सीमा शुल्क आयुक्त का कार्यालय
OFFICE OF THE COMMISSIONER OF CUSTOMS
नवीन सीमा शुल्क भवन,बालाजी मंदिर के पास,नया कांडला
NEW CUSTOM HOUSE, NEAR BALAJI TEMPLE, NEW KANDLA
Email : commr-cuskandla@nic.in

F.No. GEN/ADJ/ADC/937/2026-Adjn-O/o Commr-Cus-Kandla

Show Cause Notice

(Issued under Section 124 of the Customs Act, 1962)

1. Whereas, M/s Cranemax Corporation Limited (IEC: AAMCC0225G) (GSTIN- 27AAMCC0225G1ZX) (hereinafter referred to as "the exporter" for the sake of brevity) is a public limited company, as per the GST Registration details available on gst.gov.in, situated at 14th floor, Office No 1407, Magic Square, Dwarkadish Marg, Poddar Road, Gurudwara Marg, Malad East, Mumbai, Mumbai Suburban, Maharashtra, 400097. As per the GST registration, the exporter is engaged in business activities relating to various kind of goods and services. The exporter had filed three shipping bills 2079181, 2079199 and 2079188 all dated 23.05.2025 through Customs Broker M/s. Gaurav M/ Zaveri, Mumbai at Kandla port for export of goods “Ceramic Tiles” under CTH 69072100.

DETAILED INVESTIGATION:

2. Receipt of NCTC Alert:

Whereas, NCTC (National Customs Targeting Centre) flagged an alert on the export cargo on the same date i.e. 23.05.2025 and forwarded the alert to SIIB, Kandla Customs. NCTC Alert No. 83/EXP/2025-26 was received in respect of three Shipping Bills bearing Nos. 2079181, 2079199 and 2079188, all dated 23.05.2025, filed by M/s Cranemax Corporation Limited (IEC No. AAMCC0225G) through Kandla Port (INIXY1) for export of Ceramic Tiles classifiable under CTH 69072100 to Iran. The consignee was declared as “Belam Bar Barban Intl Transportation” and the buyer as “Abdul Ghani Khadim”. The alert specifically highlighted suspicious aspects such as recently obtained IEC, dormant export activity, newly registered suppliers who were only traders and not manufacturers of ceramic tiles, sensitive destination country, and possibility of concealment of restricted/prohibited goods such as red sanders. The exporter had previously exported Acetone from another port and had suddenly filed multiple high-value shipping bills, indicating a dubious supply chain and possible fraudulent export activity. The unusual export pattern and mismatch between declared business profile and export activity further supported the suspicion raised in the NCTC alert.

3. Hold of export cargo and Physical Examination by SIIB, Customs Kandla:

Consequent to the aforesaid alert dated 23.05.2025 from NCTC; the export cargo was put on hold and the examination of the export goods by officers of SIIB, Customs Kandla and perusal of goods by valuer for purpose of valuation was carried out under Panchnama proceedings dated 02.06.2025 **(RUD-1)**.

4. Findings under Examination of goods:

Whereas, the detailed examination of the export consignments was carried out by SIIB officers. During examination, it was observed that the quantity declared by the exporter in the Shipping Bills was not matching with the quantity physically available. Under Shipping Bill No. 2079188, against declared quantity of 780 SQM, only 748.8 SQM was found physically. Under Shipping Bill No. 2079181, against declared quantity of 960 SQM, only 921.6 SQM was found. Similarly, under Shipping Bill No. 2079199, against declared quantity of 900 SQM, only 864 SQM was physically available. Such discrepancies clearly established misdeclaration of quantity in the export documents.

5. Valuation by Chartered Engineer

Whereas, NCTC Alert had indicated possible overvaluation too, the goods were made available to a Chartered Engineer during the course of panchnama dated 02.06.2025 for independent valuation. The Chartered Engineer conducted market survey and submitted valuation findings in his report dated 11.06.2025 **(RUD-2)** showing substantial overvaluation of the export goods.

6. The chartered valuer in their report dated 11.06.2025 stated Shipping Bill wise details of difference of valuation noticed as under:

For Shipping Bill No. 2079188, the exporter declared total C&F value of USD 15,700 whereas the Chartered Engineer assessed the actual value at USD 7,607.808. For Shipping Bill No. 2079181, against declared value of USD 19,300, the fair value was assessed at USD 9,345.024. For Shipping Bill No. 2079199, against declared value of USD 18,100, the assessed value was only USD 8,769.600.

Amount in USD

Sr. NO.	Shipping Bill No.	Value amount in Shipping Bill	Value amount assessed by Chartered valuer	Difference in value amount
1	2079188	15,700	7,607	8,093
2	2079181	19,300	9,345	9,955
3	2079199	18,100	8,769	9,331
		53,100	25,721	27,379

7. The chartered valuer in their report dated 11.06.2025 stated that total difference of C&F value in Rs. = 27,379*84.7= 23,19,001/- i.e. as per the valuation report the exporter has tried to overvalue the cargo by Rs. 23,19,001/-. The exporter has assessed the value of export cargo as (53100*84.7) Rs. 44,97,570/- i.e. the value ascertained by the valuer is 0.51 times the value assessed by the exporter. On the self-assessed value by exporter of Rs. 44,97,570/- they have self-assessed export incentives to the tune of Rs. 9,25,839/- the details of which are as under:

Amount in Rs.

Sr No.	Shipping Bill	Taxable Value	Export Incentives claimed in shipping bills		
			IGST amount	Drawback amount	RODTEP amount
1	2079188	13,29,790	2,39,362	22,462	11,892
2	2079181	16,34,710	2,94,248	27,646	14,636
3	2079199	15,33,070	2,75,953	25,918	13,721
	Total	44,97,570	8,09,563	76,027	40,249

8. Whereas on the basis of valuation report the eligible export incentives to the exporter appear to be only Rs. 4,72,177/- i.e. it appears that the exporter has tried to get Rs. 4,53,660/- more as export incentives from the Govt. These findings clearly established deliberate inflation of export value for availing excess export benefits.

9. Communication of Valuation Findings to Exporter

Whereas, the Chartered Engineer's report dated 11.06.2025 was shared with the exporter vide e-mail dated 11.06.2025. In response, vide e-mail dated 12.06.2025 **(RUD-3)**, the exporter accepted the valuation findings and did not dispute the market value assessed by the Chartered Engineer.

This acceptance confirmed that the declared export values were substantially inflated and supported the allegation of overvaluation.

10. Admission Regarding Quantity Misdeclaration by Exporter

Whereas, vide letter dated 10.06.2025, the exporter submitted that the discrepancy in quantity occurred due to calculation errors allegedly made by the supplier in the invoices. The exporter accepted the quantity differences observed during examination and simultaneously requested provisional release of the goods. This admission further established the fact of incorrect declaration in the Shipping Bills.

11. Seizure of Goods on 17.06.2025

Whereas, the exporter had mis declared both quantity and value of the export goods with intent to avail higher export incentives, the goods appeared liable for confiscation under Section 113(i) and Section 113(ia) of the Customs Act, 1962. Accordingly, the goods covered under Shipping Bill Nos. 2079188, 2079181 and 2079199, all dated 23.05.2025, were seized under Section 110 of the Customs Act, 1962 vide Seizure Memo dated 17.06.2025 **(RUD-4)**. Thereafter, the seized goods were handed over to the Manager, AV Joshi CFS, Gandhidham under Supratnama dated 17.06.2025 **(RUD-4)** for safe custody pending completion of investigation.

12. Issuance of Summons and communications from the Exporter

Whereas, Summons dated 04.07.2025, 07.10.2025, 04.12.2025 and 24.03.2026 **(RUD-5)** were issued to the exporter requiring appearance before the investigating authority and submission of relevant records. On 17.01.2026, SIIB Section of Customs Kandla received an email under which, Shri Raj Mukesh Waghela, Director of M/s Cranemax Corporation Limited sought a suitable date for appearance in respect of Summons issued to them. In response to the request of the exporter, another date i.e. 22.01.2026 was communicated for appearance of the exporter. However, no one appeared on behalf of the exporter. On 26.02.2026, another email from the Exporter was received by SIIB Section, Customs Kandla, wherein Shri Raj Mukesh Waghela, Director of M/s Cranemax Corporation Limited sought another suitable date for appearance in the matter and expressed regret for not being able to appear on 22.01.2026. In response to exporter's email dated 26.02.2026 another date i.e. 03.03.2026 was communicated for appearance to the exporter. However, the exporter did not appear in response to the summons/ Emails and failed to cooperate with the investigation. This Non-compliance of exporter with lawful summons indicated deliberate avoidance of investigation proceedings.

13. Request for Back to Town of Cargo

Whereas, the exporter submitted a request letter dated 07.07.2025 via e-mail seeking permission for Back to Town movement of the cargo on the ground that the export order had been cancelled. Since the goods had already been found to be overvalued and quantity-wise mis declared and were liable for confiscation under Sections 113(i) and 113(ia), and as supply chain verification was still pending, the request for Back to Town was found to be premature and not acceptable at that stage. Allowing withdrawal of goods before completion of investigation would have adversely affected adjudication proceedings.

14. GST Verification of Exporter:

Whereas, a letter was issued to CGST Mumbai East Commissionerate on 05.08.2025 seeking GST verification of the exporter to verify the exporter's credentials and supply chain genuineness. Since no report was received, reminder letters dated 23.09.2025, 13.11.2025, 04.12.2025 and 15.04.2026 were also issued. GST verification report has not been received and the GSTIN (GSTIN- 27AAMCC0225G1ZX) status of the exporter is reflected to be Active.

15. Extension for Issuance of Show Cause Notice

Whereas, neither the exporter appeared in response to summons nor GST verification was received, the investigation could not be completed within the original statutory period of 06 months. Under Section 110 of the Customs Act, 1962, the last date for issuance of Show Cause Notice for confiscation of seized goods was 16.12.2025. Accordingly, extension for issuance of Show Cause Notice under Section 124 of Customs Act 1962 was granted on 15.12.2025 by the competent authority **(RUD-6)** and the same was communicated to the exporter vide letter dated 15.12.2025 through e-mail.

16. Appearance of Customs broker on Summons

Whereas, various summons were issued to the exporter for tendering a statement during the investigation, however, the exporter had not appeared. SIIB CH Kandla issued summons dated 15.12.2025 to Customs Broker, consequently, Shri Vishalkumar Prakashbhai Ghoghari, an authorised person of the CHA, appeared on behalf of Customs Broker and tendered a statement dated 23.04.2026 **(RUD-7)** in which they have submitted:

- *Sir, we had verified KYC documents from Government sites such as gst.gov.in for GST registration found as 27AAMCC0225G1ZX and dgft.gov.in for IEC status of AAMCC0225G. However, I would like to state that the firm M/s Cranemax Corporation Limited vide E-mail dated 12.06.2025 had accepted the valuation of the export goods as calculated on the basis of valuation report from Chartered Valuer of Kandla Customs. Moreover, I would like to submit that we had sent some documents to M/s Cranemax Corporation Limited at their registered address and the same was delivered to them.*

- *Sir, practically and economically meeting with importer/exporter and physically verifying the premises of each and every importer or exporter is not viable in business. However, we have verified GSTIN and IEC of the importer on authentic government websites i.e. dgft.gov.in and gst.gov.in, which are 27AAMCC0225G1ZX and AAMCC0225G respectively.*

- *However, I want to state that before coming to tender a statement in the matter our firm contacted M/s Cranemax Corporation and they have telephonically informed us that they will not be able to appear before the Customs due to some unavoidable circumstances and that they are ready for any proceedings as per law including issuance of SCN in the matter as expressed vide E-mail dated 12.06.2025.*

Moreover, the exporter vide email dated 23.04.2026, has again requested for release of goods meant for export vide shipping bills and cited the reason for non-appearance as “health issue”.

17. Conclusion of Investigation and Legal Provisions involved

17.1 Whereas, the investigation clearly establishes that M/s Cranemax Corporation Limited attempted export of ceramic tiles by deliberately overvaluing the goods and mis-declaring the quantity in the

Shipping Bills with intent to avail excess export benefits. The exporter accepted the valuation findings and quantity discrepancies, failed to appear in response to repeated summons, and the suspicious supply chain of the exporter could not be verified as the verification report from the concerned GST commissionerate has not been received. Whereas, the status of the exporter having GSTIN 27AAMCC0225G1ZX on gst.gov.in is reflected as active, therefore role of the Customs Broker cannot be defined in the absence of verification report from GST Commissionerate.

17.2 The seizure of the goods had been done on 17.06.2025 on the grounds of mis-declaration of quantity on the basis of examination done on 02.06.2025 and mis-declaration of value of goods on the basis of valuation report dated 11.06.2025 of the chartered valuer. Section 110 of Customs Act 1962 is reproduced hereunder:

> ***110. Seizure of goods, documents and things.—***
>
> *(1) If the proper officer has reason to believe that any goods are liable to confiscation under this Act, he may seize such goods: Provided that where it is not practicable to seize any such goods, the proper officer may serve on the owner of the goods an order that he shall not remove, part with, or otherwise deal with the goods except with the previous permission of such officer.*
>
> *(2) Where any goods are seized under sub-section (1) and no notice in respect thereof is given under clause (a) of section 124 within six months of the seizure of the goods, the goods shall be returned to the person from whose possession they were seized*

17.3 Whereas, as per Section 110(2) of Customs Act, 1962, the seized goods are liable for release if Show Cause Notice under Section 124 of Customs Act, 1962 is not issued to the owner of goods within 6 months of the seizure. Accordingly, a Show Cause Notice under Section 124 of Customs Act, 1962 is required to be issued to the importer before confiscation of seized goods. The Section 124 of Customs Act, 1962 is reproduced as under:

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

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

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

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

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

17.4 However, after seizure under Section 110 of Customs Act 1962 on 12.06.2025 the time limit for issuance of Show Cause Notice for confiscation under Section 124 of the Customs Act 1962 was extended by 06 months by the competent authority and the same was communicated to the importer vide letter dated 10.12.2025.

17.5 The seized goods are liable for confiscation under Section 113(i), 113(ia) and Section 113(ia) of the Customs Act, 1962. Further penal action under the relevant provisions of the Customs Act, 1962 is also warranted against the exporter. Relevant excerpt of Section 113 of Customs Act 1962 is reproduced hereunder:

113. Confiscation of goods attempted to be improperly exported, etc. —The following export goods shall be liable to confiscation:—

(i) any goods entered for exportation which do not correspond in respect of value or in any material particular with the entry made under this Act or in the case of baggage with the declaration made under section 77

(ia) any goods entered for exportation under claim for drawback which do not correspond in any material particular with any information furnished by the exporter or manufacturer under this Act in relation to the fixation of rate of drawback under section 75;

(ja) any goods entered for exportation under claim of remission or refund of any duty or tax or levy to make a wrongful claim in contravention of the provisions of this Act or any other law for the time being in force

17.6 The Section 114 of Customs Act 1962 provides penal provisions for attempt to export goods improperly and is reproduced hereunder:

Section 114. Penalty for attempt to export goods improperly, etc. –

Any person who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 113, or abets the doing or omission of such an act, shall be liable

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty not exceeding three times the value of the goods as declared by the exporter or the value as determined under this Act, whichever is the greater

(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher

(iii) in the case of any other goods, to a penalty not exceeding the value of the goods, as declared by the exporter or the value as determined under this Act, whichever is the greater.

In the present case the goods are "Ceramic Tiles" which are neither dutiable nor prohibited. Therefore, the exporter appears liable to penalty as per the provision (iii) of Section 114 of the Customs Act 1962 as reproduced above.

18. Now, therefore, M/s Cranemax Corporation Limited (IEC: AAMCC0225G) having address at 14th floor, Office No 1407, Magic Square, Dwarkadish Marg, Poddar Road, Gurudwara Marg, Malad East, Mumbai, Mumbai Suburban, Maharashtra, 400097, is hereby called upon to show cause to the Additional Commissioner of Customs, having office situated at Customs House, Near Balaji Temple, Kandla, District Kutch within 30 days from the receipt this notice as to why: -

(a) The quantity and value of the goods attempted to be exported under shipping bills 2079181, 2079199 and 2079188 all dated 23.05.2025 have been mis-declared by the exporter and therefore the seized goods are liable to be confiscated under Section 113(i), 113(ia) and 113(ja) of Customs Act, 1962 and

(b) Penalty under Section 114 (iii) of the Customs Act, 1962 is imposable upon the importer for attempt to export goods improperly

19. Each of the above Noticees are required to submit their reply in writing to the Adjudicating Authority, as above, within 30 days from the date of receipt of this notice. In their written reply, the Noticees may also state as to whether they would like to be heard in person. In case, no reply is received within the time limit stipulated above or any further time which may be granted to them by the Adjudicating Authority and/or if they fail to appear for personal hearing, when the case is posted for the same, the case will be decided ex-parte on the basis of evidence on record and without any further reference to the Noticee(s). Further, the Noticees are advised to mention their email address in writing for virtual hearing as per CBIC's Instruction dated 21.08.2020 issued vide F.No. 390/Misc/3/2019-JC.

20. This notice is issued without prejudice to any other action that may be taken in respect of the above goods and / or the persons / firms mentioned in the notice under the provisions of the Customs Act, 1962 and / or any other law for the time being in force, in the Republic of India.

21. The department reserves the right to add, amend, modify, delete any part or the portion of this notice any such addendum, amendment, modification, deletion, if made, shall be deemed to be part and parcel of this notice.

22. The list of relied upon documents (RUDs) in this case is as per **Annexure-R.**

Digitally signed by
Rakesh Kumar Jain
Date: 10-06-2026
20:49:25

Additional Commissioner,
Custom House, Kandla

By Speed Post/Courier

To,

M/s Cranemax Corporation Limited
(IEC: AAMCC0225G) (GSTIN- 27AAMCC0225G1ZX)
14th floor, Office No 1407,
Magic Square, Dwarkadish Marg,
Poddar Road, Gurudwara Marg,
Malad East, Mumbai,
Mumbai Suburban,
Maharashtra - 400097

Copy to:

1. The Assistant Commissioner of Customs, Adjudication Cell, Kandla Customs House, Kandla.
2. The Assistant Commissioner, SIIB Section, Custom House Kandla, Kandla.
3. Guard file.

Annexure-R

Attached to Show Cause Notice issued vide F. No GEN/ADJ/ADC/937/2026-Adjn-O/o Commr-Cus-Kandla to M/s Cranemax Corporation Limited (List of Relied upon Documents)

RUD-01: Panchnama dated 02.06.2025

RUD-02: Valuation Certificate by Chartered Engineer dated 11.06.2025

RUD-03: Exporter e-mail dated 12.06.2025

RUD-04: Seizure Memo dated 17.06.2025 and Supratnama dated 17.06.2025

RUD-05: Summons dated 04.07.2025, 07.10.2025, 04.12.2026 and 24.03.2026

RUD-06: Letter dated 15.12.2025 to the notice regarding extension of time limit for issuance of SCN.

RUD-07: Statement of Shri Vishalkumar Prakashbhai Ghoghari dated 23.04.2026