at his (Bansal's) office for the clearance of import shipments related to GRD Industries, Victory Poly tubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings, Galvin Pipes and Taurus Industries.
- i)** Shri Devang Mehta of CHA firm M/s AD Mehta Clearing Agency, who cleared one consignment of M/s Galvin Pipes from Mundra port, stated that Shri Krishan Bansal and Shri Minesh Shah visited their office and introduced OSR Overseas as their sister concern. Email was received from OSR Overseas requesting to clear goods in name of M/s Galvin Pipes on HSS basis; He has not met Mr. Vishal Yadav; he has never met any of the partner of M/s Galvin Pipes nor have any conversation with them.
- j)** CHA Hemjyot Agency, who cleared one consignment of M/s Galvin Pipes from Mundra port, submitted that they have not met Harjeet Singh of M/s Galvin Pipes; the clearances related to M/s Galvin Pipes were undertaken by him on the instructions of High Sea Supplier i.e. M/s OSR Overseas. Charges of his services were also paid by M/s OSR Overseas through NEFT/RTGS; he submitted ledger for the same.;
- k)** Shri Vishal Yadav of M/s OSR Overseas, who have sold PVC Resin on High Sea Sale basis to the firms namely M/s GRD Industries, M/s Victory Poly tubes, M/s Almighty Muskan Udhyog and M/s Galvin Pipes stated that he came into business of PVC Resin through the company M/s Salasar Impex Limited owned by Director Shri Krishan Bansal who was his client in CHA/Transportation at that time; Harjeet Singh was introduced to him by Shri Krishan Bansal Director of M/s Salasar Impex Limited at his (Bansal's) office for the clearance of import shipments related to GRD Industries, Victory Poly tubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings and Taurus Industries.
- l)** Transporters namely, Mehta Transport, Aman Transport and Swaminarayan Transport who have transported PVC Resin from ICD Tkd have stated that the material transported by them was unloaded at the godowns of Shri Krishan

Bansal of M/s Salasar Impex and M/s Gaurishankar Overseas situated in village Khera Kalan, Delhi.

- m)** Shri Ashwani Kumar, Proprietor of M/s Aman Transport in his statement dated 22.03.2021 stated that Aman Transport is a Proprietorship firm started in 2002-03; the letter head of Aman Transport reportedly provided to DRI by Shri Vishal Yadav does not belong to him; the details like Mob Number and address are incorrect and does not belong to his company; similarly round stamp affixed on letterhead does not belongs to him; the vehicles numbers given on this letter head belongs to him; these vehicles were given on rent to the firms/companies of Shri Vishal Yadav namely M/s OSR Logistics and M/s SSS Profound Solution; he submitted a sheet mentioning locations where the goods transported by his trucks were unloaded; these locations are Khera Kalan and Bawana Delhi.
- n)** Efforts were made to trace M/s Swaminarayan Transport, Dharamvir Market, Office No. 7, MB Road, Lal Kuan, New Delhi, however no such transporter was found existing at this address. Accordingly, the details of owners of vehicles mentioned in the list provided by Shri Vishal Yadav in respect of M/s Swaminarayan Transport, were downloaded from www.vahan.parivahan.gov.in, which revealed that all the trucks mentioned in this list were owned by firms/companies of Shri Vishal Yadav namely, M/s OSR Logistics, M/s SSS Profound Solutions Pvt. Ltd and Vishal Yadav himself. Shri Vishal Yadav himself admitted that he prepared and printed this letter in his office. He also prepared GRs of M/s Swaminarayan Transport Co. submitted by him during his statement on 12.02.2021.
- o)** Mr. Gourav, who has signed as a witness on the Bonds submitted by these firms for import under Notification No. 18/2015-Cus dated 01.04.2015, in his statement dated 29.01.2021 stated that apart from being authorized signatories in companies for Shri Krishan Bansal, he has also signed on papers like Bonds as witness related to some other companies; Victory Polytubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings and Taurus Industries which are firms of Harjeet Singh, who was introduced to him by Shri Krishan Bansal of M/s Salasar Impex Limited; he doesn't know the other partner of Harjeet Singh in these firms; He knows Shri Harjeet Singh since 2018 through Shri Krishan Bansal. He always met Shri Harjeet Singh in the office of Shri Krishan Bansal;
- p)** Shri Krishan Bansal, Director of M/s Salasar Impex Limited in his statement dated 01/02.04.2021 has stated that he has sold material on High Sea Sale basis to GRD Industries. Mr. Harjeet Singh is the owner of this firm, who was introduced to him by Mr. Vishal Yadav of M/s OSR Overseas. Vishal Yadav was his CHA. He has met Mr. Harjeet Singh 2-3 times in his (Vishal) Rajouri Garden office only. He does not have any details of GRD Industries or Mr. Harjeet Singh. Shri Ashwani Kumar Prop of M/s Aman Transport stated that he provided vehicles on rent to Shri Vishal Yadav and submitted a sheet that goods were unloaded at Khera Kalan and Bawana Delhi. Similarly Shri Shashank Mehta, Prop of M/s Mehta Cargo Movers stated that he has given the letter dated

03.02.2021 to Shri Vishal Yadav, which was submitted by Shri Vishal Yadav to DRI. He submitted that material transported by his company was dispatched to Khera Kalan and Bawana. His letter dated 03.02.2021 clearly mention that material was unloaded at godowns of M/s Salasar Impex and Gaurishankar Overseas. In respect of goods transported by under the name of M/s Swaminarayan Transport, it emerged that Swaminarayan Transport was a non-existent entity. GRs of this firm were prepared by Shri Vishal Yadav and the goods transported under cover of these GRs were transported to Khera Kalan/Bawana/Sanjay Gandhi Transport Nagar, Delhi. Shri Vishal Yadav stated that he has prepared these GRs on the instructions of one Parth Dodeja Director of M/s Salasar Impex Limited. Shri Vishal Yadav in his statement dated 06.04.2021 stated that duty free material imported by these firms (M/s GRD Industries, M/s Victory Polytubes, M/s Almighty Muskan Udhyog, M/s Zidiac Pipes & Fittings, M/s Taurus Industries and M/s Galvin Pipes) was delivered at the godowns of M/s Salasar Impex limited. Thus, Mr. Krishan Kumar Bansal, Director of M/s Salasar Impex Limited acquired possession and was concerned in depositing, keeping, concealing and selling duty free goods.

RECOVERY OF DUTY AND PENAL LIABILITIES:-

25 The condition no. (iv) of the Notification No. 18/2015-Customs dated 01.04.2015 stipulates that, “the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself to pay on demand an amount equal to the duty leviable, but for the exemption contained herein, on the imported materials in respect of which the conditions specified in this notification are not complied with, together with interest at the rate of fifteen percent per annum from the date of clearance of the said materials;”

26 All the six importer firms have submitted Bonds under Notification No. 18/2015-Cus dated 01.04.2015 for availing duty exemption under Advance Authorisation Scheme to the customs at the time of registration of Advance Authorisations. The said Bond has following relevant clauses:-

- i) We, the obligor(s) shall fulfil all the conditions of the said notification and shall observe and comply with all its terms and conditions.
- ii) We, the obligor(s) shall observe all the terms and conditions specified in the license.
- iii) We, the obligor(s) shall fulfil the export obligations as specified in the said notification and the license and shall produce evidence of having so fulfilled the export obligations within 30 days from the expiry of specified export obligation period to the satisfaction of the Government.
- iv) In the event of failure to fulfil full or part of the export obligations as specified in the said notification and license. I/We the obligor(s) herein undertake to

pay the customs duty for the exemption and also interest @ 15% per annum thereon forthwith and without any demure, to the Government.

- v) We, the obligor(s) shall comply with the conditions and limitations stipulated in the said Import and Export Policy as amended from time to time.
- vi) We, the obligor(s) shall not change the name and style under which we, the obligor(s) are doing business or change the location of the manufacturing premises except with the written permission of the Government.

If each and every one of the above conditions is duly complied with by us, the obligor(s), the above written Bond shall be void and of no effect; otherwise the same shall remain in full force and effect and virtue. It is hereby declared by us, the obligor(s) and Government as follows:-

- 1) The above written bond is given for the performance of an act in which the public are interested.
 - 2) The Government through the Commissioner of Customs or any other officer of Customs recovered the sums due from the obligor(s) in the manner laid down in sub-section (1) of the Section 142 of the Customs Act, 1962.
- 27.1 The term importer has been defined under Section 2(26) of the Customs Act, 1962 as *“importer”, in relation to any goods at any time between their importation and at the time when they are cleared for home consumption, includes any owner, beneficial owner, or any person holding himself out to be the importer. Section 2(3A) defines that “Beneficial owner” means any person on whose behalf the goods are being imported or exported or who exercises effective control over the goods being imported or exported.* From the facts of the case as mentioned in preceding paras, it has emerged that though the Bills of Entry were filed in the name of these firms stating them to be the importer, however, it was Shri Vishal Yadav who was original importer in many cases, CHA in most of the cases and transporter in most of the cases. As evident from the import and transport documents, duty free PVC Resin was cleared by him and transported to places other than those mentioned on the Bills of Entry. Thus, Shri Vishal Yadav appears to be the person on whose behalf these duty free goods were imported and he appears to have exercised effective control over these goods. Therefore, he appears to be the beneficial owner in these imports.
- 27.2 This is not a case of bonafide default in fulfillment of export obligation, instead it is a case of willful mis-statement of facts for organized smuggling of PVC Resin through these six companies as the address, which were declared to be factory for manufacture of export goods did not exist at all. Therefore, duty also appears recoverable, in terms of Notification No18/2015-Cus dated 01.04.2015, as amended read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962.
- 27.3 None of these firms were found existing and operating at any of the declared addresses. It thus appears that these firms were created only to procure Advance Authorisations and make import in their name with no intention at all to

manufacture and export any good. In light of the facts emerged during investigation, it appears that duty evaded by these firms is recoverable from the respective firm and Shri Vishal Yadav, jointly and severally, in terms of Notification No18/2015-Cus dated 01.04.2015, as amended read with the Conditions of Bond executed and furnished by them in term of Section 143 of the.

28 The above mentioned firms wherein Shri Harjeet Singh and Shri Bhupinder Singh are Proprietor/Partners have committed acts of omission and commission as they did not use the duty free material in manufacture of export goods, which has made these imported goods liable for confiscation under Section 111(o) of the Customs Act, 1962.

29 M/s GRD Industries (IEC No.0517531836) through its proprietor Shri Harjeet Singh knowingly acquired possession and was concerned in carrying, removing, purchasing and selling the goods which were liable for confiscation, therefore, Shri Harjeet Singh appears liable for penalty under Section 112(a)/112(b) of the Customs Act, 1962.

30 M/s Victory Polytubes (IEC No.AAPFV8439B), Almighty Muskan Udhyog (IEC No.0517543672), Zidiac Pipes& Fittings (IEC No.AACFZ0064B), Taurus Industries (IEC No.AANFT1366M), Galvin Pipes (IEC No.AARFG3100C), Shri Harjeet Singh and Shri Bhupinder Singh, Partners of these firms knowingly acquired possession and were concerned in carrying, removing, purchasing and selling the goods which were liable for confiscation, therefore they appear liable for penalty under Section 112(a)/112(b) of the Customs Act, 1962.

31 M/s GRD Industries (IEC No.0517531836), through its Proprietor Shri Harjeet Singh and beneficial owner Shri Vishal Yadav have evaded duty by way of willful mis-statement, therefore, these persons appear liable for penalty under Section 114AA of the Customs Act, 1962 individually.

32 M/s Victory Polytubes (IEC No.AAPFV8439B), Almighty Muskan Udhyog (IEC No.0517543672), Zidiac Pipes & Fittings (IEC No.AACFZ0064B), Taurus Industries (IEC No.AANFT1366M) and Galvin Pipes (IEC No.AARFG3100C), have evaded duty by way of willful mis-statement, therefore, each of these firms and their beneficial owner Shri Vishal Yadav appear liable for penalty under Section 114AA of the Customs Act, 1962 individually.

33 M/s GRD Industries (IEC No.0517531836) through its proprietor Shri Harjeet Singh has knowingly and intentionally made, signed used declarations documents such as false and incorrect declarations and BOEs for obtaining Advance Authorisations and clearing goods from the port stating that these goods will be used in manufacture of export goods. Thus Shri Harjeet Singh appears liable for penalty under Section 114AA of the Customs Act, 1962.

34 M/s Victory Polytubes (IEC No.AAPFV8439B), Almighty Muskan Udhyog (IEC No.0517543672), Zidiac Pipes& Fittings (IEC No.AACFZ0064B), Taurus Industries (IEC No.AANFT1366M) and Galvin Pipes (IEC No.AARFG3100C), Shri Harjeet Singh and Shri Bhupinder Singh, Partners of these firms have knowingly and intentionally made,

signed used declarations documents such as false and incorrect declarations and BOEs for obtaining Advance Authorisations and clearing goods from the port stating that these goods will be used in manufacture of export goods. Thus both of them appear liable for penalty under Section 114AA of the Customs Act, 1962, individually.

35 Shri Ashwani Kumar Prop of M/s Aman Transport stated that he provided vehicles on rent to Shri Vishal Yadav and submitted a sheet that goods were unloaded at Khera Kalan and Bawana Delhi. Similarly Shri Shashank Mehta, Prop of M/s Mehta Cargo Movers stated that he has given the letter dated 03.02.2021 to Shri Vishal Yadav, which was submitted by Shri Vishal Yadav to DRI. He submitted that material transported by his company was dispatched to Khera Kalan and Bawana. His letter dated 03.02.2021 clearly mention that material was unloaded at godowns of M/s Salasar Impex Limited and Gaurishankar Overseas. In respect of goods transported by under the name of M/s Swaminarayan Transport, it emerged that Swaminarayan Transport was a non-existent entity. GRs of this firm were prepared by Shri Vishal Yadav and the goods transported under cover of these GRs were transported to Khera Kalan/Bawana/Sanjay Gandhi Transport Nagar, Delhi. Shri Vishal Yadav stated that he has prepared these GRs on the instructions of one Mr. Parth Dodeja Director of M/s Salasar Impex Limited. Shri Vishal Yadav in his statement dated 06.04.2021 stated that duty free material imported by these firms (M/s GRD Industries, M/s Victory Polytubes, M/s Almighty Muskan Udhyog, M/s Zidiac Pipes & Fittings, M/s Taurus Industries and M/s Galvin Pipes) was delivered at the godowns of M/s Salasar Impex limited. Mr. Gourav, who has signed as a witness on the Bonds submitted by these firms for import under Notification No. 18/2015-Cus dated 01.04.2015, in his statement dated 29.01.2021 stated that apart from being authorized signatories in companies for Shri Krishan Bansal, he has also signed on papers like Bonds as witness related to some other companies; Victory Polytubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings and Taurus Industries which are firms of Harjeet Singh, who was introduced to him by Shri Krishan Bansal of M/s Salasar Impex Limited; he doesn't know the other partner of Harjeet Singh in these firms; He knows Shri Harjeet Singh since 2018 through Shri Krishan Bansal. He always met Shri Harjeet Singh in the office of Shri Krishan Bansal. Mr. Krishan Kumar Bansal, Director of M/s Salasar Impex Limited acquired possession and was concerned in depositing, keeping, concealing and selling duty free goods which he knew and has reason to believe were liable to confiscation, thus he appears liable for penalty under Section 112(b) of the Customs Act, 1962.

36 From the facts of the case as mentioned in preceding paras, it has emerged that though the Bills of Entry were filed in the name of these firms stating them to be the importer, however, it was Shri Vishal Yadav who was original importer in many cases, CHA in most of the cases and transporter in most of the cases. As evident from the import and transport documents, duty free PVC Resin was cleared by him and transported to places other than those mentioned on the Bills of Entry. Thus, Shri Vishal Yadav, appears to be the person on whose behalf these duty free goods were imported and he appears liable for penalty under Section 112(b) of the Customs Act, 1962 as he acquired possession and was concerned in carrying, depositing, keeping goods which

he knew and has reason to believe were liable to confiscation as the duty free goods were transported by his firm and unloaded at the place other than the declared places.

37 Shri Vishal Yadav, G-Card of M/s Skyking (I) Tour & Travels (CHA) has not produced Harjeet Singh and Bhupinder Singh despite several requests by DRI. He has not done due diligence w.r.t. the clients namely the above said 06 firms as they were found non-existent at their addresses and the factory premises also not found existing. He has not done his duty as CHA and therefore his license/CHA firm’s License is liable to be revoked and he is also liable to penalty.

38 The following imports have been made by the aforesaid firms owned by Shri Harjeet Singh and Bhupinder Singh from Mundra Customs under Advance Authorization :-

1. M/s.VICTORY POLYTUBES (IEC No.-AAPFV8439B)

S N o.	BE No.	BE DATE	ITEM DESCRIP TION	QTY (MT S)	ASSVA LUE (INR)	DUTY FORG ONE (INR)	LICEN CE NUMB ER	LICEN CE DATE	PORT OF IMPO RT
4	6355 149	12.05.2 018	PVC RESIN	515. 00	32116 212	12651 304	510405 525	05.02.2 018	INM UN1
5	6980 809	27.06.2 018	PVC RESIN	306. 00	20788 906	72940 29	510406 529	21.05.2 018	INM UN1
			TOTAL	821	52905 118	19945 333			

2. M/s. TAURUS INDUSTRIES (IEC No.- AANFT1366M)

S N o.	BE No.	BE DATE	ITEM DESCRIP TION	QTY (MT S)	ASSVA LUE (INR)	DUTY FORG ONE (INR)	LICEN CE NUMB ER	LICEN CE DATE	PORT OF IMPO RT
1	6875 058	20.06.2 018	PVC RESIN	102. 00	68042 80	23873 60	510406 521	18.05.2 018	INM UN1

3. M/s. ZIDIAC PIPES AND FITTINGS (IEC-AACFZ0064B)

S N	BE No.	BE DATE	ITEM DESCRIP	QT Y	ASSVA LUE	DUTY FORG	LICEN CE	LICENC E DATE	PORT OF
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o.			TION	(MT S)	(INR)	ONE (INR)	NUMB ER		IMPO RT
2	7642 653	14.08.2 018	PVC RESIN	78. 00	52964 63	16601 23	510406 542	21.05. 2018	INMU N1

4. M/S GALVIN PIPES (IEC No.- AARFG3100C)

S N o.	BE No.	BE DATE	ITEM DESCRIP TION	QTY (MT S)	ASSVA LUE (INR)	DUTY FORG ONE (INR)	LICEN CE NUMB ER	LICEN CE DATE	PORT OF IMPO RT
1	6051 837	19.04.2 018	PVC RESIN	206. 00	12780 696	50067 78	510405 787 510405 946	06.03.2 018 31.03.2 018	INM UN1
2	5693 116	22.03.2 018	PVC RESIN	208. 00	11698 587	58277 98	510405 787	06.03.2 018	INM UN1
			TOTAL	414. 00	24479 283	10834 576			

-: SHOW CAUSE:-

39.1 Therefore, M/s Victory Polytubes (IEC No.AAPFV8439B) and Shri Vishal Yadav, Beneficial Owner of the PVC Resin imported under the name of this firm, are hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:-

- a) The benefit of concessional rate of duty under Advance Authorization Scheme under Notification No.18/2015-Cus dated 01.04.2015, on the imported goods “PVC Resin”, imported vide Bills of Entry, as stated in forgoing paras, should not be denied;
- b) Subject goods i.e. 821MTs of PVC Resin having assessable value of Rs.5,29,05,118/- imported duty free under Notification No.18/2015-Cus 01.04.2015, as amended, should not be held liable for confiscation under Section 111(o) of the Customs Act, 1962, for violation of the terms and conditions of Bond executed in terms of Section 143 of the Customs Act, 1962 and the Conditions laid down under the said notification;
- c) Duty of Customs amounting to Rs.1,99,45,333/- (*Rupees One Crore Ninety Nine Lakhs Forty Five Thousand Three Hundred Thirty Three only*) payable on the goods in respect of which export obligation could not be fulfilled

and which may have been sold/diverted for other use, should not be demanded and recovered from them, jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond;

- d) Bank Guarantee submitted for the above imports should not be encashed and the proceeds should not be appropriated against duty demanded;
- e) Interest under provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, should not be demanded and recovered from them, jointly and severally, for such delayed payment/non-payment of duty of Customs on the offending goods;
- f) Penalty should not be imposed upon them under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons stated in forgoing paras,
- g) Penalty should not be imposed upon them under Section 114AA of the Customs Act, 1962 for the reasons stated in forgoing paras,

39.2 Now, therefore, Shri Harjeet Singh and Shri Bhupinder Singh, Partners of M/s Victory Polytubes (IEC No. AAPFV8439B), called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:

- a) Penalty should not be imposed upon them individually under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.
- b) Penalty should not be imposed upon them individually under Section 114AA of the Customs Act, 1962 for the reasons discussed in foregoing paras.

39.3 Now, therefore, Shri Krishan Kumar Bansal, Director of M/s Salasar Impex Limited, DSM-321, DLF Towers, Najafgarh Road Industrial Area, Delhi is called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why penalty should not be imposed upon him under Section 112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.

40.1 Now, therefore, M/s Taurus Industries (IEC No. AANFT1366M) and Shri Vishal Yadav, Beneficial Owner of the PVC Resin imported under the name of this firm, is hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:-

- a) The benefit of concessional rate of duty under Advance Authorization Scheme under Notification No.18/2015-Cus dated 01.04.2015, on the imported goods "PVC Resin", imported vide Bills of Entry, as stated in forgoing paras, should not be denied;
- b) Subject goods i.e. 102MTs of PVC Resin having assessable value of Rs.68,04,280/- imported duty free under Notification No.18/2015-Cus 01.04.2015, as amended, should not be held liable for confiscation under Section 111(o) of the Customs Act, 1962, for violation of the terms and conditions of Bond executed in term of Section 143 of the Customs Act, 1962 and the conditions laid down under the said;
- c) Duty of Customs amounting to Rs. 23,87,360/- (*Rupees Twenty Three Lakhs Eighty Seven Thousand Three Hundred Sixty only*) payable on the goods in respect of which export obligation could not be fulfilled and which may have been sold/diverted for other use, should not be demanded and recovered from them, jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond;
- d) Bank Guarantee submitted for the above imports should not be encashed and the proceeds should not be appropriated against duty demanded;
- e) Interest under provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, should not be demanded and recovered from them for such delayed payment/non-payment of duty of Customs on the offending goods;
- f) Penalty should not be imposed upon them under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons stated in forgoing paras,
- g) Penalty should not be imposed upon them under Section 114AA of the Customs Act, 1962 for the reasons stated in forgoing paras,

40.2 Now, therefore, Shri Harjeet Singh and Shri Bhupinder Singh, Partners of M/s Taurus Industries (IEC NO. AANFT1366M), is hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:

- a) Penalty should not be imposed upon them individually under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.
- b) Penalty should not be imposed upon them individually under Section 114AA of the Customs Act, 1962 for the reasons discussed in foregoing paras.

40.3 Now, therefore, Shri Krishan Kumar Bansal, Director of M/s Salasar Impex Limited, DSM-321, DLF Towers, Najafgarh Road Industrial Area, Delhi is hereby called

upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why penalty should not be imposed upon him under Section 112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.

41.1 Now, therefore, M/s Zidiac Pipes & Fittings (IEC No.AACFZ0064B) and Shri Vishal Yadav, Beneficial Owner of the PVC Resin imported under the name of this firm, are hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:-

- a) The benefit of concessional rate of duty under Advance Authorization Scheme under Notification No.18/2015-Cus dated 01.04.2015, on the imported goods "PVC Resin", imported vide Bills of Entry, as stated in forgoing paras, should not be denied;
- b) Subject goods i.e. 78MTs of PVC Resin having assessable value of Rs.52,96,463/- imported duty free under Notification No.18/2015-Cus 01.04.2015, as amended, should not be held liable for confiscation under Section 111(o) of the Customs Act, 1962, for violation of the terms and conditions of Bond executed in term of Section 143 of the Customs Act, 1962 and laid down under the said notification;
- c) Duty of Customs amounting to Rs.16,60,123/- (*Rupees Sixteen Lakhs Sixty Thousand One Hundred Twenty Three only*) payable on the goods in respect of which export obligation could not be fulfilled and which may have been sold/diverted for other use, should not be demanded and recovered from them jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond.
- d) Bank Guarantee submitted for the above imports should not be encashed and the proceeds should not be appropriated against duty demanded;
- e) Interest under provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, should not be demanded and recovered from them for such delayed payment/non-payment of duty of Customs on the offending goods;
- f) Penalty should not be imposed upon them under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons stated in forgoing paras,
- g) Penalty should not be imposed upon them under Section 114AA of the Customs Act, 1962 for the reasons stated in forgoing paras,

41.2 Now, therefore, Shri Harjeet Singh and Shri Bhupinder Singh, Partners of M/s Zidiac Pipes & Fittings (IEC No.AACFZ0064B), are hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having

their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:

- a) Penalty should not be imposed upon them individually under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.
- b) Penalty should not be imposed upon them individually under Section 114AA of the Customs Act, 1962 for the reasons discussed in foregoing paras.

41.3 Now, therefore, Shri Krishan Kumar Bansal, Director of M/s Salasar Impex Limited, DSM-321, DLF Towers, Najafgarh Road Industrial Area, Delhi is hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why penalty should not be imposed upon him under Section 112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.

42.1 Now, therefore, M/s Galvin Pipes (IEC No.AARFG3100C) and Shri Vishal Yadav, Beneficial Owner of the PVC Resin imported under the name of this firm, are hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:-

- a) The benefit of concessional rate of duty under Advance Authorization Scheme under Notification No.18/2015-Cus dated 01.04.2015, on the imported goods "PVC Resin", imported vide Bills of Entry, as stated in forgoing paras, should not be denied;
- b) Subject goods i.e. 414MTs of PVC Resin having assessable value of Rs.2,44,79,283/- imported duty free under Notification No.18/2015-Cus 01.04.2015, as amended, should not be held liable for confiscation under Section 111(o) of the Customs Act, 1962, t for violation of the terms and conditions of Bond executed in terms of Section 143 of the Customs Act, 1962 and the Conditions laid down under the said notification;
- c) Duty of Customs amounting to Rs.1,08,34,576/- (*Rupees One Crore Eight Lakhs Thirty Four Thousand Five Hundred Seventy Six only*) payable on the goods in respect of which export obligation could not be fulfilled and which may have been sold/diverted for other use, should not be demanded and recovered from them jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962, by enforcing the terms of the said Bond;
- d) Bank Guarantee submitted for the above imports should not be encashed and the proceeds should not be appropriated against duty demanded;

- e) Interest under provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, should not be demanded and recovered from them for such delayed payment/non-payment of duty of Customs on the offending goods;
- f) Penalty should not be imposed upon them under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons stated in forgoing paras,
- g) Penalty should not be imposed upon them under Section 114AA of the Customs Act, 1962 for the reasons stated in forgoing paras,

42.2 Now, therefore, Shri Harjeet Singh and Shri Bhupinder Singh, Partners of M/s Galvin Pipes (IEC No.AARFG3100C), are hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why:

- a) Penalty should not be imposed upon them individually under Section 112(a)/112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.
- b) Penalty should not be imposed upon them individually under Section 114AA of the Customs Act, 1962 for the reasons discussed in foregoing paras.

42.3 Now, therefore, Shri Krishan Kumar Bansal, Director of M/s Salasar Impex Limited, DSM-321, DLF Towers, Najafgarh Road Industrial Area, Delhi is hereby called upon to show cause in writing to the Principal Commissioner/ Commissioner of Customs, Mundra, having their address at 5B, Port User Building, Mundra Port, Mundra, Kutch, Gujrat-370421 within 30 (Thirty) days from the receipt of this notice, as to why penalty should not be imposed upon him under Section 112(b) of the Customs Act, 1962 for the reasons discussed in foregoing paras.

PERSONAL HEARING AND SUBMISSION-

43. Opportunities of personal hearing were provided to all the noticees on 09.06.2025, 17.06.2025, 08.07.2025 and 26.12.2025 vide this office letters dated 03.06.2025, 11.06.2025, 01.07.2025 and 16.12.2025. However, neither of the noticees nor their authorised representative appeared on the scheduled dates of hearing.

43.1 It is observed that Shri Vishal Yadav, vide letter dated 07.07.2025, stated that he was working with M/s. Skyking (I) tour & Travels during 2018-19 and thereafter resigned from the company. He further stated that he would not be in a position to provide any information on the subject matter and refused to attend the personal hearing.

43.2 Further, it is observed that none of the noticees submitted any written reply, despite the specific and categorical direction contained in Para 44 of the SCN requiring them to file a written submission within 30 days of its receipt. This deliberate non-compliance indicates that the noticees chose not to contest the allegations on merits.

43.3 I find that all the noticees were afforded sufficient opportunities to submit their

written reply as well as to appear for personal hearings. However, neither any reply was filed nor was any of the hearings attended by the noticees. Accordingly, I hold that the requirement of compliance with the Principles of Natural Justice, as envisaged under Section 122A of the Customs Act, 1962, stands duly satisfied.

43.4. Further, I note that adjudication proceedings cannot be unduly prolonged and are required to be completed within a reasonable period, in accordance with the principles of natural justice and the statutory mandate. In view of the foregoing, and to ensure compliance with the provisions of law, I proceed to adjudicate the matter *ex parte*, based on the evidence and material available on record.

DISCUSSION AND FINDINGS-

44. I have carefully gone through the Show Cause Notice, the relied upon documents (RUDs), and all evidences available on record. The case pertains to duty-free imports of PVC Resin under the Advance Authorisation Scheme by the noticee firms and the alleged diversion of such material into the domestic market without fulfilment of export obligation.

45. Investigations by DRI revealed that six firms controlled by Shri Harjeet Singh and Shri Bhupinder Singh, namely M/s GRD Industries, Victory Poly tubes, Almighty Muskan Udhyog, Taurus Industries, Zidiac Pipes & Fittings, and Galvin Pipes, imported a total of 4709.68 MT of PVC Resin valued at ₹28.79 crore without payment of customs duty of ₹10.22 crore under the Advance Authorisation Scheme, but failed to undertake any export obligation and instead diverted the duty-free material into the domestic market through intermediaries including Shri Vishal Yadav of M/s OSR Overseas and M/s Salasar Impex Ltd. headed by Shri Krishan Bansal. Searches confirmed that the declared factory and office premises were non-existent, and repeated summons to the partners went unanswered. In view of the investigation and its findings, the Show Cause Notice proposed recovery of the duty foregone amounting to ₹3.48 Crores (in respect of imports made from Mundra port) along with applicable interest in terms of the Bonds executed in terms of Notification No. 18/2015-Cus dated 01.04.2015, confiscation of the diverted goods under Section 111(o) of the Customs Act, 1962, and imposition of penalties on the firms and persons concerned under Section 112(a)/112(b) and 114AA of the Act.

46. Based on the allegations made in the Show Cause Notice, the following issues arise for determination:

1. Whether the duty amounting to ₹3,48,27,392/–, being the customs duty foregone, on imported duty-free PVC Resin under the Advance Authorisation Scheme, is required to be demanded and recovered in terms of the Notification No. 18/2015-Cus dated 01.04.2015, read with the Conditions of Bond executed and furnished in term of Section 143 of the Customs Act, 1962 along with applicable interest.
2. Whether the imported PVC Resin, having been diverted in the domestic market without fulfilment of export obligation, is liable to confiscation under Section 111(o) of the Customs Act, 1962.

3. Whether Shri Harjeet Singh and Shri Bhupinder Singh, being the proprietors/partners of the noticee firms, along with other connected persons/firms such as Shri Vishal Yadav and Shri Krishan Bansal, are liable for penal action under Sections 112(a)/112(b) and 114AA of the Customs Act, 1962 for their role in abetting and facilitating the diversion of duty-free imports.

47. For a proper appreciation of the aforementioned issues, it is imperative to first examine the results of the searches conducted at the declared business and residential premises of the noticee firms and their partners, as the authenticity of these premises has a direct bearing on the fulfillment of the conditions stipulated under the relevant Exemption Notification.

OUTCOME OF VARIOUS SEARCHES CONDUCTED BY DRI-

48. I find that searches were conducted at the IEC addresses as well as the branch addresses declared by the noticee-firms. The outcome of the said searches is tabulated below:

Noticee Firm	Declared Address Type	Address	Date of Verification	Observation / Finding	Source of Confirmation
M/s GRD Industries	IEC Address	UG-17, Vishwasadan Building, District Centre, Janakpuri, New Delhi	08.09.2018	Premises found closed; non-functional for preceding three months	Neighbour enquiries
M/s Almighty Muskan Udhyog					
M/s Victory Polytubes					
M/s Zidiac Pipes & Fittings					
M/s GRD Industries	Branch Address	Kh. No. 43/11/2, Min3-1/4, Ghuman Nagar-B, Sarhind Bypass Road, Patiala, Punjab	20.09.2018	Address found fictitious	Local Postman
M/s Victory Polytubes	Branch Address	Kh. No. 52/61/63, Min26/51/63, Ghuman Nagar-B, Patiala, Punjab	20.09.2018	Address found fictitious	Local Postman
M/s Zidiac Pipes & Fittings	Branch Address	Plot No. 192/362/51, Min 63//21/32, sarhind Bypass Road, Patiala, Punjab	20.09.2018	Address found fictitious	Local Postman
M/s Taurus Industries	IEC Address	10690, Katra Chajju Pandit, Manakpura, Karol Bagh, New Delhi	2018 (verified during search)	Residential property; vacated two years prior	Landlord
M/s Galvin Pipes	IEC Address		2018 (verified during search)		
M/s Taurus Industries	Branch Address	Plot No. 450/11, Focal Point Industrial Area, Ludhiana	13.11.2018	Address not found	Verification on ground
M/s Galvin Pipes	Branch Address	Plot No. 450, Focal Point Industrial Area, Ludhiana	07.11.2019	Address not found	Verification on ground

From the above mentioned details, I find that the searches carried out at the declared IEC and branch addresses of all six noticee firms clearly revealed that none of them were actually in existence or functioning from the said premises. At UG-17, Vishwasadan Building, District Centre, Janakpuri, New Delhi, which was declared as

the IEC address of four firms, namely M/s GRD Industries, M/s Almighty Muskan Udhog, M/s Victory Polytubes and M/s Zidiac Pipes & Fittings, the premises was found closed on 08.09.2018 and enquiries from neighbours confirmed that the premises had remained shut for the preceding three months. The branch addresses declared at Patiala for M/s GRD Industries, M/s Victory Polytubes and M/s Zidiac Pipes & Fittings were also verified on 20.09.2018 and were found to be fictitious, as no such addresses existed, a fact further confirmed by the local Postman. The IEC address declared for M/s Taurus Industries and M/s Galvin Pipes at 10690, Katra Chajju Pandit, Manakpura, Karol Bagh, New Delhi was verified and found to be a residential property, which had been vacated by Shri Harjeet Singh about two years earlier, as informed by the landlord. Similarly, the branch addresses at Ludhiana declared for M/s Taurus Industries and M/s Galvin Pipes were verified on 13.11.2018 and 07.11.2019 respectively, but no such addresses were found in existence.

49. Further, visits to the declared residential addresses of the partners also yielded negative results. At 16/14, First Floor, Tilak Nagar, Delhi, which was declared as the residence of Shri Harjeet Singh, it was confirmed by the landlord on 24.09.2018 that he had vacated the premises nearly three years earlier. At WZ-1, Block-A, Hind Nagar, Tilak Nagar, New Delhi, declared as the residence of Shri Bhupinder Singh, the search conducted on the same day revealed that no such person resided at the premises. These facts stand duly recorded in the Panchnamas (RUD-1 and RUD-2).

50. The outcome of these searches establishes beyond doubt that the noticee firms never operated from their declared IEC or branch addresses, nor were their partners traceable at their declared residences. The inevitable conclusion is that fictitious and non-functional premises were deliberately declared by the noticees at the time of obtaining IECs and Advance Authorisations, thereby misleading the Customs authorities. This deliberate misdeclaration of operational premises shows that the noticees never had any genuine intent to establish manufacturing units for fulfilment of export obligations, but only sought to procure duty-free PVC Resin under the Advance Authorisation Scheme for diversion into the domestic market.

51. The factual position emerging from the searches is further corroborated by the statements recorded under Section 108 of the Customs Act, 1962 from the concerned Customs Brokers, transporters and associates of the noticees. The admissions made therein provide vital evidence regarding the modus operandi adopted for diversion of the imported material. The scrutiny of import documents showed that the clearance of consignments for the noticee firms was handled through three Customs Brokers, namely M/s Skyking (I) Tours & Travels, M/s Hemjyot Agency and M/s A D Mehta Clearing Agency, whose statements were accordingly recorded under Section 108 of the Customs Act, 1962.

DISCUSSION ON STATEMENTS RECORDED UNDER SECTION 108 OF THE CUSTOMS ACT, 1962-

52. The various statements (RUD-5, RUD-8, RUD-10 & RUD-11) of Shri Vishal Yadav, recorded on different occasions, collectively establish his central role in the clearance and diversion of duty-free PVC Resin. In his first statement (15.01.2019), he

admitted that through M/s Skyking (I) Tours & Travels, where he was a G-Card holder, CHA services were provided to GRD Industries, Victory Poly tubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings and Taurus Industries. He confirmed that it was Shri Harjeet Singh who approached him for clearance work, representing himself as partner in these firms, and that the requisite KYC documents were submitted for all such firms. In his subsequent statement (04.11.2020), he categorically admitted that as partner of M/s OSR Overseas he had been importing PVC Resin and selling it both in the domestic market and on High Sea Sale basis to entities such as Victory Poly tubes, Galvin Pipes and A M Vinyl Pvt. Ltd., all at the instance of Shri Krishan Bansal of Salasar Impex Ltd. He disclosed that he never dealt with foreign suppliers directly and that all documentation and remittance details were arranged by Shri Bansal. In his further statement dated 02.02.2021, he reiterated that Harjeet Singh's firms were introduced to him by Shri Krishan Bansal, that only KYC documents were collected without verifying any manufacturing premises, and that Galvin Pipes was also one of the entities to whom CHA services were provided. Finally, in his statement dated 12.02.2021 regarding transporters, he admitted to having delivered summons and producing GRs bearing the name of the CHA as consignor, but disclaimed knowledge of the final destination of the consignments. These admissions taken together prove beyond doubt that Harjeet Singh controlled all the importer firms, that OSR Overseas and Salasar Impex acted as intermediaries for diversion of duty-free PVC Resin, and that the imported goods were never transported to any declared manufacturing unit but were instead diverted to undisclosed godowns for sale in the domestic market.

53. The statement dated 12.02.2020 of Shri Devang Mehta, representing M/s A D Mehta Clearing Agency, makes it abundantly clear that M/s Galvin Pipes had no independent role in the clearance of its imports. He categorically stated that he never met any of its partners, and that all communication and KYC documentation came from M/s OSR Overseas through Shri Vishal Yadav. He further admitted that 208 MT of PVC Resin was cleared under Advance Authorisation for Galvin Pipes in this manner and that all clearance charges were paid by OSR Overseas through bank transfer.

54. The statement dated 29.01.2021 of Shri Gourav (Employee of Shri Vishal Yadav) reveals that he acted as a witness on the Bonds executed by four of the firms, namely Victory Poly tubes, Almighty Muskan Udhyog, Zidiac Pipes & Fittings and Taurus Industries, at the time of availing exemption under Notification No. 18/2015-Cus. He admitted that these firms belonged to Shri Harjeet Singh, who was introduced to him by Shri Krishan Bansal, and that he always met Harjeet Singh in the office of Shri Bansal, never at any factory or office of the firms themselves. He also admitted to being made partner in other companies with Harjeet Singh at the instance of Shri Bansal. These admissions show that the Bonds required for availing duty exemption were executed in a perfunctory manner, with witnesses having no connection to the importer firms, thus confirming that the noticee firms were only paper entities floated by Shri Harjeet Singh and Shri Bhupinder Singh with the active support of Shri Vishal Yadav and Shri Krishan Bansal.

55. Shri Ashwani Kumar of Aman Transport, in his statement dated 22.03.2021, clarified that his vehicles were only rented to firms of Shri Vishal Yadav and that the

letterhead provided to DRI by Shri Vishal Yadav was fake, with incorrect details, while Shri Shashank Mehta of Mehta Cargo Movers, in his statement dated 31.03.2021, confirmed his trucks were also rented to Vishal Yadav and the GRs shown did not belong to his firm; both further confirmed that the consignments transported in their trucks were unloaded at godowns in Khera Kalan and Bawana, Delhi. Further, investigation revealed that M/s Swaminarayan Transport was a non-existent entity, and the trucks attributed to it (as per list provided by Vishal Yadav) were actually owned by his (Shri Vishal Yadav's) own firms — OSR Logistics, SSS Profound Solutions Pvt. Ltd. — and by Vishal Yadav himself.

DISCUSSION ON EVIDENCES LIKE LETTER DATED 04.03.2020 OF CHA HEMJYOT AGENCIES AND LETTERS/GRs PROVIDED BY THE TRANSPORTERS-

56. In pursuance of the summon dated 17.02.2020, M/s Hemjyot Agencies (CHA), vide letter dated 04.03.2020, admitted that they never interacted with Shri Harjeet Singh of Galvin Pipes, and that the clearance work was undertaken solely on the instructions of M/s OSR Overseas. They further acknowledged that their service charges were not paid by the importer but by OSR Overseas through NEFT/RTGS, and furnished the relevant ledger entries. This confirms that the purported importer had no role in arranging clearance or making payments, and that the entire operation was controlled by OSR Overseas (owned by Shri Vishal Yadav), lending further weight to the allegation that the imports were only a façade to divert duty-free PVC Resin.

57. Findings from Transporter Letters (RUD-12, RUD-13, RUD-14)- From the scrutiny of documents and correlation with the Bills of Entry, it emerges that multiple consignments of duty-free PVC Resin, purportedly imported under the Advance Authorization Scheme by M/s GRD Industries, M/s Almighty Muskan Udyog, M/s Victory Polytubes, and M/s Galvin Pipes, were in fact transported and unloaded at the godowns of M/s Salasar Impex and M/s Gaurishankar Overseas, Khera Kalan, Delhi, instead of being utilised for the declared manufacturing purpose.

1. Letter from Aman Transport (RUD-12):
This letter records transportation of containers imported by the aforementioned firms, which were subsequently unloaded at the godowns of M/s Salasar Impex and M/s Gaurishankar Overseas, Khera Kalan. Correlation of the container numbers with the Bills of Entry filed by the importers confirms that these consignments were cleared duty-free under the Advance Authorization Scheme.
2. Letter from Swaminarayan Transport (RUD-13):
Similar confirmation is found in this letter, which states that consignments of PVC Resin imported by M/s GRD Industries, M/s Almighty Muskan Udyog, and M/s Galvin Pipes were transported and delivered at the same Khera Kalan godowns. Cross-verification of container numbers with the Bills of Entry once again establishes that the goods were cleared under the Advance Authorization Scheme.
3. Letter from Mehta Cargo Movers (RUD-14):
This transporter also confirmed the delivery of three containers imported by M/s Victory Polytubes in June 2018 at the godowns of M/s Salasar Impex and M/s

Gaurishankar Overseas. The container numbers match with the consignments cleared duty-free under the Advance Authorization Scheme.

Thus, the documentary evidence from the transporters, when read in conjunction with the Bills of Entry, clearly establishes that duty-free consignments imported under the Advance Authorization Scheme were diverted and clandestinely unloaded at unauthorized premises in Delhi, in contravention of the conditions stipulated under the scheme and the relevant Exemption Notification.

58. In view of the above discussion and findings, I find that the investigation has clearly established that the six firms controlled by Shri Harjeet Singh and Shri Bhupinder Singh imported a total of 4,709.68 MT of PVC Resin valued at ₹28.79 crore with duty foregone of ₹10.22 crore under Advance Authorisation, without undertaking any corresponding exports, and instead diverted the duty-free goods into the domestic market. The firms were found non-existent at their declared IEC and branch addresses, and no factories existed for fulfilling export obligations. Evidence from CHAs, transporters and high-sea sellers revealed that the consignments were handled through dummy arrangements, with goods finally delivered to godowns of M/s Salasar Impex Ltd. and M/s Gaurishankar Overseas at Khera Kalan and Bawana, Delhi. Crucially, GRs and letters produced in the names of transporters like Swaminarayan Transport were proven fake, with VAHAN Parivahan data showing the trucks actually belonged to companies of Shri Vishal Yadav himself. Thus, the entire operation was a pre-planned fraud executed by Shri Harjeet Singh, Shri Bhupinder Singh and Shri Vishal Yadav in collusion with Shri Krishan Bansal of Salasar Impex Ltd., with the sole intent of procuring duty-free PVC Resin and diverting it domestically.

**RECOVERY OF DUTY UNDER NOTIFICATION NO. 18/2015-Cus dated 01.04.2015
READ WITH BOND EXECUTED BY THE IMPORTER-**

59. It is pertinent to note that the condition no. (iv) of the Notification No. 18/2015-Customs dated 01.04.2015 stipulates that, *“the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself to pay on demand an amount equal to the duty leviable, but for the exemption contained herein, on the imported materials in respect of which the conditions specified in this notification are not complied with, together with interest at the rate of fifteen percent per annum from the date of clearance of the said materials;”*

60. The entitlement to duty exemption under Notification No. 18/2015-Cus dated 01.04.2015 is expressly conditional upon the fulfillment of prescribed export obligations. The language of the said Notification unequivocally provides that, in the event of non-fulfillment of such conditions, the importer shall be liable to pay the duty foregone along with applicable interest. This requirement is further reinforced by the provisions of the Foreign Trade Policy 2015–20, particularly Paragraphs 4.03, 4.05, and 4.16, which collectively underscore the binding and mandatory nature of the export obligations attached to Advance Authorizations.

61. Further, it is observed that all the six importer firms have submitted Bonds under Notification No. 18/2015-Cus dated 01.04.2015 for availing duty exemption under Advance Authorisation Scheme to the customs at the time of registration of Advance Authorisations. The said Bond has following relevant clauses:-

- i) We, the obligor(s) shall fulfil all the conditions of the said notification and shall observe and comply with all its terms and conditions.
- ii) We, the obligor(s) shall observe all the terms and conditions specified in the license.
- iii) We, the obligor(s) shall fulfil the export obligations as specified in the said notification and the license and shall produce evidence of having so fulfilled the export obligations within 30 days from the expiry of specified export obligation period to the satisfaction of the Government.
- iv) In the event of failure to fulfil full or part of the export obligations as specified in the said notification and license. I/We the obligor(s) herein undertake to pay the customs duty for the exemption and also interest @ 15% per annum thereon forthwith and without any demure, to the Government.
- v) We, the obligor(s) shall comply with the conditions and limitations stipulated in the said Import and Export Policy as amended from time to time.
- vi) We, the obligor(s) shall not change the name and style under which we, the obligor(s) are doing business or change the location of the manufacturing premises except with the written permission of the Government.

If each and every one of the above conditions is duly complied with by us, the obligor(s), the above written Bond shall be void and of no effect; otherwise the same shall remain in full force and effect and virtue. It is hereby declared by us, the obligor(s) and Government as follows:-

- 1) The above written bond is given for the performance of an act in which the public are interested.
- 2) The Government through the Commissioner of Customs or any other officer of Customs recovered the sums due from the obligor(s) in the manner laid down in sub-section (1) of the Section 142 of the Customs Act, 1962.

62. On a conjoint reading of Paragraphs 4.03, 4.05, and 4.16 of the Foreign Trade Policy (FTP) 2015–20, which lay down the 'Actual User Condition' applicable to Advance Authorizations, in conjunction with Notification No. 18/2015-Cus dated 01.04.2015, it is evident that the exemption from payment of Customs Duty on imported input materials is strictly conditional. The duty free imported goods must be physically incorporated in the resultant export product and are prohibited from being transferred, sold, or used for manufacture of any product meant for domestic sale or use in the Domestic Tariff Area (DTA). However, the importer firms imported duty-free Poly Vinyl Chloride (PVC) Resin under Advance Authorization and diverted the same to the domestic market, in clear violation of the terms and conditions prescribed under the said Notification and the FTP provisions.

ROLE OF SHRI VISHAL YADAV AS BENEFICIAL OWNER-

63. Now I proceed to examine the role of Shri Vishal Yadav in the context of the statutory definitions under the Customs Act, 1962. Section 2(26) of the Act defines “importer” to mean, *“importer, in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes any owner, beneficial owner or any person holding himself out to be the importer.”* Further, Section 2(3A) of the Act defines “beneficial owner” to mean *“any person on whose behalf the goods are being imported or exported or who exercises effective control over the goods being imported or exported.”* I note that the Customs Act, 1962 expressly defines “beneficial owner” to mean any person on whose behalf the goods are being imported or exported or who exercises effective control over the goods being imported or exported, and that the inclusive definition of “importer” extends to any owner, beneficial owner, or person holding himself out to be the importer. The incorporation of “beneficial owner” into the statutory architecture was intended to ensure that liability for customs duties and compliance attaches to the person who in fact controls or for whose benefit the import is structured, and not merely to the individual or entity whose name appears on the Bill of Entry. In the instant matter, the investigation, as detailed in the earlier paragraphs, has established that Shri Vishal Yadav was not a mere facilitator but the person who had arranged import of the subject goods, acted as CHA through his uncle’s firm, organised transportation largely through his own logistics entities, issued instructions to other service providers, and received/controlled the delivery of the consignments at destinations other than those declared to Customs. The statements of independent CHAs and transporters further corroborate that clearances and deliveries were undertaken on his instructions and payments were made by/through his entities. In view of such conclusive and substantial evidences, the role of Shri Vishal Yadav in the present case clearly goes far beyond that of a mere facilitator or service provider, as he exercised decisive control over the importation, clearance, transportation, and ultimate delivery of the impugned goods, thereby satisfying the statutory test of ‘beneficial owner’ and ‘importer’ under Sections 2(3A) and 2(26) of the Customs Act, 1962.

64. The facts on record establish deliberate misuse of the Advance Authorisation Scheme, as the declared manufacturing premises were non-existent and the importer firms were created solely for diversion of duty-free PVC Resin into the domestic market. Accordingly, recovery of duty is attracted under Notification No. 18/2015-Cus dated 01.04.2015, as amended, read with Section 143 of the Customs Act, 1962, with liability fastened jointly and severally upon the importer firms and Shri Vishal Yadav, the beneficial owner.

QUANTIFICATION OF DUTY-

65. On careful consideration of the facts and records, it is observed that the total duty foregone on the entire quantity of 4709.68 MT of PVC Resin imported through the six firms under the Advance Authorisation Scheme amounts to ₹10,22,72,830/-. However, since the present adjudication proceedings are confined to the imports effected through Mundra Port, the scope of these proceedings is limited to the consignments imported at Mundra only. Thus, the duty foregone in respect of the consignments

imported at Mundra Port amounts to ₹3,48,27,392/-, in terms of the conditions stipulated under Notification No. 18/2015-Cus dated 01.04.2015, as amended, read with the Bonds executed under Section 143 of the Customs Act, 1962. The particulars of the duty forgone, which has become recoverable, are tabulated below:-

1. M/s.VICTORY POLYTUBES (IEC No.-AAPFV8439B)

S No.	BE No.	BE DATE	ITEM DESCRIPTION	QTY (MTS)	ASSVALUE (INR)	DUTY FORGONE (INR)	LICENCE NUMBER	LICENCE DATE	PORT OF IMPORT
1	6355149	12.05.2018	PVC RESIN	515.00	32116212	12651304	510405525	05.02.2018	INMUN1
2	6980809	27.06.2018	PVC RESIN	306.00	20788906	7294029	510406529	21.05.2018	INMUN1
			TOTAL	821	52905118	19945333			

2. M/s. TAURUS INDUSTRIES (IEC No.- AANFT1366M)

S No.	BE No.	BE DATE	ITEM DESCRIPTION	QTY (MTS)	ASSVALUE (INR)	DUTY FORGONE (INR)	LICENCE NUMBER	LICENCE DATE	PORT OF IMPORT
1	6875058	20.06.2018	PVC RESIN	102.00	6804280	2387360	510406521	18.05.2018	INMUN1

3. M/s. ZIDIAC PIPES AND FITTINGS (IEC-AACFZ0064B)

S No.	BE No.	BE DATE	ITEM DESCRIPTION	QTY (MTS)	ASSVALUE (INR)	DUTY FORGONE (INR)	LICENCE NUMBER	LICENCE DATE	PORT OF IMPORT
1	7642653	14.08.2018	PVC RESIN	78.00	5296463	1660123	510406542	21.05.2018	INMUN1

4. M/S GALVIN PIPES (IEC No.- AARFG3100C)

S No.	BE No.	BE DATE	ITEM DESCRIPTION	QTY (MTS)	ASSVALUE (INR)	DUTY FORGONE (INR)	LICENCE NUMBER	LICENCE DATE	PORT OF IMPORT
1	6051837	19.04.2018	PVC RESIN	206.00	12780696	5006778	510405787 510405946	06.03.2018 31.03.2018	INMUN1
2	5693116	22.03.2018	PVC RESIN	208.00	11698587	5827798	510405787	06.03.2018	INMUN1
			TOTAL	414.00	24479283	10834576			

CONFISCATION OF GOODS-

66. I find that the goods imported under the Advance Authorisation Scheme and cleared without payment of duty were subject to the specific conditions prescribed

under Notification No. 18/2015-Cus. dated 01.04.2015, as amended, which mandated their utilization in the manufacture of export goods and fulfillment of export obligation. The investigation has conclusively established that the noticee firms neither maintained any manufacturing facilities at the declared premises nor undertook any exports, and instead diverted the duty-free goods into the domestic market in complete violation of the conditions of the said Notification. In terms of Section 111(o) of the Customs Act, 1962, any goods exempted from duty subject to conditions, upon contravention of such conditions, become liable to confiscation. Thus, I hold that the impugned consignments of PVC Resin imported through Mundra Port, having been diverted in breach of the condition of the Notification, are liable to confiscation under Section 111(o) of the Customs Act, 1962.

REDEMPTION FINE-

67. I find that the importer firms had executed Bonds under Notification No. 18/2015-Cus dated 01.04.2015 to comply with the conditions stipulated therein. However, as they failed to fulfil the prescribed export obligation and, instead, diverted the duty-free imported goods into the domestic market, the said goods are rendered liable to confiscation. Accordingly, the noticees are liable to Redemption Fine in terms of the Bonds executed by them.

ROLE OF EACH NOTICEE AND PENALTIES THEREON-

68. I find that all the four partnership firms viz. M/s Victory Polytubes (IEC No. AAPFV8439B), M/s Zidiac Pipes & Fittings (IEC No. AACFZ0064B), M/s Taurus Industries (IEC No. AANFT1366M), and M/s Galvin Pipes (IEC No. AARFG3100C), in collusion with their partners Shri Harjeet Singh & Shri Bhupinder Singh and Shri Vishal Yadav (beneficial owner), have indulged in the import of duty-free goods, namely PVC resin, with the intent to evade customs duties by diverting the said goods into the domestic market. It is evident that the partners of the four firms viz. Shri Harjeet Singh & Shri Bhupinder Singh and beneficial owner Shri Vishal Yadav were fully aware of the fact that no manufacturing facility existed at the declared premises, which clearly establishes their deliberate involvement in the import of duty free goods under Advance Authorisation for diversion of goods in the domestic market, which has rendered the impugned goods liable for confiscation under Section 111(o) of the Customs Act, 1962, and consequently rendered all of them liable to penal action under Section 112(a)(ii) of the Customs Act, 1962. I find that imposition of penalty under Section 112(a) and 112(b) simultaneously tantamount to imposition of double penalty, therefore, I refrain from imposition of penalty under Section 112(b) of the Act, where ever penalty under Section 112(a) of Act, is to be imposed

68.1 Further, in respect of penalty under Section 112(b) upon Shri Krishan Kumar Bansal, I find that he has knowingly acquired possession of, and was actively concerned in carrying, removing, purchasing, and selling duty-free goods, which were subsequently diverted into the domestic market, in contravention of the conditions stipulated under Notification No. 18/2015-Cus., dated 01.04.2015. Such acts have rendered the said goods liable to confiscation under Section 111(o) of the Customs Act, 1962, thereby rendering him liable to penal action under Section 112(b)(ii) of the

Customs Act, 1962.

68.2 I further find that the noticees viz. M/s Victory Polytubes, M/s Zidiac Pipes & Fittings, M/s Taurus Industries, and M/s Galvin Pipes, Shri Harjeet Singh, Shri Bhupinder Singh and Shri Vishal Yadav have deliberately and fraudulently filed incorrect and misleading documents before the DGFT authorities as well as the Customs authorities, by way of mis-declaration and suppression of material facts, with the sole intent of procuring duty-free imports of PVC and diverting the same into the domestic market, thereby facilitating willful evasion of customs duties. In view of the same, I hold that they are liable for penal action under Section 114AA of the Customs Act, 1962.

69. In view of the above discussion and findings, I hereby pass the following order:-

ORDER-

A. ORDER IN RESPECT OF M/S. VICTORY POLYTUBES (IEC No-AAPFV8439B) & OTHERS-

a) I deny the benefit of concessional rate of duty under Advance Authorisation Scheme under Notification No. 18/2015-Cus dated 01.04.2015, on the imported goods "PVC Resin", imported vide Bills of Entry as mentioned in Table given in Para 65 above.

b) I hold the subject goods i.e. 821 MTs of PVC resin having assessable value of Rs. 5,29,05,118/-, imported duty free under Notification No. 18/2015-Cus dated 01.04.2015, as amended, liable to confiscation under Section 111(o) of the Customs Act, 1962 for violation of the conditions laid down under the said Notification. Further, in terms of conditions of bond executed by them, I impose a Redemption Fine of Rs. 80,00,000/-(Rupees Eighty Lakhs only), upon M/s. Victory Polytubes and Shri Vishal Yadav, jointly and severally.

c) I confirm the duty of Customs amounting to Rs. 1,99,45,333/- (Rupees One Crore Ninety Nine Lakhs Forty Five Thousand Three Hundred and Thirty Three only) payable on the goods in respect of which export obligation could not be fulfilled and which have been sold/diverted for other use, and order to recover the same from M/s. Victory Polytubes and Shri Vishal Yadav, jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, readwith the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond.

d) I order to encash the Bank Guarantee submitted for the above imports and order to appropriate the proceeds against the duty confirmed above.

e) I order to recover interest, on the amount of duty confirmed above at (c) under the provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, from M/s. Victory Polytubes and Shri Vishal Yadav, jointly and severally.

f) I impose penalties upon M/s. Victory Polytubes, Shri Vishal Yadav, Shri Harjeet Singh, Shri Bhupinder Singh and Shri Krishan Kumar Bansal under Sections 112(a), 112(b) and 114AA as given below:-

Sr.No.	Name of the noticee	Penalty under Section 112(a)(ii)-(in Rs.)	Penalty under Section 112(b)(ii)-(in Rs.)	Penalty under Section 114AA-(in Rs.)
1.	M/s. Victory Polytubes	15,00,000/-(Fifteen Lakhs only)	Don't impose	25,00,000/- (Twenty Five Lakhs only)
2.	Shri Vishal Yadav	15,00,000/-(Fifteen Lakhs only)	Don't impose	25,00,000/- (Twenty Five Lakhs only)
3.	Shri Harjeet Singh	10,00,000/-(Ten Lakhs only)	Don't impose	20,00,000/- (Twenty Lakhs only)
4.	Shri Bhupinder Singh	10,00,000/-(Ten Lakhs only)	Don't impose	20,00,000/- (Twenty Lakhs only)
5.	Shri Krishan Kumar Bansal	Not proposed in the SCN	10,00,000/-(Ten Lakhs only)	Not proposed in the SCN

B. ORDER IN RESPECT OF M/S. TAURUS INDUSTRIES (IEC NO-AANFT1366M) & OTHERS-

a) I deny the benefit of concessional rate of duty under Advance Authorisation Scheme under Notification No. 18/2015-Cus dated 01.04.2015, on the imported goods “PVC Resin”, imported vide Bills of Entry as mentioned in the Table given in Para 65 above.

b) I hold the subject goods i.e. 102 MTs of PVC resin having assessable value of Rs. 68,04,280/-, imported duty free under Notification No. 18/2015-Cus dated 01.04.2015, as amended, liable to confiscation under Section 111(o) of the Customs Act, 1962 for violation of the conditions laid down under the said Notification. Further, in terms of conditions of bond executed by them, I impose a Redemption Fine of Rs. 10,00,000/- (Rupees Ten Lakhs only), on M/s. Taurus Industries and Shri Vishal Yadav, jointly and severally.

c) I confirm the duty of Customs amounting to Rs. 23,87,360/- (Rupees Twenty Three Lakhs Eighty Seven Thousand Three Hundred and Sixty only) payable on the goods in respect of which export obligation could not be fulfilled and which have been sold/diverted for other use, and order to recover the same from M/s. Taurus Industries and Shri Vishal Yadav, jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond.

d) I order to encash the Bank Guarantee submitted for the above imports and order to

appropriate the proceeds against the duty confirmed above.

e) I order to recover interest, on the amount of duty confirmed above at (c) under the provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, from M/s. Taurus Industries and Shri Vishal Yadav, jointly and severally.

f) I impose penalties upon M/s. Taurus Industries, Shri Vishal Yadav, Shri Harjeet Singh, Shri Bhupinder Singh and Shri Krishan Kumar Bansal under Sections 112(a), 112(b) and 114AA as given below

Sr.No.	Name of the noticee	Penalty under Section 112(a)(ii)-(in Rs.)	Penalty under Section 112(b)(ii)-(in Rs.)	Penalty under Section 114AA-(in Rs.)
1.	M/s. Taurus Industries	2,30,000/- (Two Lakhs Thirty Thousand only)	Don't impose	3,00,000/- (Three Lakhs only)
2.	Shri Vishal Yadav	2,30,000/- (Two Lakhs Thirty Thousand only)	Don't impose	3,00,000/- (Three Lakhs only)
3.	Shri Harjeet Singh	1,50,000/- (One Lakh Fifty Thousand only)	Don't impose	2,00,000/- (Two Lakhs only)
4.	Shri Bhupinder Singh	1,50,000/- (One Lakh Fifty Thousand only)	Don't impose	2,00,000/- (Two Lakhs only)
5.	Shri Krishan Kumar Bansal	Not proposed in the SCN	2,30,000/- (Two Lakhs Thirty Thousand only)	Not proposed in the SCN

C. ORDER IN RESPECT OF M/S.ZIDIAC PIPES & FITTINGS (IEC No-AACFZOO64B) & OTHERS-

a) I deny the benefit of concessional rate of duty under Advance Authorisation Scheme under Notification No. 18/2015-Cus dated 01.04.2015, on the imported goods “PVC Resin”, imported vide Bills of Entry as mentioned in the Table given in Para 65 above.

b) I hold the subject goods i.e. 78 MTs of PVC resin having assessable value of Rs. 52,96,463/-, imported duty free under Notification No. 18/2015-Cus dated 01.04.2015, as amended, liable to confiscation under Section 111(o) of the Customs Act, 1962 for violation of the conditions laid down under the said Notification. Further, in terms of conditions of bond executed by them, I impose a Redemption Fine of Rs. 8,00,000/-

(Rupees Eight Lakhs only), on M/s. ZIDIAC PIPES & FITTINGS and Shri Vishal Yadav, jointly and severally.

c) I confirm the duty of Customs amounting to Rs. 16,60,123/- (Rupees Sixteen Lakhs Sixty Thousand One Hundred and Twenty three only) payable on the goods in respect of which export obligation could not be fulfilled and which have been sold/diverted for other use, and order to recover the same from M/s. ZIDIAC PIPES & FITTINGS and Shri Vishal Yadav, jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond.

d) I order to encash the Bank Guarantee submitted for the above imports and order to appropriate the proceeds against the duty confirmed above.

e) I order to recover interest, on the amount of duty confirmed above at (c), under the provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, from M/s. ZIDIAC PIPES & FITTINGS and Shri Vishal Yadav, jointly and severally.

f) I impose penalties upon M/s. ZIDIAC PIPES & FITTINGS, Shri Vishal Yadav, Shri Harjeet Singh, Shri Bhupinder Singh and Shri Krishan Kumar Bansal under Sections 112(a), 112(b) and 114AA as given below

Sr.No.	Name of the noticee	Penalty under Section 112(a)(ii)-(in Rs.)	Penalty under Section 112(b)(ii)-(in Rs.)	Penalty under Section 114AA-(in Rs.)
1.	M/s. ZIDIAC PIPES & FITTINGS	1,50,000/-(One Lakh Fifty Thousand only)	Don't impose	2,00,000/-(Two Lakhs only
2.	Shri Vishal Yadav	1,50,000/-(One Lakh Fifty Thousand only)	Don't impose	2,00,000/-(Two Lakhs only
3.	Shri Harjeet Singh	1,00,000/-(One Lakh only)	Don't impose	1,50,000/-(One Lakh Fifty Thousand only)
4.	Shri Bhupinder Singh	1,00,000/-(One Lakh only)	Don't impose	1,50,000/-(One Lakh Fifty Thousand only)
5.	Shri Krishan Kumar Bansal	Not proposed in the SCN	1,50,000/-(One Lakh Fifty Thousand only)	Not proposed in the SCN

D. ORDER IN RESPECT OF M/S. GALVIN PIPES (IEC No-AACFZOO64B) & OTHERS-

- a) I deny the benefit of concessional rate of duty under Advance Authorisation Scheme under Notification No. 18/2015-Cus dated 01.04.2015, on the imported goods “PVC Resin”, imported vide Bills of Entry as mentioned in the Table given in Para 65 above.
- b) I hold the subject goods i.e. 414 MTs of PVC resin having assessable value of Rs. 2,44,79,283/-, imported duty free under Notification No. 18/2015-Cus dated 01.04.2015, as amended, liable to confiscation under Section 111(o) of the Customs Act, 1962 for violation of the conditions laid down under the said Notification. Further, in terms of conditions of bond executed by them, I impose a Redemption Fine of Rs. 37,00,000/-(Rupees Thirty Seven Lakhs only), on M/s. GALVIN PIPES and Shri Vishal Yadav, jointly and severally.
- c) I confirm the duty of Customs amounting to Rs. 1,08,34,576/- (Rupees One Crore Eight Lakhs Thirty Four Thousand Five Hundred and Seventy Six only) payable on the goods in respect of which export obligation could not be fulfilled and which have been sold/diverted for other use, and order to recover the same from M/s. GALVIN PIPES and Shri Vishal Yadav, jointly and severally, in terms of Notification No. 18/2015-Customs 01.04.2015, as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond.
- d) I order to encash the Bank Guarantee submitted for the above imports and order to appropriate the proceeds against the duty confirmed above.
- e) I order to recover interest, on the amount of duty confirmed above at (c), under the provision of Notification Number 18/2015-Cus 01.04.2015 read with Conditions of Bond executed in term of Section 143 of Customs Act, 1962, from M/s. GALVIN PIPES and Shri Vishal Yadav, jointly and severally.
- f) I impose penalties upon M/s. GALVIN PIPES, Shri Vishal Yadav, Shri Harjeet Singh, Shri Bhupinder Singh and Shri Krishan Kumar Bansal under Sections 112(a), 112(b) and 114AA as given below

Sr.No.	Name of the noticee	Penalty under Section 112(a)(ii)-(in Rs.)	Penalty under Section 112(b)(ii)-(in Rs.)	Penalty under Section 114AA-(in Rs.)
1.	M/s. GALVIN PIPES	10,00,000/-(Ten Lakhs only)	Don't impose	20,00,000/- (Twenty Lakhs only)
2.	Shri Vishal Yadav	10,00,000/-(Ten Lakhs only)	Don't impose	20,00,000/- (Twenty Lakhs only)
3.	Shri Harjeet Singh	5,00,000/-(Five Lakhs only)	Don't impose	10,00,000/-(Ten Lakhs only)

4.	Shri Bhupinder Singh	5,00,000/-(Five Lakhs only)	Don't impose	10,00,000/-(Ten Lakhs only)
5.	Shri Krishan Kumar Bansal	Not proposed in the SCN	10,00,000/-(Ten Lakhs only)	Not proposed in the SCN

70. This order is issued without prejudice to any action that can be taken against the importer or any other person under this Act or any other law for the time being in force.

(Nitin Saini)

Commissioner of Customs,
Custom House, Mundra

DIN-20251271MO000000F5D5

F. No.: GEN/ADJ/COMM/211/2024-Adjn

By Speed Post/E Mail/Notice Board

To,

1. **M/s Victory Polytubes (IEC No.AAPFV8439B),**
UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057.
2. **M/s Taurus Industries (IEC No.AANFT1366M)**
UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057.
3. **M/s Zidiac Pipes & Fittings (IEC No.AACFZ0064B),**
UG-17, Vishwasadan, District Centre, Janakpuri, New Delhi-110057.
4. **M/s Galvin Pipes (IEC No.AARFG3100C),**
1690, Manakpura, Karol Bagh, New Delhi.
5. **Shri Harjeet Singh**
Harjeet Singh son of Shri Manjeet Singh, 16/14,
First Floor, Tilak Nagar, New Delhi-110018
6. **Shri Bhupinder Singh**
son of Shri Gurbwaksh Singh, WZ-1, Block-A,
Hindnagar, Tilaknagar, Delhi-110018.
7. **Shri Krishan Kumar Bansal,**
Director of M/s Salasar Impex Limited,
DSM-321, DLF Towers, Najafgarh Road Industrial Area, Delhi
8. **Shri Vishal Yadav G-Card**
M/s Skyking (I) Tour & Travels (CHA),
173, HOG Market, Behind Deep Shikha Building,
Rajindra Place, New Delhi-110008

COPY TO:-

- 1) The Chief Commissioner of Customs, Gujarat Zone, Ahmedabad

- 2) The Additional Director General, DRI, Noida Regional Unit, Ground Floor, & First Floor, G-10, Sector-63, Noida, U.P.-201301. (Dri-noida@gov.in)
- 3) The Additional Director General, DRI, Lucknow Zonal Unit, 2/31 Vishal Khand, Gomti Nagar, Lucknow-226010.
- 4) The Additional Director General of Foreign Trade, DGFT, A- Wing, Indraprastha Bhawan, I.P. State, New Delhi-110002.
- 5) The Deputy/ Assistant Commissioner of Customs (EDI), Custom House, Mundra for uploading on the website- <http://gujaratcustoms.gov.in/>.
- 6) The Deputy/ Assistant Commissioner of Customs (TRC/Legal/Prosecution), Customs House, Mundra.
- 7) Guard File.