



F.No. GEN/ADJ/ADC/149/2026-Adjn-O/o Comr-Cus-Kandla

Date -23-01-2026

Whereas, Intelligence was received that M/s Shiv Trading Co. (IEC No. GPNPS5042J) (**herein referred as “the importer” or “M/s. Shiv Trading”**) situated at 1066/8, Gandhi Gali, Fatehpuri, Khari Baoli, North Delhi, Delhi-110006 and having branch office at Shed No. 167, SPL CIB Type, GF and FF, Phase-I, Sector-II, KASEZ, Gandhidham, Gujarat- 370240 is indulged in practice of custom fraud by way of mis-declaration and undervaluation.

**2.** As per the intelligence, M/s Shiv Trading Co. is a proprietorship firm with Shri. Bishan Singh as the proprietor, as per IEC details. Further, the intelligence suggested that M/s. Shiv Trading Co. is not re-exporting the goods but is clearing them in the domestic market, thereby bypassing the normal channels of assessment/examination.

**3.1** Details of the consignments which appeared to be mis-declared and undervalued as per the above intelligence were gathered. The details of such consignments imported by M/s. Shiv Trading is mentioned below in Table -A:

**Table- A**

S.No	Bill entry No. & date	SEZ entity	Client	Item Description	Quantity
1	1000145 dated 04.01.2021	M/s. Shiv Trading Co., KASEZ	Maxx Intl General Trading LLC, Dubai Municipality Building Muraqat Street Room No. 204, 2nd Floor Dubai, United Arab Emirates (AE)	Assorted Nutritional Supplements Containing as per Invoice attached (21061000)	13342 pcs
2	1001200 dated 25.01.2021	M/s. Shiv Trading Co., KASEZ	HYT General Trading LLC, Saif Executive Office P8-14-20 Sharjah, United Arab Emirates (AE)	Decorative alarm clock (91051900), Decorative wall clock (91052900), Decorative Lamp with clock (91059990), Decorative table clock (91059990), Decorative table lamp (94052090),	6528 pcs 40 pcs 3144 pcs 6708 pcs 2328 pcs

				Decorative photo frame (39264049),	1440 pcs
				Decorative photo frame with clock (91059990),	1080 pcs
				Decorative Table clock with frame (91059990),	720 pcs
				Gents Fiber watch (91029990),	5000 pcs
				Gents metal watch (91019990),	4000 pcs
				Ladies Leather Watch (91029990),	3000 pcs
				LCD Watch (91029990),	10000 pcs
				Ladies Metal watch (91019990)	9000 pcs

**3.2** The details mentioned as per Invoice Cum Packing List for the above said goods imported by M/s. Shiv Trading is as below in the Table-B :

**Table-B**

<b>Sr. No.</b>	<b>BE and date</b>	<b>Invoice No. and date</b>	<b>Description in Invoice Cum Packing List</b>	<b>Quantity (Pcs)</b>	<b>Price per Unit (USD)</b>
1.	1000145 dated 04.01.2021	MX-01 dated 21.11.2020	Assorted Nutritional Supplements containing Mtech Hydroxy Cut Elite 180 CT, Universal Daily Formula 100TAB, BPI WHEY HD 5 LBS, BPIBEST BCAA 30 Serving, BSY SYNTH 6-5 LBS, GAT LIVER Clean 60 Caps, NB ISO Pure 3 LBS, GAT Joint Support 60 TAB, MTECH NITRO TECH 4 LBS & 10 LBS, GAT WHEY Protein 5 LBS, GAT Nitraflex 30 Serving, BSN NO Xplode 60 serving, SCIVATION Xtend 30 Serving, BPI Glutamine 300gm, GAT 6- ARGININE 150 TAB, GAT Multi+ TEST Vitamine 60 TAB.	13342	3
2.	1001200 dated 25.01.2021	20210105 dated 05.01.2021	Decorative alarm clock, Decorative wall clock, Decorative Lamp with clock, Decorative table clock, Decorative table lamp, Decorative photo frame,	6528 40 3144 6708 2328	0.08 0.65 0.24 0.12 0.20

		Decorative photo frame with clock,	1440	0.12
		Decorative Table clock with frame,	1080	0.16
		Gents Fiber watch,	720	0.17
		Gents metal watch,		
		Ladies Leather Watch,	5000	0.08
		LCD Watch,	4000	0.11
		Ladies Metal watch	3000	0.10
			10000	0.04
			9000	0.09

4. Acting upon the intelligence regarding mis-declaration and undervaluation of imported goods, a letter dated 08.02.2021 (**RUD-01**) was issued to The Deputy Commissioner of Customs, KASEZ, Gandhidham requesting to put on hold all the live consignment pertaining to M/s. Shiv Trading (IEC No. – GPNPS5042J), Shed No. 167 SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ.

5. The intelligence/information received was further developed by Directorate of Revenue Intelligence, Gandhidham (herein referred as “**DRI**”) and accordingly, letters dated 10.02.2021 were written to Directorate of Revenue Intelligence Delhi Zonal Unit and to the Office of the Principal Commissioner of Customs, Gautam Budh Nagar, Uttar Pradesh requesting to conduct search at various DTA buyers and head office of M/s. Shiv Trading Co.

6.1 The officers of DRI conducted search at the premises of M/s. Shiv Trading , Shed No. 167, SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ, Gandhidham under panchnama dated 11.02.2021 (**RUD-02**). During the search proceedings at the said premises, the officers found that the ground floor of the said warehouse consisted of a big hall filled with Dry Dates packed in Jute Bags and Plastics Bags. Further, the officers noticed that on the first floor of the said premises, brown coloured cartons were stacked in lots containing nutritional supplements and various gifts type items like clocks, watches, photo frames etc. The officers then took the inventory of the goods available at the warehouse with 8829 bags of dry dates having approximately 50 kgs of dry dates in each bag. However, due to no light facility available in the premises on the first floor and on request of Shri Bishan Singh, proprietor of M/s. Shiv Trading Co., the officers agreed to continue the procedure on a later date and locked the shutter gates of the premises with three locks sealed with

the signed paper slip seals (two locks on two gates on warehouse at first floor and one lock on gate at ground floor).

**6 . 2** Thereafter, the officers of DRI conducted search proceedings at the premises of M/s. Shiv Trading , Shed No. 167, SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ, Gandhidham under panchnama dated 13.02.2021 (**RUD-03**). During the search proceedings the inventorisation of the goods available at the premises was done by the officers. The officers also drew some representative samples of the goods available at the said premises. The inventorisation of the goods such as Gift items like clocks, watches, photo frames etc. was prepared as Annexure A to the Panchnama dated 13.02.2021 and the inventorisation of the goods as nutritional items was prepared as Annexure B to the said Panchnama dated 13.02.2021. During the inventorisation for the Bill of Entry No. 1001200 dated 25.01.2021, the officer observed that the total quantity of goods inventorised as per Annexure –A to the Panchnama dated 13.02.2021 is 53368 pcs against 52988 pcs mentioned in the said Bill of Entry. And for nutritional items imported vide Bill of Entry No. 1000145 dated 04.01.2021, the officers observed that there were 13534 Packets/Jars of nutritional items of famous/reputed brand and were in the range of 222 grams to 4.54 Kgs (by weight) and 60 tablets/capsules to 180 tablets/capsules (by volume) against the quantity declared for the Assorted Nutritional Supplement as 13342 (packets/Jars) in the above said Bill of Entry.

**7.** M/s Shiv Trading Co., KASEZ, Gandhidham vide letters dated 18.02.2021, 08.03.2021 (**RUD-04**) requested to allow Export/Import & DTA clearance from their unit at Shed No. 167, SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ, Gandhidham stating that the goods stored at their warehouse are perishable in nature, which if not delivered in time will easily get spoiled and if the goods are spoiled then there business relation with their clients will suffer resulting in loss of business. In response to the importer's letter, the DRI Office vide letter dated 16.03.2021 (**RUD-05**) informed the Deputy Commissioner of Customs, KASEZ, Gandhidham to permit the clearance of the goods pertaining to M/s. Shiv Trading Co., KASEZ, Gandhidham kept on hold as per letter dated 08.02.2021 by the DRI under provisional assessment by obtaining necessary Bond/Bank Guarantee of appropriate value as deemed fit.

### **Searches and Examination**

**8.** During the investigation, searches were conducted at the premises of CHA of the M/s. Shiv Trading, KASEZ along with searches at the office premises of the importer under panchnama (**RUD-06**). During the search proceedings documents relevant to the ongoing investigation were resumed.

**9.1** Upon perusal of the Bill of Entry No. 1000145 dated 04.01.2021 (**RUD-07colly.**) filed by the importer, it is observed that the quantity declared by the importer for assorted nutritional supplements is 13342 units with unit price as USD 3 for each jar/bag/Packets. However, as per the Panchnama dated 13.02.2021, it is observed that there are 13534 Packets/Jars of nutritional items of famous/reputed brand and are in the range of 222 grams to 4.54 Kgs (by weight) and 60 tablets/capsules to 180 tablets/capsules (by volume).

**9.2** Also, for the Bill of Entry No. 1001200 dated 25.01.2021 (**RUD-08colly**), it is observed that the total quantity of goods inventorised as per Annexure –A to the Panchnama dated 13.02.2021 is 53368 pcs against 52988 pcs mentioned in the said Bill of Entry.

**10.** The specified officer of KASEZ, Gandhidham vide letter dated 02.11.2023 (**RUD-09**) informed the DRI that the goods examined by the officers of the DRI under panchnama dated 11.02.2021 and 13.02.2021 at the premises of M/s. Shiv Trading Co. KASEZ, Gandhidham were cleared by way of Export and DTA supplies and also provided the copies of the Bill of Entry and the Shipping Bill vide which the goods were cleared by the importer. On perusal of the said Bill of Entry No. (SEZ to DTA Unit) 2003739 dated 06.04.2021(**RUD-08 colly**), it is observed that the said goods which were imported vide the Bill of Entry No. 1001200 dated 25.01.2021 are cleared to M/s. Maniyar Impex- Floor-3,9 168, Amina Manzil, Samuel, Street, Masjid Stn West Chinchbunder, Mumbai, Maharashtra, India- 400009. Similarly, on perusal of Shipping Bill No. 4004914 dated 25.03.2021, it is observed that the goods as Assorted Nutritional Supplements imported vide Bill of Entry No. 1000145 dated 04.01.2021 are re-exported to UAE. However, it is observed that the Quantity of the goods re-exported vide Shipping Bill No. 4004914 dated 25.03.2021(**RUD-07 colly.**) is 13474 units which is less in number as compared to the goods imported vide the Bill of Entry No. 1000145 dated 04.01.2021 and inventorised by the DRI Officers under Panchnama dated 13.02.2021 which is 13534 units.

**11.** Further, Shri. Bishan Singh vide his letter dated 16.12.2023 provided the DRI with the copies of the Bill of Entry (SEZ to DTA) No. 2003739 dated 06.04.2021 and invoice copy vide which the goods imported vide the Bill of Entry No. 1001200 dated 25.01.2021 were cleared to M/s. Maniyar Impex-Floor-3,9 168, Amina Manzil, Samuel, Street, Masjid Stn West Chinchbunder, Mumbai, Maharashtra, India- 400009. Also, Shri Bishan Singh vide the same letter dated 16.12.2023 also provided the copy of the invoice and copy of Shipping Bill vide which the goods as Assorted Nutritional Supplements imported vide Bill of Entry No. 1000145 dated 04.01.2021 were re-exported to M/s.Muiscle Fusion FZE,P.O. BoxNo. 261984, JAFZA, UAE.

### **Summons and Statements**

**12.** Summon dated 12.08.2021 was issued to Shri Ganesh Naidu in response to which Shri. Ganesh Naidu appeared voluntarily before Senior Intelligence Officer, DRI Gandhidham to tender his statement dated 31.08.2021 (**RUD-10**) under provisions of section 108 of Customs Act 1962, during his statement Shri Ganesh Naidu inter-alia stated as follows :

- That he is the Director in M/s. Cross Trade Link Pvt.Ltd., Gandhidham which is engaged in transportation and preparing/filing documents in relation to clearance of consignments from Customs on behalf of KASEZ units and he is not holding any designation in M/s. Shiv Trading Co.
- That his company files documents relating to M/s. Shiv Trading Co., KASEZ for clearance of consignments from customs. That there is no agreement/contract/work order signed/entered into by him with M/s. Shiv Trading Co.,KASEZ. He and his company is filing the documents for clearance of consignments from customs KASEZ as self/private entity to assist the firm for which they are receiving Rs. 5000/- per container from M/s. Shiv Trading Co., KASEZ and he/his firm is raising bills for the services rendered by him/his company M/s. Cross Trade Link Pvt. Ltd. (CTLPL) having GST No. 24AADCC5698L1Z6.
- That he has not yet passed any exam relating to CHA/Customs Broker and he or his company CTLPL do not possess any license under CBLR and they are filing documents relating to M/s. Shiv Trading Co. for assisting the units as self/private entity in clearance of consignments from customs.
- That his company CTLPL does not provide transportation in respect of the goods cleared from the KASEZ warehouse of M/s. Shiv Trading Co. but they provide vehicles for transportation of goods from Mundra Port to KASEZ.
- That in year 2020 in the month of August-September, he was approached by person namely Shri Bishan Singh who introduced himself as proprietor of M/s. Shiv Trading Co. Shri. Bishan Singh requested him to prepare documents and filing with customs department on their behalf.
- That no approval of checklist was taken by him or his company (CTLPL) from M/s. Shiv Trading Co. before filing Warehouse & DTA Bills of Entry and his company prepared the documentation as per telephonic directions of M/s. Shiv Trading Co. or the documents provided by M/s. Shiv Trading Co..
- That the procedure adopted by him/his company for documentation purpose is as follows. On receiving the information/details/directions from the SEZ units regarding arrival/import of consignment at gateway port, i.e. Mundra port, his company (CTLPL) files warehouse bill of entry on sezone portal and upon assessment of the cargo, the transit permit (TP) is generated online at the gateway port Mundra and accordingly the goods are brought to KASEZ Customs and accordingly , when the officers grant permission for warehousing, the cargo is then warehoused at the respective unit. Subsequently , as and when the units direct them to prepare DTA Bill of entry for clearance of goods from warehouse to DTA, they repeat the similar procedure of filing online DTA Bill of

Entry on the basis of details/documents provided by the unit and after assessment is done and the applicable customs duty is paid, examination report finalised and if everything is in order then Out of charge is obtained for the cargo from customs and the goods are cleared with physical copy of Bill of Entry and Gate Pass. Similarly for export, shipping Bill are prepared by them on the basis of details/documents provided to them by M/s. Shiv Trading Co..

- That he or his company (CTLPL) have never contacted/discussed with any representative of M/s. Maxx International General Trading LLC, Dubai UAE, nor he was aware about the owners /controllers of the said company. Shri. Ganesh Naidu further stated that he is not aware as to whether M/s. Maxx International General Trading LLC have any office/establishment in India.
- That goods covered under the Bill of Entry No. 1000145 dated 04.01.2021 were re-exported under Shipping Bill No. 4004914 dated 25.03.2021 and as the goods were re-exported thus there was no duty implication and he is not aware as to whether the goods covered under the said Bill of Entry were already meant for re-export or not.
- That the unit price in the DTA bills of entry in case of goods cleared from the KASEZ warehouse of M/s. Shiv Trading Co. is entered by him/his company as per the directions of his clients.

**13.** A summon dated 23.10.2023 was issued to Shri. Bishan Singh, Proprietor of M/s. Shiv Trading Co., KASEZ in response to which Shri. Bishan Singh had appeared for tendering his voluntary statement dated 08.11.2023 (**RUD-11**) under provisions of Section 108 of the Customs Act, 1962. During his statement Shri Bishan Singh inter-alia stated as follows :

- That he is the proprietor of M/s. Shiv Trading Co., KASEZ having IEC-GPNPS5042J. M/s. Shiv Trading Co. had started its operation from the year 2020 and is engaged in import of goods for warehousing purpose. The goods which are imported are re-exported as well as cleared in the domestic market as per the directions of the exporter and he/his firm raises bill to the exporter of the cargo for the services provided for warehousing.
- That he had started the warehousing business with an idea to warehouse goods such as dry dates. That with the help of Shri. Gulshan Sharma he came in contact with CHA Shri. Anand Mehta who helped him with the project report required to be submitted to customs for allotment of warehouse in KASEZ. The documents such as Lease deed and letter required to be submitted to customs were all prepared by him with the help of Shri Ganesh Naidu in process of allotment of warehouse in KASEZ.
- That he had requested Shri. Ganesh Naidu to find him some work and his firm M/s. Shiv Trading Co. used to get work related to import of goods through Shri. Ganesh Naidu and prior arrival of the consignment Shri Ganesh Naidu used to inform him whether the consignment is to be cleared in DTA or to be re-exported.

- That Shri Ganesh Naidu is his CHA and used to look after the work related to import of the goods, filing Bill of Entry, clearance of cargo from warehouse etc. of M/s. Shiv Trading Co.
- That he had never contacted with the overseas exporter and Shri Ganesh Naidu used to contact the exporter and then he used to inform him about the arrival of the cargo. That his firm M/s. Shiv Trading Co. has warehoused the goods namely dates and assorted nutritional supplements of M/s. Maxx Intl. General Trading LLC, Dubai Municipality Building, Muraqat Street, Room No. 204, 2<sup>nd</sup> Floor, Dubai, UAE in the year 2020-21 and neither him nor anyone from the firm M/s. Maxx Intl. General Trading LLC have contacted each other. That he had done business with the M/s. Maxx Intl. General Trading LLC through Shri Ganesh Naidu only and the bills raised by his firm to M/s. Maxx Intl. General Trading LLC were sent through Shri Ganesh Naidu only.
- That he has never heard of or have met or talked with the persons namely Shri. Ajay Godara and Shri. Sanjay Singla.
- That the goods i.e. dates which were warehoused by his firm M/s. Shiv Trading Co. have been cleared in the DTA and goods i.e. assorted nutritional supplements were re-exported to M/s. Maxx Intl. General Trading LLC, Dubai. Further, he stated that the initially both the goods i.e. dates and assorted nutritional supplements were meant for DTA clearance as informed to him by Shri Ganesh Naidu but as the consignment were kept on hold by the DRI for quiet long time so the domestic buyer refused for the delivery of the assorted nutritional supplements, hence they were re-exported. Shri. Bishan Singh further stated that whether the goods are to be cleared in DTA or to be re-exported is decided by the exporter of the goods and then it is conveyed to him through Shri. Ganesh Naidu.
- That his firm has warehoused the goods i.e. dates and gift items (decorative alarm clock, decorative lamp with clock, watches) of the firm M/s. Hyt General Trading (FZE), UAE in the year 2020-21 and nobody from the said firm M/s. Hyt General Trading (FZE), UAE have contacted him or he knows anybody from this firm. Further, Shri Bishan Singh stated that his firm has carried out business transaction with M/s. Hyt General Trading (FZE), UAE through Shri Ganesh Naidu only and the gift items (decorative alarm clock, decorative lamp with clock, watches) have been cleared in DTA as per the directions of the exporter which was conveyed to him by Shri. Ganesh Naidu.
- That with respect to DTA clearance of the goods made, in some cases the domestic buyer makes the duty payment of the goods and deposit the rest of the amount in the account of the exporter while in other cases the domestic buyer transfers the amount equal to the duty amount to be paid in DTA clearance to his account and deposit rest of the amount in the account of the exporter.
- That the username and password of NSDL of M/s. Shiv Trading Co. are shared with Shri. Ganesh Naidu as he is his CHA and he files all the documents related to import, export and DTA clearance. Further, Shri Bishan Singh stated that the

documents of import consignment related to dates, nutritional supplements and gift items (decorative alarm clock, decorative lamp with clock, watches etc.) made during 2020-21 were received by him from the office of Shri. Ganesh Naidu.

**14.** During the investigation proceedings of the case, it is gathered that Shri. Ajay Godara and Shri. Sanjay Singla is looking after and handling all the work related to the imports and clearances made by M/s. Shiv Trading Co., KASEZ, Gandhidham. Therefore, summons were issued to following persons /firms and the compliance with respect to these summons is in Table-C below:

**Table-C**

S.No.	Name of the Person/firm	Summons dated	Date on which person required to appear as per Summon	Response/Compliance to Summon
1.	Shri. Ganesh Naidu	01.03.2021	02.03.2021	Did Not Appear
		12.03.2021	22.03.2021	Did Not Appear
		12.08.2021	31.08.2021	Appeared to tender statement dated 31.08.2021
		20.07.2023	20.07.2023	Did Not Appear
		23.10.2023	31.10.2023	Did Not Appear
		05.12.2023	12.12.2023	Did Not Appear
2.	Shri. Ajay Godara	17.05.2023	25.05.2023	Did Not Appear
		21.06.2023	26.07.2023	Did Not Appear
		23.10.2023	01.11.2023	Did Not Appear
3.	Shri. Bishan Singh	01.03.2021	03.03.2021	Did Not Appear
		12.03.2021	24.03.2021	Appeared on 24.03.2021
		12.08.2021	09.09.2021	Did Not Appear
		23.10.2023	01.11.2023	Appeared on 08.11.2023 to tender voluntary statement.
		05.12.2023	13.12.2023	Appeared on 16.12.2023 to provide the documents

4.	Shri. Mohan Naidu, Import Manager of Shiv Trading	23.10.2023	31.10.2023	Did Not Appear
5.	Shri. Sanjay Singla	17.05.2023	25.05.2023	Did Not Appear
		21.06.2023	27.06.2023	Did Not Appear
		23.10.2023	06.11.2023	Did Not Appear
6.	Director/Prop./Partner of M/s. Shiv Trading Co. KASEZ	17.05.2023	25.05.2023	Did Not Appear
		21.06.2023	27.06.2023	Did Not Appear
7.	The proprietor/Partner/ Director of M/s. Maniyar Impex, Mumbai	05.02.2024	13.02.2024	Did Not Appear
		14.02.2024	22.02.2024	Did Not Appear

**Findings of the Investigation:**

**15.** M/s Shiv Trading Co. (IEC No. GPNPS5042J) situated at 1066/8, Gandhi Gali, Fatehpuri, Khari Baoli, North Delhi, Delhi-110006 and having branch office at Shed No. 167,SPL CIB Type, GF and FF, Phase-I, Sector-II, KASEZ, Gandhidham, Gujarat- 370240 had imported goods namely gift Items (Decorative alarm clock, Decorative wall clock, Decorative Lamp with clock , Decorative table clock and lamp, Gents metal watch, Ladies Leather Watch, LCD Watch, Ladies Metal watch etc.) vide Bill of Entry No. 1001200 dated 25.01.2021.

**16.** Acting upon the intelligence regarding mis-declaration and undervaluation of imported goods, a letter dated 08.02.2021 was issued to the The Deputy Commissioner of Customs, KASEZ, Gandhidham requesting to put on hold all the live consignment pertaining to M/s. Shiv Trading (IEC No. –GPNPS5042J), Shed No. 167 SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ. Further, during the investigation, search operation was conducted by the Officers of the DRI at the warehouse of M/s. Shiv Trading Co., at Shed No. 167, SPL CIB Type, GF and FF, Phase-I, Sector-II, KASEZ, Gandhidham, Gujarat- 370240 under the Panchnama dated 11.02.2021 and 13.02.2021 and representative samples were drawn along with the inventorisation of the goods available at the premises at the time of search done under Panchnama 11.02.2021 and 13.02.2021.

**17.** As the investigation proceeded, it was noticed that the goods which were imported vide the Bill of Entry No. 1001200 dated 25.01.2021 by the importer were misdeclared and undervalued and were cleared in DTA vide the Bill of

Entry No. (SEZ to DTA Unit) 2003739 dated 06.04.2021 to M/s. Maniyar Impex- Floor-3,9 168, Amina Manzil, Samuel, Street, Masjid Stn West Chinchbunder, Mumbai, Maharashtra, India- 400009. Also, Shri Bishan Singh, Proprietor of M/s. Shiv Trading Co., KASEZ in his statement dated 08.11.2023 stated that that gift items of firm M/s. HYT General Trading LLC, UAE warehoused at M/s. Shiv Trading Co.KASEZ vide B.E. No. 1001200 dated 25.01.2021 were cleared in DTA.

### **Valuation of the import goods**

**18.1** During the investigation, it was observed that the goods covered under the Bill of Entry No. 1001200 dated 25.01.2021 were subsequently cleared in DTA vide Bill of Entry No. 2003739 dated 06.04.2021. And on perusal of both the above said Bills of Entry, it is observed that the importer has declared 13 types of goods in Bills of Entry, however, during the inventorisation of the said goods under Panchnama dated 13.02.2021, it is observed that there are 36 types of goods. Hence the value of these different types of goods cannot be same and hence the value declared in Bills of Entry 1001200 dated 25.01.2021 and 2003739 dated 06.04.2021 is liable to be rejected in terms of Rule 12 of Customs Valuation (Determination of value of Imported goods) Rules, 2007 and re-determined under Section 14 of the Customs Act, 1962 read with Rule 5 of the CVR, 2007. The value is required to be re-determined by sequentially proceeding in terms of Rules 4 to 9 of CVR, 2007. The relevant Rules of CVR, 2007 are reproduced hereunder:-

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

*(1) Subject to rule 12, the value of imported goods shall be the transaction value adjusted in accordance with provisions of rule 10;*

*(2) Value of imported goods under sub-rule (1) shall be accepted:*

*Provided that -*

*(a) there are no restrictions as to the disposition or use of the goods by the buyer other than restrictions which -*

*(i) are imposed or required by law or by the public authorities in India; or*

*(ii) limit the geographical area in which the goods may be resold; or*

*i. do not substantially affect the value of the goods;*

*(b) the sale or price is not subject to some condition or consideration for which a value cannot be determined in respect of the goods being valued;*

*(c) no part of the proceeds of any subsequent resale, disposal or use of the goods by the buyer will accrue directly or indirectly to the seller, unless an appropriate adjustment can be made in accordance with the provisions of rule 10 of these rules; and*

*(d) the buyer and seller are not related, or where the buyer and seller are related, that transaction value is acceptable for customs purposes under the provisions of sub-rule (3) below.*

*(3) (a) Where the buyer and seller are related, the transaction value shall be accepted provided that the examination of the circumstances of the sale of the imported goods indicate that the relationship did not influence the price.*

*(b) In a sale between related persons, the transaction value shall be accepted, whenever the importer demonstrates that the declared value of the goods being valued, closely approximates to one of the following values ascertained at or about the same time.*

*(i) the transaction value of identical goods, or of similar goods, in sales to unrelated buyers in India;*

*(ii) the deductive value for identical goods or similar goods;*

*(iii) the computed value for identical goods or similar goods:*

*Provided that in applying the values used for comparison, due account shall be taken of demonstrated difference in commercial levels, quantity levels, adjustments in accordance with the provisions of rule 10 and cost incurred by the seller in sales in which he and the buyer are not related;*

*(c) substitute values shall not be established under the provisions of clause (b) of this sub-rule.*

*(4) if the value cannot be determined under the provisions of sub-rule (1), the value shall be determined by proceeding sequentially through rule 4 to 9.*

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

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

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

*(b) In applying this rule, the transaction value of identical goods in a sale at the same commercial level and in substantially the same quantity as the goods being valued shall be used to determine the value of imported goods.*

*(c) Where no sale referred to in clause (b) of sub-rule (1), is found, the transaction value of identical goods sold at a different commercial level or in different quantities or both, adjusted to take account of the difference attributable to commercial level or to the quantity or both, shall be used, provided that such adjustments shall be made on the basis of demonstrated evidence which clearly establishes the reasonableness and accuracy of the adjustments, whether such adjustment leads to an increase or decrease in the value.*

*(2) Where the costs and charges referred to in sub-rule (2) of rule 10 of these*

*rules are included in the transaction value of identical goods, an adjustment shall be made, if there are significant differences in such costs and charges between the goods being valued and the identical goods in question arising from differences in distances and means of transport.*

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

**Rule 5 (Transaction value of similar goods).-**

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

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

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

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

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

*(1) Subject to the provisions of rule 3, if the goods being valued or identical or similar imported goods are sold in India, in the condition as imported at or about the time at which the declaration for determination of value is presented, the value of imported goods shall be based on the unit price at which the imported goods or identical or similar imported goods are sold in the greatest aggregate quantity to persons who are not related to the sellers in India, subject to the following deductions : -*

*(i) either the commission usually paid or agreed to be paid or the additions usually made for profits and general expenses in connection with sales in India of imported goods of the same class or kind;*

*(ii) the usual costs of transport and insurance and associated costs incurred within India;*

*(iii) the customs duties and other taxes payable in India by reason of importation or sale of the goods.*

*(2) If neither the imported goods nor identical nor similar imported goods are sold at or about the same time of importation of the goods being valued, the value of imported goods shall, subject otherwise to the provisions of sub-rule (1), be based on the unit price at which the imported goods or identical or similar imported goods are sold in India, at the earliest date after importation but before the expiry*

*of ninety days after such importation.*

*(3) (a) If neither the imported goods nor identical nor similar imported goods are sold in India in the condition as imported, then, the value shall be based on the unit price at which the imported goods, after further processing, are sold in the greatest aggregate quantity to persons who are not related to the seller in India.*

*(b) In such determination, due allowance shall be made for the value added by processing and the deductions provided for in items (i) to (iii) of sub-rule (1).*

**18.2** As mentioned above, where the actual transaction value is not available in order to determined that assessable value of the goods, also where the value of identical goods is not available and the assessable value of the goods is required to be determined as per the provisions of Rule 5 of the Customs Valuation *the value of imported goods shall be the transaction value of similar goods sold for export to India and imported at or about the same time as the goods being valued:*

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

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

**18.3** In absence of credible data of import of identical/similar goods the value of these goods can not be determined in terms of Rule 4,5,6,7,8 of Customs Valuation Rules 2007. Hence the value is to be determined in terms of Rule 9 of said rules.

**18.4** The value and quantity as declared by the importer for the above import consignment as per the said Bill of Entry No. 1001200 dated 25.01.2021 is given as under in Table-D :

**Table-D**

<b>Bill Of Enrty No and Date</b>	<b>Description of goods declared</b>	<b>Quantity of goods declared</b>	<b>Value of Goods declared (CF) in USD (1USD=Rs.73.85)</b>
1001200 dated 25.01.2021	Decorative alarm clock (91051900),	6528	522.24
	Decorative wall clock (91052900),	40	26
	Decorative Lamp with clock (91059990),	3144	754.56
	Decorative table clock (91059990),	6708	804.96
	Decorative table lamp (94052090),	2328	465.60

1001200 dated 25.01.2021	Decorative photo frame (39264049),	1440	172.80
	Decorative photo frame with clock (91059990),	1080	172.80
	Decorative Table clock with frame (91059990),	720	122.40
	Gents Fiber watch (91029990),	5000	400
	Gents metal watch (91019990),	4000	440
	Ladies Leather Watch (91029990),	3000	300
	LCD Watch (91029990),	10000	400
	Ladies Metal watch (91019990)	9000	810
<b>Total (in USD)</b>			<b>5391.36</b>

**18.5** As the above said import consignment is cleared in the DTA to M/s. Maniyar Impex- Floor-3,9 168, Amina Manzil, Samuel, Street, Masjid Stn West Chinchbunder, Mumbai, Maharashtra, India- 400009 vide the Bill of Entry (SEZ to DTA) No. 2003739 dated 06.04.2021. The value and quantity as declared in the said Bill of Entry No. 2003739 dated 06.04.2021 is given as under in Table -E :

**Table-E**

<b>Bill Of Entry No and Date</b>	<b>Description of goods declared</b>	<b>Quantity of goods declared</b>	<b>Value of Goods declared (CF) in USD (1USD=Rs.74.15)</b>
2003739 dated 06.04.2021	Decorative alarm clock (91051900),	6528	574.46
	Decorative wall clock (91052900),	40	60
	Decorative Lamp with clock (91059990),	3144	1414.80
	Decorative table clock (91059990),	6708	885.46
	Decorative table lamp (94052090),	2328	582

2003739 dated 06.04.2021	Decorative photo frame (39264049),	1440	201.60
	Decorative photo frame with clock (91059990),	1080	237.60
	Decorative Table clock with frame (91059990),	720	134.64
	Gents Fiber watch (91029990),	5000	675
	Gents metal watch (91019990),	4000	540
	Ladies Leather Watch (91029990),	3000	405
	LCD Watch (91029990),	10000	900
	Ladies Metal watch (91019990)	9000	1215
<b>Total (in USD)</b>			<b>7825.56</b>

**18.6** As stated above, as the value of the subject goods is to be determined in terms of Rule 9 of the above said rules. Therefore, the CIF value as provided by the Chartered Engineer may be considered as the appropriate assessable value of the goods. Further, in order to determine the value of the subject goods, the inspection of the samples drawn from goods covered under Bill of Entry No. 1001200 dated 25.01.2021 and subsequently cleared in DTA vide the Bill of Entry No. 2003739 dated 06.04.2021 was conducted by the Govt. approved Chartered Engineer. During, inspection and examination of the goods by the Govt. approved Chartered Engineer, prima facie, it appeared that the declared value of the goods was mis-declared with some mala-fide intention. The report submitted by the Chartered Engineer for the said consignments also indicated that the value of the goods was grossly mis-declared.

**18.7** The Chartered Engineer vide its report dated 20.12.2023 (**RUD-12**), provided as under in Table-F;

**Table-F**

Sr.No.	Item Description/Type of item	Item No. /Description on item	Qty in pcs	Evaluated (CIF) Value in INR	
				Unit Price	Total Price
1.	Swing Art Clock	8358	960	275	2,64,000
2.	Vogue Gifts Photo Frame+Clock	7823	480	300	1,44,000

3.	Decorative Clock	5538E	588	275	1,61,700
4.	Alarm Clock	1610-13, 1810-13	1440	150	2,16,000
5.	Alarm Clock	QR99502	288	150	43,200
6.	Photo Frame Clock	LC9166A	360	300	1,08,000
7.	Clock	8338	480	300	1,44,000
8.	Photo Frame & Clock	YJL8825	300	500	1,50,000
9.	Photo Frame Clock	9171A	360	200	72,000
10.	Decorative Clock	5519E	720	200	1,44,000
11.	Photo Frame Clock	LC9164A,65A,67A,68A,69A,74A	3240	275	8,91,000
12.	Decorative Clock	5501E	504	275	1,38,600
13.	Artistic Lamp	88016	720	150	1,08,000
14.	Reading Lamp	09010	720	300	2,16,000
15.	Art Alarm Clock Forver Lamp	GL8368SAB	720	125	90,000
16.	Mini Lamp Clock	GL6316-865B	720	150	1,08,000
17.	Guitar Lamp Clock	5690A-B	1872	200	3,74,400
18.	Photo Frame Clock	LM7823	1440	200	2,88,000
19.	Clock	8185L	120	200	24,000
20.	Clock with Alarm	LM7221	1008	150	1,51,200
21.	Reading Lamp+Clock	99031	600	150	90,000
22.	Lamp & Clock	88665/66	504	200	1,00,800
23.	Lamp & Clock	99021/22	600	200	1,20,000
24.	Alarm Clock	MR2003,4,5,6	432	200	86,400
25.	Guitar Clock with Alarm	5675	144	175	25,200
26.	Guitar Clock	6072	720	150	1,08,000
27.	Clock+Lamp	CD6869-76	288	200	57,600
28.	Alarm Clock	MR0996/97	288	150	43,200
29.	Art Lamp	88001	600	200	1,20,000
30.	Artistic Clock	5541E	672	200	1,34,400
31.	Cartoon Clock	A611	480	150	72,000
32.	Ladies Leather Watch (Wenlong Quartz)	On Back Stainless Steel Back	3000	200	6,00,000
33.	LCD Watch	Rubber Strap,No Marks	10000	200	20,00,000
34.	Gents Watch	Plastic strap, V9 Collection Quartz 055	5000	100	5,00,000
35.	Gents Metal Watch	Watch Brand, Wenlong Brand	4000	250	10,00,000
36.	Ladies Metal Watch	MxRe, Stainless Steel back	9000	250	22,50,000
<b>Total</b>					<b>1,11,43,700</b>

**18.8** From the above, it appears that the total declared Assessable Value of the goods covered under the subject import consignment pertaining to Bill of Entry No. 2003739 dated 06.04.2021 is **Rs. 5,80,265/-** whereas the CIF value of the goods appears to be **Rs. 1,11,43,700/-** as per the valuation report of the Chartered Engineer. From the above, it appears that the subject goods are misdeclared in respect of value thereof. Also, as the subject goods are misdeclared in terms of quantity inventorised as per Annexure –A to the Panchnama dated 13.02.2021 as 53368 pcs against 52988 pcs mentioned in the said Bills of Entry No. 1001200 dated 25.01.2021 and 2003739 dated 06.04.2021. Therefore, the subject goods are liable for confiscation under the provisions of Section 111(l) and Section 111(m) of the Customs Act, 1962.

**Demand of Duty:**

**19.1** Whereas Section 30 of the SEZ Act, 2005 and Rule 48 of the SEZ Rules, 2006, state that:

**Section 30. Domestic clearance by Units:** *Subject to the conditions specified in the rules made by the Central Government in this behalf: -*

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

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

**“Rule 48. Procedure for Sale in Domestic Tariff Area. —**

1. *Domestic Tariff Area buyer shall file Bill of Entry for home consumption giving therein complete description of the goods and/or services namely, make and model number and serial number and specification along with invoice and packing list with the Authorised Officers: Provided that the Bill of Entry for home consumption may also be filed by a Unit on the basis of authorization from a Domestic Tariff Area buyer...”*

**19.2** Also from the above, it is apparent that for DTA clearance, Bill of Entry has to be filed by the DTA buyer, or by a SEZ unit on the basis of authorization from a DTA buyer. Hence, it appears that M/s Maniyar Impex, Floor -3, 9 168, Amina Manzil, Samuel Street, Masjid Stn West, Chinchbunder,, Mumbai, Maharashtra-400009, had filed or got filed through M/s Shiv Trading Co., KASEZ, the DTA Bill of Entry bearing no. 2003739 dated 06.04.2021 wherein they deliberately suppressed the value and the quantity of the goods to evade Customs duty. Therefore, M/s Maniyar Impex, Mumbai being the DTA buyer, are liable to pay the differential Customs Duty on the goods imported by them into DTA vide DTA Bill of Entry bearing no. 2003739 dated 06.04.2021 and clandestinely removed, along with applicable interest, as given in Table-G below:

**Table-G**

<b>Total value of the goods declared in the DTA Bill of Entry 2003739 dated 06.04.2021 (Rs.)</b>	<b>Total duty (incl. IGST 18%) paid on the goods declared in the DTA Bill of Entry 2003739 dated 06.04.2021 (Rs.)</b>	<b>Total actual CIF value of the goods cleared in DTA (Provided by the certified Chartered Engineer) (Rs.)</b>	<b>Total Duty (incl. IGST 18%) payable on the goods cleared in DTA, (valuation Provided by the certified Chartered Engineer) (Rs.)</b>	<b>Differential duty (incl. IGST 18%) payable on the DTA Bill of Entry (Rs.)</b>

5,80,265/-	2,56,915/-	1,11,43,700/-	49,27,586/-	46,70,671/-
------------	------------	---------------	-------------	-------------

\*Detailed calculation provided in Annexure-A attached herewith.

**Role played by various firms/persons in the subject mis-declaration and undervaluation of the goods:**

**20. M/s Shiv Trading Co. (IEC No. GPNPS5042J) Shed No. 167,SPL CIB Type, GF and FF, Phase-I, Sector-II, KASEZ, Gandhidham, Gujarat-370240.**

M/s Shiv Trading Co.(IEC No. GPNPS5042J) Shed No. 167,SPL CIB Type, GF and FF, Phase-I, Sector-II, KASEZ, Gandhidham, Gujarat- 370240 is engaged in services of warehouse and clearance of import/export goods at Kandla Special Economic Zone under provisions of SEZ Act, 2005. M/s Shiv Trading Co., KASEZ is the original importer in whose name the goods under Bill of Entry No. 1001200 dated 25.01.2021 is imported.

M/s. Shiv Trading Co has deliberately imported the subject goods under mis-declaration and undervaluation as discussed above. During the inventorisation of the goods imported vide the Bill of Entry No. 1001200 dated 25.01.2021 and subsequently cleared in DTA vide the Bill of Entry No. 2003739 dated 06.04.2021, it is observed that the subject goods are misdeclared in terms of quantity inventorised as per Annexure –A to the Panchnama dated 13.02.2021 as 53368 pcs against 52988 pcs mentioned in the said Bills of Entry No. 1001200 dated 25.01.2021 and 2003739 dated 06.04.2021. Also, as the subject goods are inspected by the certified Chartered Engineer and are found to be grossly undervalued. Therefore, the subject goods are liable for confiscation under the provisions of Section 111(l) and Section 111(m) of the Customs Act, 1962.

The importer/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 111, or abets the doing or omission of such an act, is liable to penalty under Section 112 (a) of the Customs Act, 1962. Also, The importer/any person, who, acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111 is liable to penalty under Section 112 (b) of the Customs Act, 1962. Further, if a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of Customs Act, shall be liable to a penalty under Section 114AA of Customs Act, 1962. Thus, by such acts of omission and commission, M/s. Shiv Trading Co, KASEZ have made themselves liable for **penalty under section 112(a), section 112(b) and**

**section 114AA**, separately, of the Customs Act, 1962.

**21. M/s Cross Trade Link Pvt Ltd., KASEZ and Shri Ganesh Naidu.**

Shri Ganesh Naidu is the Director of M/s. Cross Trade Link Private Limited, KASEZ and as per his statement dated 31.08.2021, he/his company files documents related to clearance of goods from Customs for M/s. Shiv Trading Co., KASEZ. Further, as per his statement dated 31.08.2021 there is no agreement/contract/workorder signed /entered into by him or his company with M/s. Shiv Trading Co., KASEZ and he/his company files the documents for clearance of goods from Customs KASEZ as self/private entity and assist M/s. Shiv Trading Co., KASEZ for which he/his company receives an amount of Rs. 5000/- per container from M/s. Shiv Trading Co., KASEZ.

Further, Shri Bishan Singh, Proprietor of M/s. Shiv Trading Co., KASEZ in his statement dated 08.11.2023 stated that Shri Ganesh Naidu used to look after the work related to import of the goods, filing Bill of Entry, clearance of cargo from warehouse etc. of M/s. Shiv Trading Co. and used to contact the exporter and then used to inform him about the arrival of the cargo. Also, the username and password of NSDL of M/s. Shiv Trading Co. are shared with Shri. Ganesh Naidu as he is his CHA and Shri Ganesh Naidu use to file all the documents related to import, export and DTA clearance made in respect of M/s. Shiv Trading Co., KASEZ.

The importer/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 111, or abets the doing or omission of such an act, is liable to penalty under **Section 112 (a)** of the Customs Act, 1962. Also, the importer/any person, who, acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111 is liable to penalty under **Section 112 (b)** of the Customs Act, 1962. Further, if a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of Customs Act, shall be liable to a penalty under **Section 114AA** of Customs Act, 1962.

Thus, by such acts of omission and commission as discussed above, **M/s Cross Trade Link Pvt Ltd., KASEZ**, has made themselves liable for penalty under **section 112(a), section 112(b) and section 114AA**, separately, of the Customs Act, 1962.

Also, by such acts of omission and commission as discussed above, **Shri**

**Ganesh Naidu**, has made himself liable for penalty under **section 112(a), section 112(b) and section 114AA**, of the Customs Act, 1962. Further, Shri Ganesh Naidu has failed to comply to the summons issued to him, and thus made himself liable for penalty under **Section 117** of the Customs Act, 1962.

## **22. Shri. Bishan Singh.**

Shri Bishan Singh is the proprietor of the firm M/s. Shiv Trading Co., KASEZ. As per statement dated 08.11.2023 of Shri Bishan Singh, he used to look after the clearance of the goods in the domestic market and used to re-export the goods as per the directions of the exporter, received through Shri. Ganesh Naidu.

The goods imported vide the Bill of Entry No. 1001200 dated 25.01.2021 and cleared in DTA vide the Bill of Entry No. 2003739 dated 06.04.2021 respectively, were appeared to be mis-declared and undervalued as discussed above. Further, as per the statement dated 31.08.2021 of Shri Ganesh Naidu, the unit price of the goods to be cleared in DTA from the KASEZ warehouse of M/s. Shiv Trading Co. is entered by him/his company as per the directions of his client, Shri Bishan Singh. Therefore, it appears that Shri. Bishan Singh has intentionally filed mis-declared and undervalued Bill of Entry (SEZ to DTA) No. 2003739 dated 06.04.2021 through Shri. Ganesh Naidu for the goods imported in SEZ vide Bill of Entry No. 1001200 dated 25.01.2021. Also, it is pertinent to mention that the quantity of the goods inventorised as per Annexure –A to the Panchnama dated 13.02.2021 is 53368 pcs against 52988 pcs mentioned in the Bills of Entry No. 1001200 dated 25.01.2021 and No. 2003739 dated 06.04.2021. Hence, it appears that the goods have been clandestinely removed by Shri. Bishan Singh.

The importer/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 111, or abets the doing or omission of such an act, is liable to penalty under Section 112 (a) of the Customs Act, 1962. Also, the importer/any person, who, acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111 is liable to penalty under Section 112 (b) of the Customs Act, 1962. Further, if a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of Customs Act, shall be liable to a penalty under Section 114AA of Customs Act, 1962.

Thus, by such acts of omission and commission, Shri. Bishan Singh have made himself liable for **penalty under Section 112(a), section 112(b) and**

**Section 114AA**, separately, of the Customs Act, 1962.

**23. M/s. Maniyar Impex, Floor -3, 9 168, Amina Manzil, Samuel Street, Masjid Stn West, Chinchbunder,, Mumbai, Maharashtra-400009.**

M/s. Maniyar Impex (IEC- ACTPL8025F, GSTN-27ACTPL8025F1ZA), Floor -3, 9 168, Amina Manzil, Samuel Street, Masjid Stn West, Chinchbunder,, Mumbai, Maharashtra-400009 is the importer of the goods cleared from M/s. Shiv Trading Co., KASEZ to DTA vide Bill of Entry No. 2003739 dated 06.04.2021 and is the ultimate beneficiary in the subject fraud of evasion of Customs Duty by the way of mis declaration and undervaluation and liable to pay the differential duty on the subject DTA clearance. The subject goods initially warehoused by the Bill of Entry No. 1001200 dated 25.01.2021 are inspected by the certified Chartered Engineer and from the report dated 20.12.2023, the goods appears to be undervalued while clearing to DTA.

In terms of Section 114A of Customs Act, 1962, where the duty has not been levied or has not been short-levied or the interest has not been charged or paid or has been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (8) of section 28 shall, also be liable to pay a penalty equal to the duty or interest so determined under **Section 114A of Customs Act, 1962.**

Thus, by such acts of omission and commission, **M/s. Maniyar Impex, Mumbai** have made themselves liable for **penalty under Section 114A** of the Customs Act, 1962.

Also, as the importer has misdeclared and undervalued the goods in the Bill of Entry No. 2003739 dated 06.04.2021 as 52988 pcs against goods inventorised as per Annexure -A to the Panchnama dated 13.02.2021 as 53368 pcs, therefore, the said goods are liable for confiscation in terms of the provision of section 111(m) & Section 111(l) of the Customs Act, 1962. Therefore, in terms of section 112(a) of the Customs Act, 1962, the importer/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 111, or abets the doing or omission of such an act, is liable to penalty under this section. Also, the importer/any person, who, acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111 is liable to penalty under Section 112 (b) of the Customs Act, 1962. Further, if a person knowingly or intentionally makes, signs or uses, or causes to be made, signed

or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of Customs Act, shall be liable to a penalty under Section 114AA of Customs Act, 1962. Further, M/s. Maniyar Impex, Mumbai has failed to comply to the summons issued to them, and thus made themselves liable for penalty under **Section 117** of the Customs Act, 1962.

Thus, by such acts of omission and commission, **M/s. Maniyar Impex, Mumbai** have made themselves liable for **penalty under Section 112(a), Section 112 (b), Section 114AA and Section 117**, separately, of the Customs Act, 1962.

**24. Shri. Ajay Atmaram Godara (Ajay Godara)**

During the investigation, summons dated 17.05.2023, 21.06.2023 and 23.10.2023 were issued to Shri Ajay Godara to tender his statement in the ongoing investigation. However, Shri Ajay Atmaram Godara did not appear to tender his statement in any of the summons issued and thus did not cooperate with investigation.

By doing such acts of omission and commission as discussed above, Shri Ajay Atmaram Godara, has made himself liable for penalty under **Section 117**, of the Customs Act, 1962.

**25. Shri. Sanjay Sewaram Singla (Sanjay Singla)**

During the investigation, summons dated 17.05.2023, 21.06.2023 and 23.10.2023 were issued to Shri Ajay Godara to tender his statement in the ongoing investigation. However, Shri Ajay Atmaram Godara did not appear to tender his statement in any of the summons issued and thus did not cooperate with investigation.

By doing such acts of omission and commission as discussed above, Shri Ajay Atmaram Godara, has made himself liable for penalty under **Section 117**, of the Customs Act, 1962.

**26.** Now therefore, **M/s. Maniyar Impex, Floor -3, 9 168, Amina Manzil, Samuel Street, Masjid Stn West, Chinchbunder,, Mumbai, Maharashtra-400009** are hereby called upon to Show cause in writing to the Additional Commissioner of Customs, Kandla Customs House, Kandla, within 30 days from the receipt of this notice as to why

- i. Goods cleared to DTA vide DTA Bill of Entry 2003739 dated 06.04.2021 by M/s Shiv Trading Co., KASEZ and clandestinely removed should not be held liable for confiscation under **Section 111(l) and Section 111(m)** of the Customs Act, 1962.

- ii. The valuation of goods cleared to DTA Bill of Entry 2003739 dated 06.04.2021 by M/s Shiv Trading Co., KASEZ, as **Rs. 5,80,265/-**, should not be rejected and the goods cleared as such and removed clandestinely should not be valued at **Rs. 1,11,43,700/-**.
- iii. Differential Duty amounting to **Rs. 46,70,671/-** chargeable on the goods imported in DTA by them, should not be demanded and recovered under Section 28(4) of Customs Act, 1962.
- iv. Interest at appropriate rate should not be demanded and recovered on the duty demanded at (ii) above under Section 28AA of the Customs Act, 1962.
- v. Penalty should not be imposed upon them under Sections 114A of the Customs Act, 1962.
- vi. Penalty should not be imposed upon them under Sections 112(a), 112(b), 114AA and 117, separately, of the Customs Act, 1962.

**27.** Now therefore, **M/s Shiv Trading Co.**, Shed No. 167, SPL CIB Type, GF and FF, Phase-I, Sector-II, KASEZ, Gandhidham, Gujarat- 370240, are hereby called upon to Show cause in writing to the Additional Commissioner of Customs, Kandla Customs House, Kandla, within 30 days from the receipt of this notice as to why:

- i. Goods covered under Bill of Entry No. 1001200 dated 25.01.2021 and subsequently cleared in DTA vide the Bill of Entry No. 2003739 dated 06.04.2021 and clandestinely removed and undervalued, should not be held liable for confiscation under **Section 111(l) and Section 111(m)** of the Customs Act, 1962.
- ii. Penalty should not be imposed upon them for misdeclaration and undervaluation for the goods imported vide. Bill of Entry No.1001200 dated 25.01.2021 under **Sections 112 (a), 112(b) and 114AA**, separately of the Customs Act, 1962.

**28.** Now therefore, the following persons/companies/firms/concerns as appearing in Column 2 of the following Table, may be individually and separately be called upon to show cause in writing to the (Competent Authority), Kandla Customs House, New Customs House, Kandla, within 30 days from the receipt of the Show Cause Notice as to why, the Penalty should not be imposed on each of them individually under below mentioned penal provisions, separately, of the Customs Act, 1962 (as appearing at Column 3 to 6 of the Table H):-

**Table-H**

S. No.	Name	Penal provisions under Customs Act, 1962			
		(3)	(4)	(5)	(6)
1	<b>M/s Cross Trade Link Pvt Ltd. , KASEZ</b>	112(a)	112(b)	114AA	----

2	<b>Shri Ganesh Naidu</b>	112(a)	112(b)	114AA	117
3	<b>Shri. Bishan Singh</b>	112(a)	112(b)	114AA	----
4	<b>Shri. Ajay Godara</b>	----	----	----	117
5	<b>Shri. Sanjay Singla</b>	----	----	----	117

**29.** All the Noticees are further required to produce at the time of showing cause all evidences upon which they intend to rely in support of their defence. They are further advised to indicate in their written submission as to whether they desire to be heard in person before the case is adjudicated. If no mention is made about this in their written submissions, it would be presumed that they do not desire to be heard in person. If no cause is shown by them against the action proposed to be taken within 30 days from the date of receipt of this Notice or if they do not appear before the adjudicating authority, when the case is posted for hearing, the case is liable to be decided Ex-Parte on the basis of material evidence available on record.

**30.** The documents/articles as listed at Annexure-R are relied upon and are enclosed with this show cause notice, and where not enclosed with this Notice will be made available for inspection on demand made in writing.

**31.** The department reserves its right to issue addendum/ corrigendum to show cause notice or to make any additions, deletions amendments or supplements to this notice, if any, at a later stage. The department/DRI also reserves its right to issue separate Notice/s for other Noticees, offences etc related to the above case, if warranted.

**32.** If the said Noticee/s will pay penalty as specified within 30 days from the receipt of this notice the proceedings may be deemed to be conclusive as to the matters stated therein, without prejudice to the provisions of section 135, 135A and 140 of the Custom Act, 1962, if applicable.

(Vishwajeet Singh)  
Commissioner (in-situ),  
Custom House, Kandla

**BY REGISTERED/SPEED POST/By email**

1. M/s Shiv Trading Co., Shed No. 167, SPL CIB Type, GF and FF, Phase-I, Sector-

- II, KASEZ, Gandhidham, Gujarat- 370240
2. M/s Cross Trade Link Pvt Ltd., KASEZ
  3. Shri Ganesh Naidu of M/s Cross Trade Link Pvt. Ltd., KASEZ.
  4. Shri. Bishan Singh, of M/s. Shiv Trading CO. KASEZ.
  5. M/s. Maniyar Impex, Floor -3, 9 168, Amina Manzil, Samuel Street, Masjid Stn West, Chinchbunder, Mumbai, Maharashtra-400009.
  6. Shri. Ajay Godara,S/o Atmaram Godara, Resident of 1617,Sector-13, Hisar, Haryana.
  7. Shri. Sanjay Singla, S/o Mr.Sewa Ram Singla,R/o 99R, Model Town, Panipat, Haryana

**Copy to:** -

1. Additional Director, DRI Regional Unit, Gandhidham
2. Guard File.

**Annexure-R- List of Relied upon Documents**

**Investigation regarding undervaluation and mis-declaration in respect of M/s. Shiv Trading Co., KASEZ.**

<b>Sr. No.</b>	<b>Details of the RUD</b>	<b>RUD No.</b>
1.	Letter dated 08.02.2021 addressed to Deputy Commissioner of Customs, KASEZ to put on hold all the live consignment pertaining to M/s. Shiv Trading (IEC No. -GPNPS5042J), Shed No. 167 SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ.	<b>RUD-01</b>
2.	Panchnama dated 11.02.2021 drawn at the premises of M/s. Shiv Trading , Shed No. 167, SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ, Gandhidham	<b>RUD-02</b>
3.	Panchnama dated 13.02.2021 drawn at the premises of M/s. Shiv Trading , Shed No. 167, SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ, Gandhidham	<b>RUD-03</b>
4.	M/s Shiv Trading Co., KASEZ, Gandhidham letters dated 18.02.2021, 08.03.2021 to allow Export/Import & DTA clearance from their unit at Shed No. 167, SPL CIB Type, Ground Floor and First Floor, Phase I, Sector II, KASEZ, Gandhidham.	<b>RUD-04</b>
5.	Letter dated 16.03.2021 of the DRI to Deputy Commissioner of Customs, KASEZ.	<b>RUD-05</b>
6.	Panchnama dated 11.02.2021 drawn at the office premises of M/s Cross Trade Link Pvt Ltd., situated at Office No-8, KASEZ, Industrial Association Building, Near Punjab National Bank, KASEZ, Gandhidham.	<b>RUD-06</b>
7.	Copy of Bill of Entry No. 1000145 dated 04.01.2021 & Shipping Bill No. 4004914 dated 25.03.2021 filed by the importer.	<b>RUD-07</b>
8.	Copy of Bill of Entry No. 1001200 dated 25.01.2021 and Bill of Entry No. 2003739 dated 06.04.2021.	<b>RUD-08</b>
9.	Letter dated 02.11.2023 of the Specified Officer of KASEZ, Gandhidham to DRI.	<b>RUD-09</b>
10.	Voluntary statement dated 31.08.2021 of Shri . Ganesh Naidu of M/s. Cross Trade Link Pvt.Ltd., Gandhidham.	<b>RUD-10</b>

11.	Voluntary statement dated 08.11.2023 of Shri . Shri. Bishan Singh, Proprietor of M/s. Shiv Trading Co., KASEZ.	<b>RUD-11</b>
12.	Copy of the report dated 20.12.2023 of the Chartered Engineer for goods covered under Bill of Entry 1001200 dated 25.01.2021.	<b>RUD-12</b>