

	<p style="text-align: center;"> <b>सीमा शुल्क के प्रधान आयुक्त का कार्यालय</b>  <b>सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात</b>  <b>OFFICE OF THE PRINCIPAL</b>  <b>COMMISSIONER OF CUSTOMS</b>  <b>CUSTOMS HOUSE, MUNDRA, KUTCH,</b>  <b>GUJARAT</b>  <b>Phone No.02838-271165/66/67/68</b>  <b>FAX.No.02838-271169/62,</b>  <b>Email-adj-mundra@gov.in</b> </p>	
<b>A. SCN No.</b>	<b>: GEN/ADJ/ADC/527/2025-Adjn-O/o Pr. Commr- Cus-Mundra</b>	
<b>B. Issued by</b>	<b>: Amit Kumar Mishra,</b> Additional Commissioner of Customs, Customs House, AP & SEZ, Mundra.	
<b>C. Noticee(s) / Party / Importer</b>	<b>: M/s ABS International</b>	
<b>D. DIN</b>	<b>: 20250271MO000000480E</b>	

**SHOW CUASE NOTICE**

**(UNDER SECTION 124 OF THE CUSTOMS ACT, 1962)**

**Whereas it appears that**

**M/s ABS International (herein referred as “importer”)**, located at Shop No. 57, Ground Floor, Plot No. 55, Sector 15, CBD, Belapur, Navi Mumbai-400614 (IEC No. DROPS3537Q), was engaged in import of Socks, Electric Balloon pumps, Girl’s leggings, Men’s T- shirt, Woollen pant, etc. from China. The said import consignment was imported at Mundra Port and to be cleared through M/s. Saurashtra CFS, Mundra Port & SEZ, Mundra, Gujarat-370421.

**2.** The Directorate of Revenue Intelligence (herein referred as “DRI”) gathered intelligence that M/s. ABS International indulged in evasion of Customs duty by way of gross mis-declaration, undervaluation and importation of undeclared goods. The intelligence further indicated that M/s. ABS International has imported 01 consignment of Socks, Electric Ballon pumps, Girl’s leggings, Men’s T- shirt, Woollen pant, etc. from China through Container No. BMOU6373410 and the subject goods were grossly mis-declared, undervalued, mis-classified and also having undeclared goods.

**3.** Acting upon the intelligence, the above import consignment was put on hold vide mail dated 26.09.2024 (**RUD No. 1**) and examination of the goods was conducted by the officers of DRI under panchnama dated 01.10.2024 (**RUD No. 2**). The description of the goods as declared for the said import consignments in the Bills of Lading are given as under in Table 1 and as per Bill of Entry No. 5831437 dated 27.09.2024 are given as under in Table -2.;

**Table-1**

<b>S . N o</b>	<b>Bill of Lading No. &amp; date</b>	<b>Name of the consignee (M/s.)</b>	<b>Shipper (M/s.)</b>	<b>Item Description</b>	<b>Quantity</b>	<b>Container No.</b>
1	KMTCNBO8196019 dated 31.08.2024 <b>(RUD No. 3)</b>	ABS International (IEC-DROPS3537Q)	Amanda International Co. Limited, Flat/RM A 12/F ZJ 300, 300 Lockhart Road Wan Chai HK	Socks HS: 61169990	486 cartons	BMOU6373410

**Table-2**

Goods declared in Bill of Entry No. 5831437 dated 27.09.2024 (RUD No. 4).

M/s. ABS International, Belapur, Navi Mumbai

Sr.No.	CTH	Description of Goods	Quantity	UQC	Amount (USD)
1	61159500	SOCKS (UNBRANDED)	8317	D OZ	2661.44
2	84142090	AIR PUMP	576	PCS	576
3	85051190	MAGNET (PAC OF MAGNET 6765 )	2767.5	KGS	2706
4	39269099	GLITTER POWDER (PAC OF GLITTER POWDER 201)	180.9	KGS	160.8
5	90191090	STICK MASSAGER	600	PCS	300
6	96180000	DUMMY	40	PCS	30
7	84149090	NECK FAN	600	PCS	150
8	65050090	WOOLEN CAP (UNBRANDED) )	2400	PCS	360
9	62121000	WALLET (UNBRANDED	795	PCS	159
10	61159600	LEGGINS (UNBRANDED)	365	D OZ	438
11	62121000	BRA (UNBRANDED)	8650	PCS	865
12	61082210	PANTY (UNBRANDED)	2799	PCS	55.98
13	61099090	T-SHIRT (UNBRANDED)	1904	PCS	952
14	61121930	TRACK PAINT (UNBRANDED)	2101	PCS	1134.54
15	62071990	THERMAL (UNBRANDED)	105	PCS	126
16	61071990	MENS UNDERWEAR (UNBRANDED)	6600	PCS	660
17	61071990	TRUNK (UNBRANDED)	8000	PCS	800
<b>Total (USD)</b>					<b>12134.76</b>

**4.** During examination of the goods, it was noticed that the different types of goods i.e. Socks (Ankle Socks, Knee Socks etc.), Electric balloon

Pumps, Men's T Shirt (Full sleeve T-shirts, half Sleeve T-shirts), Men's Track pants etc. of different size, colour design were packed in brown colour corrugated Box. Further, during examination it was also found that some goods were mis-classified, undeclared and mis-declared. The goods were appeared of good quality and prima facie, appeared highly undervalued in respect of value as declared by the importer and mis-classified/mis-declared. During examination, inventory of goods imported was made, which is reproduced as under in Table -3.

**Table-3**

<b>Details of the goods of the container BMOU6373410, BL No. KMTCNBO8196019 dated 31.08.2024 of Importer M/s. ABS International, Belapur, Navi Mumbai as per Panchnama dated 01.10.2024.</b>					
<b>Sr · N o.</b>	<b>Goods Description</b>	<b>No. of PP Bags/car tons</b>	<b>No. of Pcs in 1 Bag/cart ons</b>	<b>Total No. of PCs</b>	<b>Rema rks</b>
1	Ankle Socks	49	1200	58800	
2	Ankle Socks	9	1000	9000	
3	Knee Socks	13	1200	15600	
4	Socks Packing Polythene & Box	1	15.370 Kgs	15.370 Kgs	
5	Bra Packing Boxes	1	600	600	
6	Bra Stickers	1	1000	1000	
7	Dummy Hands	1	71	71	
8	Dummy Legs	2	10	20	
9	Electric Balloon Pumps	48	12	576	HT-508 Electric balloon Pump, Stermay Brand
10	Electric Massage Stick	6	100	600	Massage Stick - Double Vibration
11	Electric Neck Fan (Air Cooler & Purifier)	10	60	600	Wearable Air

					Cooler and Purifier, Arctic Air Freedom Brand
1 2	Girls Leggings	2	120	240	
1 3	Girls Leggings	3	180	540	
1 4	Girls Leggings	21	240	5040	
1 5	Girl's Pazama	10	192	1920	
1 6	Girl's Pazama	6	200	1200	
1 7	Men's Full sleeve T-shirts	2	288	576	
1 8	Men's Half sleeve T-shirts	9	240	2160	
1 9	Men's Half sleeve T-shirts	1	330	330	
2 0	Men's Half sleeve T-shirts	4	180	720	
2 1	Men's Half sleeve T-shirts	1	350	350	
2 2	Men's Track Pants	9	80	720	
2 3	Men's Track Pants	2	200	400	
2 4	Men's Track Pants	4	100	400	
2 5	Men's Track Pants	2	210	420	
2 6	Men's Track Pants	1	240	240	
2 7	Men's Track Pants	3	270	810	
2 8	Men's Track Pants	1	325	325	
2 9	Men's Track Pants	1	208	208	
3 0	Men's Track Pants	1	300	300	
3 1	Men's Track Pants	1	350	350	

3 2	Men's Trouser	1	180	180	
3 3	Men's Underwear	11	1200	13200	
3 4	Men's Underwear	18	720	12960	
3 5	Men's Underwear	5	1120	5600	
3 6	Men's Underwear	2	1512	3024	
3 7	Nail Glitter	7 Box containg Glitter Packets, 1 Brochure Diary and 1 electric nail spreader	200.4 Kgs.	200.4 Kgs.	
3 8	Nipple Cowen	1	100	100	
3 9	Nipple Cowen	1	200	200	
4 0	Silicon Bra with packing boxes	4	150	600	
4 1	Physics Teaching Super Magnet	123	52	6396	MKDVR Super Magne t, Physic s Teachi ng, Super Magne tic Force, 30 pairs in each packet , 3+ Ages, Weight of 1 PP Bag is approx

					24.67 0 Kgs.
4 2	Thermal Pant	1	30	30	
4 3	Thermal Vest	6	30	180	
4 4	Women's Bra	2	30	60	
4 5	Women's Bra	7	120	840	
4 6	Women's Bra	22	600	13200	
4 7	Women's Bra	3	240	720	
4 8	Women's Bra	1	180	180	
4 9	Women's Bra	1	216	216	
5 0	Women's Bra	1	50	50	
5 1	Women's Bra	5	360	1800	
5 2	Women's Free Size Padded Bra	2	360	720	
5 3	Women's Padded Bra	1	300	300	
5 4	Women's Padded Bra	1	80	80	
5 5	Women's Padded Bra	1	180	180	
5 6	Women's Panty	2	1500	3000	
5 7	Women's Panty	1	200	200	
5 8	Women's Panty	2	1300	2600	
5 9	Woolen Cap	1	1200	1200	
6 0	Woolen Cap	6	600	3600	
6 1	Woolen Leggings	4	120	480	
6 2	Woolen Pant	3	72	216	
6 3	Wallet	4	200	800	
6 4	Yarn	1	14.760 Kgs	14.760 Kgs	
6	Women's Bra Long size	1	11	11	

5	Charging Socket		2	2	
	Rubber Bushes		300	300	
	<b>Total</b>	<b>477</b>			

5. Further, during the examination, in order to ascertain the actual value of the import goods a government approved Chartered Engineer was called at the examination site ,i.e. M/s. Saurashtra CFS, Mundra on 01.10.2024. The government approved Chartered Engineer inspected and examined the import goods at M/s Saurashtra CFS, Mundra on 01.10.2024 in respect of BL No. KMTCNBO8196019 dated 31.08.2024, B/E no. 5831437 dated 27.09.2024.

6. During the investigation, statements of the following persons were recorded under Section 108 of the Customs Act, 1962, which are briefly discussed herein-below:

**6.1 Statement of Shri Anuj Amarbahadur Singh, proprietor of M/s. ABS International, Shop No. 57, Ground Floor, Plot No. 55, Citi Tower, Sector-15, CBD Belapur, Thane, Maharashtra-400614 recorded u/s 108 of the Customs Act, 1962, on 04.10.2024/09.10.2024/28.11.2024/13.01.2025 (RUD No.05), wherein he inter-alia stated as follows :**

On being asked he stated that M/s. ABS International is a proprietorship firm registered under GSTIN No. 27DROPS3537Q1ZO and IEC No. DROPS3537Q. The work related to the import clearances and trading of imported goods was managed by him and also the checklist was approved by him based on the commercial invoice No. AI20240831 dated 31.08.2024 and the packing list forwarded by his overseas supplier. Further, he agreed that import goods had been declared as “socks HS:61169990” under draft and final BL No. KMTCNBO8196019 dated 31.08.2024 but he didn’t object as the list of items as per commercial invoice dated 31.08.2024 and packing list were 17 items whose CTH was not confirmed with him.



On being asked he stated that he received orders from multiple dealers in Surat, Gujarat, for the import goods in the consignment under B/L No. KMTCNBO8196019 dated 31.08.2024 and he was responsible for finalizing the CTH of the import goods at the time of finalizing the checklist and filing the Bill of Entry.

Further, he stated that Shri Krishna Shahi, a middleman, had been handling the clearance of import consignments for the past six months, however, Shri Krishna Shahi stopped supporting him on 18.09.2024. Consequently, he visited Mundra Port to find another Customs House Agent (CHA). He further stated that M/s. Senghi Shipping Services was authorized by him, and all necessary documents, including the commercial invoice, packing list, and B/L, were supplied on 26.09.2024 and the checklist was approved, and Bill of Entry No. 5831437 was filed on 27.09.2024.

On being asked regarding the invoice, packing list, and Bill of Lading, he stated that he forwarded these documents to Shri Krishna Nand Shahi on 18.09.2024 after receiving them from his supplier. The initial invoice contained only 11 items. However, the final invoice from his supplier included 17 items and the Bill of Entry was filed based on this final invoice. He further stated that the 11-item invoice was a proforma invoice and was not used for filing the Bill of Entry.

On being asked he stated that the goods were sold by weight in China, and he was unaware of the number of pieces in the import consignment. He declared the number of items as per the commercial invoice dated 31.08.2024, received from the overseas supplier, however, he acknowledged that some items found in the consignment, such as Nipple Cowen (Fabric), Nipple Cowen (Silicone), Silicone Bra, Woolen Leggings, Woolen Pants, Long Bralette with cup bra, Charging Socket, Rubber Bushes, Yarn, and Packing Materials, were not originally included in the invoice. Further, he stated that he was willing to pay the applicable duties and differential duties in relation to excess cargo whether declared or undeclared. Further on being shown the copy of the Valuation report CE/MUN/DRI-012/2024-25 dated 12.12.2024 of the Custom Empanelled Chartered Engineer in relation to the goods of the container BMOU6373410

imported by the importer, he stated that he does not agree with the said valuation report as it is roughly 3 times of the value declared in the Bill of Entry No. 5831437 dated 27.09.2024.

**6.2 Statement of Shri Himanshu Kumar Singh, G-card Holder (CBLMS No. 2015CNAI10509) of M/s. Senghi Shipping Services, Custom House Agent recorded u/s 108 of the Customs Act, 1962 on 04.10.2024 (RUD-06), wherein he inter-alia stated as follows:**

He stated that an individual, from his home state, contacted him on behalf of the importer M/s ABS International, Maharashtra, for customs clearance work. It was assured that there were no issues with the cargo or the importer. Based on this assurance, the necessary formalities were proceeded with, and the required documents were received via the importer's email ID (absinternational27283@gmail.com) on 26.09.2024.

On being asked he stated that IGM No. 2388370 was issued on 17.09.2024 and the consignment was shifted to Saurashtra CFS on 21.09.2024 and information was received that the importer was facing difficulties with customs clearance at Mundra port. Further, he stated that during telephonic discussions with the importer, assurances were given that there was no risk associated with the consignment and that the importer would be present during the customs clearance process. Based on these assurances, assistance with the customs clearance was agreed upon.

On being asked he stated that the checklist was filed based on the commercial invoice No. AI20240831 dated 31.08.2024 and the packing lists which were forwarded by the importer via email dated 26.09.2024. Further, he stated that the Bill of Entry No. 5831437 which he filed on 27.09.2024 got assessed on 01.10.2024 and when on 01.10.2024 he approached the CFS for seal intact verification he came to know that the subject container related import consignment of the importer has been kept on hold by DRI. Further, on being asked he stated that it was also noted that the goods were declared as "socks" under HS Code 61169990 in the Bill of Lading (B/L) No.

KMTCNBO8196019 dated 31.08.2024. The number of packages declared in the B/L and the commercial invoice was 486 cartons, which was consistent with the details provided in the Bill of Entry.

## **7. Findings of investigation-**

**7.1** During investigation, it is evident that the importer had misclassified and mis-declared the value of the goods along with the quantity and some undeclared goods at the time of filing of Bill of Entry. The present import consignment has been imported from a Chinese Supplier M/s. Amanda International Co. Ltd. and the declared value of the import goods found grossly undervalued as mentioned in the Table -4 below. Examination of the goods revealed that goods have been mis-declared/misclassified/undeclared in respect of value, quantity, CTH thereof in order to evade the applicable Customs Duty. It appears that M/s. ABS International also indulged in the evasion of Customs Duty by way of undervaluation of import goods along with some undeclared import goods. The government empanelled Chartered engineer submitted his valuation report CE/MUN/DRI-012/2024-25 dated 12.12.2024 to DRI (**RUD-07**). As per the said valuation report of the Chartered Engineer, the appropriate assessable value of the import goods covered under BL No. KMTCNBO8196019 dated 31.08.2024 and examined at M/s Saurashtra CFS, Mundra comes to USD 37828.72/-or Total Rs. 32,00,310/- ( $37828.72 \times 84.6 = 3200309.71$ /-, 1 USD = 84.6 INR) (Thirty Two Lakhs three hundred and ten only), however the declared value of the subject import consignment is merely Rs. 10,26,600/- (Rs. Ten Lakhs twenty six thousand six hundred) as per the Bill of Entry No. 5831437 dated 27.09.2024 filed by the importer.

**7.2** Further, it is confirmed that the importer, as per the declaration made under the Bill of Entry No. 5831437 dated 27.09.2024, reported 17 items; however, more than 17 items were found during the physical examination of the cargo as mentioned in the below Table-4:

**Table-4**

Sr. No.	Sr. No. of the Annexure B of Panchnama dated 01.10.2024	Goods appears to be	Details as per Annexure-B to panchnama dated 01.10.2024				Value as per Valuation report dated 12.12.2024 of Chartered Engineer in (USD)	Total pieces/quantity declared in Bill of Entry 5831437 dated 27.09.2024	Value declared in Bill of Entry 5831437 dated 27.09.2024 in (USD)
			No. of PP Bags /cartons	No. of Pcs in 1 Bag /cartons	Total No. of PCs	Total Pieces			
1	2	3	4	5	6	7	8	9	10
1	1	Ankle Socks	49	1200	58800	83400	5628	99804	2661.44
	2	Ankle Socks	9	1000	9000				
	3	Knee Socks	13	1200	15600				
2	9	Electric Balloon Pumps	48	12	576	576	1152	576	576
3	41	Physics Teaching Super Magnet	123	52	6396 (3034.41 Kg)	6396 (3034.41 Kg)	9338.16	2767.5 Kg	2706
4	37	Nail Glitter	7 Box containing Glitter Packets, 1 Brochure Diary	200.4 Kgs.	200.4 Kgs.	200.4 Kgs	146.29	180.9 Kg	160.8

			and 1 elect ric nail spre ader						
5	10	Electric Massage Stick	6	100	600	600	<b>1002</b>	600	<b>300</b>
6	7	Dummy Hands	1	71	71	91	<b>45.8 4</b>	40	<b>30</b>
	8	Dummy Legs	2	10	20				
7	11	Electric Neck Fan (Air Cooler & Purifier)	10	60	600	600	<b>876</b>	600	<b>150</b>
8	59	Woolen Cap	1	120 0	120 0	480 0	<b>480</b>	2400	<b>360</b>
	60	Woolen Cap	6	600	360 0				
9	63	Wallet	4	200	800	800	<b>448</b>	795	<b>159</b>
10	12	Girls Leggings	2	120	240	630 0	<b>2772</b>	4380	<b>438</b>
	13	Girls Leggings	3	180	540				
	14	Girls Leggings	21	240	504 0				
	61	Woolen Leggings	4	120	480				
11	44	Women's Bra	2	30	60	183 46	<b>3958 .26</b>	8650	<b>865</b>
	45	Women's Bra	7	120	840				
	46	Women's Bra	22	600	132 00				
	47	Women's Bra	3	240	720				
	48	Women's Bra	1	180	180				
	49	Women's Bra	1	216	216				
	50	Women's Bra	1	50	50				
	51	Women's Bra	5	360	180 0				
	52	Women's	2	360	720				

		Free Size Padded Bra							
	53	Women's Padded Bra	1	300	300				
	54	Women's Padded Bra	1	80	80				
	55	Women's Padded Bra	1	180	180				
12	56	Women's Panty	2	150 0	300 0	580 0	<b>870</b>	2799	<b>55.9 8</b>
	57	Women's Panty	1	200	200				
	58	Women's Panty	2	130 0	260 0				
13	17	Men's Full sleeve T-shirts	2	288	576	413 6	<b>1842 .88</b>	1904	<b>952</b>
	18	Men's Half sleeve T-shirts	9	240	216 0				
	19	Men's Half sleeve T-shirts	1	330	330				
	20	Men's Half sleeve T-shirts	4	180	720				
	21	Men's Half sleeve T-shirts	1	350	350				
14	22	Men's Track Pants	9	80	720	417 3	<b>2169 .96</b>	2101	<b>1134 .54</b>
	23	Men's Track Pants	2	200	400				
	24	Men's Track Pants	4	100	400				
	25	Men's Track	2	210	420				

		Pants							
	26	Men's Track Pants	1	240	240				
	27	Men's Track Pants	3	270	810				
	28	Men's Track Pants	1	325	325				
	29	Men's Track Pants	1	208	208				
	30	Men's Track Pants	1	300	300				
	31	Men's Track Pants	1	350	350				
15	42	Thermal Pant	1	30	30	210	<b>138.3</b>	105	<b>126</b>
	43	Thermal Vest	6	30	180				
16	33	Men's Underwear	11	1200	13200	18800	<b>2820</b>	6600	<b>660</b>
	35	Men's Underwear	5	1120	5600				
17	34	Men's Underwear	18	720	12960	15984	<b>2397.6</b>	8000	<b>800</b>
	36	Men's Underwear	2	1512	3024				

<b>Goods Not Declared in the B.E. 5831437 dated 27.09.2024</b>							
<b>Sr. No.</b>	<b>Sr. No. of the Annexure B of Panchnama dated 01.10.2024</b>	<b>Goods appears to be</b>	<b>Details as per Annexure-B to panchnama dated 01.10.2024</b>				<b>Value as per Valuation report dated 12.12.2024 of Chartered Engineer</b>
			<b>No. of PP Bags/cartons</b>	<b>No. of Pcs in 1 Bag/cartons</b>	<b>Total No. of PCs</b>	<b>Total Pieces</b>	

							<b>in (USD)</b>
18	4	Socks Packin g Polythe ne & Box	1	15.370 Kgs	15.370 Kgs	15.370 Kgs	<b>4.76</b>
19	5	Bra Packin g Boxes	1	600	600	600	<b>6</b>
20	6	Bra Sticker s	1	1000	1000	1000	<b>10</b>
21	15	Girl's Pazam a	10	192	1920	3120	<b>1372.8</b>
	16	Girl's Pazam a	6	200	1200		
22	32	Men's Trouse r	1	180	180	180	<b>55.8</b>
23	38	Nipple Cowen	1	100	100	300	<b>18</b>
	39	Nipple Cowen	1	200	200		
24	40	Silicon Bra with packin g boxes	4	150	600	600	<b>78</b>
25	62	Woolen Pant	3	72	216	216	<b>179.28</b>
26	64	Yarn	1	14.760 Kgs	14.760 Kgs	14.760 Kgs	<b>5.61</b>
27	65	Women 's Bra Long size	1	11	11	11	<b>3.41</b>
		Chargi ng Socket		2	2	2	<b>0.76</b>
		Rubber Bushes		300	300	300	<b>9</b>

This significant discrepancy indicates planned misclassification and mis-declaration. The Bill of Entry No. 5831437, filed by the importer, lists a



total of 17 items for importation. These items were not declared with specific descriptions, quantities, and HS codes, in Bill of Lading, invoice and packing list. It was noticed that Shri Anuj Amar bahadur Singh was handling the import related work of the said firm and used to contact Chinese supplier in order to finalized the deal with the suppliers of the goods.

**7.3** Further, data retrieval from the mobile phone of Shri. Krishna Nanad Shahi alias Shri Krishna Shahi was done at the Cyber Forensic Labaratory, Ground Floor, DRI, Mumbai Zonal Unit, Mumbai under Panchnama dated 12/13.11.2024 (**RUD-08**). From the data retrieved from the said mobile phone Shri Krishna Shahi, an invoice bearing No. AI20240831 dated 31.08.2024 having 11 items (**RUD-09 colly.**) in total with the total CIF value as 11601.59 USD was obtained along with the chat conversation between Shri. Krishna Nand Shahi and Shri Anuj Amar Bahadur regarding the subject import consignment under investigation. And also Shri Anuj Amar Bahadur in his statement dated 28.11.2024 stated that initially he has received a commercial invoice bearing No. AI20240831 dated 31.08.2024 having 11 items in total for the said consignment from his overseas supplier which he considers as a proforma invoice and afterwards he receives another invoice bearing No. AI20240831 dated 31.08.2024 for the same consignment having 17 items (**RUD-09 colly.**) in total from his overseas supplier which shows that he arranges for preparing the invoice, Packing list as his own choice to the Chinese suppliers.

## **8. SEIZURE:**

The imported goods i.e. Socks (Ankle Socks, Knee Socks etc.), Electric balloon Pumps, Men's T Shirt (Full sleeve T-shirts, half Sleeve T-shirts), Men's Track pants etc. of different size, colour design as detailed above in **Table-4** were found to be mis-classified in terms of CTH and mis-declared in terms of quantity and value as declared in Bill of Entry No. 5831437 dated 27.09.2024. Some items found during examination were not even declared in said Bill of Entry. The value declared in the Bill of Entry was Rs. 10,26,600/- only. On examination of the consignment, prima facie,

the goods appeared highly undervalued. The goods were got examined by Government approved Chartered Engineer and as per his report the assessable value of the goods appear to be USD 37828.72/- or Total Rs. 32,00,310/- ( $37828.72 \times 84.6 = 3200309.71$ /-).

Since, the said goods covered under Bill of Entry No. 5831437 dated 27.09.2024 were mis-declared in terms of quantity and value and mis-classified in terms of CTH with some undeclared cargo, therefore, there being a reasonable belief that the said goods are liable for confiscation under the provisions of Section 111 of the Customs Act, the same were placed under seizure under Section 110 of the Customs Act, 1962 vide Seizure Memo dated 24.12.2024 (**RUD No.10**).

## **9. Rejection of transaction value of the imported goods and determination of the value of the import goods**

**9.1** As mentioned in the forgoing paras, M/s. ABS International has imported one import consignments at Mundra port which was examined by the officers of DRI at Mundra Port under panchnama dated 01.10.2024. During examination of goods the total 477 cartons of different types of goods i.e. Socks (Ankle Socks, Knee Socks etc.), Electric balloon Pumps, Men's T Shirt (Full sleeve T-shirts, half Sleeve T-shirts), Men's Track pants etc. of different size, colour design as detailed above were found in the Container no. BMOU6373410 imported under B/E no. 5831437 dated 27.09.2024. It is noticed that total declared assessable value of the subject goods was declared to be Rs. 10,26,600/- (Rs. Ten Lakhs twenty six thousand six hundred).

**9.2** The goods imported by importer were mis-declared. As mentioned earlier several goods which were not even declared in the Bill of Entry were found during examination. Further in statement dated 28.11.2024 of Shri Anuj Amarbahadur Singh, Proprietor of the M/s ABS International, he stated that his overseas supplier sent him two types of invoices for the said import

consignment, one invoice with 11 items and having total CIF value as 11601.59 USD and another invoice with 17 items and having total CIF value as 12134.76 USD and the same was sent to Shri Krishna Nand Shahi. Further, it is fact that that even this second invoice with 17 items does not truly represent the actual goods imported in the said consignment. Accordingly the assessable value declared by the importer in the Bill of Entry is not a true representation of the actual value of the goods and is liable to be rejected.

Also, it appears that overseas supplier manipulated the documents on the directions of Shri Anuj Amarbahadur Singh. In spite of these, the actual invoice had not been submitted by the importer to Customs. The actual invoice has not been submitted by the importer till date and it appears that his tuning with Chinese trader/exporter/supplier is good for import purpose and chinese supplier made the invoice, packing list, etc. documents related to valuation part on the direction of Shri Anuj Amarbahadur Singh. The said statement dated 28.11.2024 of Shri Anuj Amarbahadur Singh confirms that the Chinese supplier has provided him with two invoices; one invoice with 11 items and having total CIF value as 11601.59 USD and another invoice with 17 items and having total CIF value as 12134.76 USD for the same said consignment of import goods covered under BL No. KMTCNBO8196019 dated 31.08.2024, B/E no. 5831437 dated 27.09.2024. Further, it is confirmed from the valuation report of the government approved Chartered Engineer that the price of goods i.e. Socks (Ankle Socks, Knee Socks etc.), Electric balloon Pumps, Men's T Shirt (Full sleeve T-shirts, half Sleeve T-shirts), Men's Track pants etc. of different size, colour design mentioned in the said Bill of Entry is lesser than the actual assessable value of the said import goods, hence it is clear that importer has intentionally mis-declared, misclassified and undeclared the import goods in the said Bill of Entry in order to suppress the actual value and evade the Custom Duty.

**9.3** In view of the above, the value declared by the importer in the corresponding Bill of Entry and invoices did not appear to be the true transaction value under the provisions of Section 14 of the Customs Act, 1962 read with the provisions of the Customs Valuation (determination of Value of Imported Goods) Rules, 2007 and thus the same appear liable to be rejected in terms of **Rule 12 of CVR**, 2007. The value is required to be re-determined by sequentially proceeding in terms of Rules 4 to 9 of CVR, 2007.

***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) .....*

*(c) .....*

*(2) .....*

*(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:

(2) .....

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) ....

(3) ....

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

Subject to the provisions of rule 3, the value of imported goods shall be based on a computed value, which shall consist of the sum of:-

(a) the cost or value of materials and fabrication or other processing employed in producing the imported goods;

*(b) an amount for profit and general expenses equal to that usually reflected in sales of goods of the same class or kind as the goods being valued which are made by producers in the country of exportation for export to India;*

*(c) the cost or value of all other expenses under sub-rule (2) of rule 10.*

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

*(1) Subject to the provisions of rule 3, where the value of imported goods cannot be determined under the provisions of any of the preceding rules, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules and on the basis of data available in India;*

*Provided that the value so determined shall not exceed the price at which such or like goods are ordinarily sold or offered for sale for delivery at the time and place of importation in the course of international trade, when the seller or buyer has no interest in the business of other and price is the sole consideration for the sale or offer for sale.*

*(2) No value shall be determined under the provisions of" this rule on the basis of –*

*(i) the selling price in India of the goods produced in India;*

*(ii) a system which provides for the acceptance for customs purposes of the highest of the two alternative values;*

*(iii) the price of the goods on the domestic market of the country of exportation;*

*(iv) the cost of production other than computed values which have been determined for identical or similar goods in accordance with the provisions of rule 8;*

*(v) the price of the goods for the export to a country other than India;*

*(vi) minimum customs values; or*

*(vii) arbitrary or fictitious values.*

As such the declared value appears to be not acceptable as transaction value and merits rejection in terms of Section 14 of Customs Act, 1962 read with Rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. The value is required to be re-determined

by sequentially proceeding in terms of Rules 4 to 9 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

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

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

As the imported goods were found to be non-standard, the sale price of identical or similar goods was not available in the domestic market as the goods are miscellaneous in nature and found in different variety, description, specification, model, brand, make, sizes and quality, therefore, determination of transaction value under Rule 7 of CVR, 2007 was not possible.

As substantial data related to the cost or value of materials and fabrication or other processing employed in producing the imported goods required to compute the value under Rule 8 is also not available. Therefore, valuation of the impugned goods could not be ascertained under Rule 8 of CVR, 2007.

Hence the value is to be determined in terms of Rule 9 of CVR, 2007 of said rules.



**10.** The Chartered Engineer in its report vide CE/MUN/DRI-012/2024-25 dated 12.12.2024 has been provided with total 67 items with different no. having total value of USD 37828.72 i.e Rs. 32,00,310/- (Thirty Two Lakhs Three hundred and ten).

As mentioned above, the declared assessable value of the goods USD 12134.76 i.e Rs.1026600/- as per invoice No.A120240831 dated 31.08.2024 cannot be considered as correct assessable value of the goods and hence the same is liable to be rejected under Rule 12 of Customs Valuation Rules 2007 as there has been observed mis-declaration of goods in parameters such as descriptions, quality, etc.

Therefore, the Assessable value based on report as provided by the government approved Chartered Engineer may be considered as the value of the subject goods. Therefore, the invoice value of the goods is required to be rejected under Rule 12 of the Customs Valuation (Determination of value of imported goods) Rules, 2007 and re-determined under Section 14 of the Customs Act, 1962 on basis of report of the government approved Chartered Engineer as USD 37828.72/- i.e Total Rs. 32,00,310/- ( $37828.72 \times 84.6 =$ ) (Thirty Two Lakhs Three hundred and ten).

**11. Mis-declaration in respect of value of the goods:-**

**11.1** As mentioned in forgoing paras it appears that the importer had mis-declared the value of the goods at the time of filing of Bill of Entry. The present import consignment has been imported from a Chinese Supplier M/s. Amanda International Co. Ltd. Prima facie, the declared value of the import goods appeared to be grossly undervalued. Examination of the goods revealed that goods have been mis-declared in respect of value and misclassified and undeclared thereof in order to evade the applicable Customs Duty.

**11.2** From the above, it appears that M/s. ABS International also indulged in the evasion of Customs Duty by way of undervaluation, misdeclaration and undeclaration of import goods. On calculating the appropriate assessable value of the goods as per the valuation report submitted by the Govt. Approved Charter Engineer is Rs. 32,00,310/-. It is noticed that the total declared assessable value of the goods imported under the subject import consignment was Rs. 10,26,600/- whereas as per the appropriate Unit price the appropriate assessable value comes out to Rs.32,00,310/-.

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

### **12.1 Goods not declared/undeclared in the Bill of Entry.**

The importer, as per the declaration made under this Bill of Entry, reported 17 items; however, more than 17 items were found during the physical examination of the cargo. This significant discrepancy indicates potential mis-declaration and possible violations of customs regulations. The Bill of Entry No. 5831437, filed by the importer, lists a total of 17 items for importation. During the course of investigation, as narrated in the foregoing paras, it was uncovered that the goods found during the examination of the cargo covered under BL No. KMTCNBO8196019 dated 31.08.2024, B/E no. 5831437 dated 27.09.2024 contained some undeclared goods with the details as mentioned in the below Table-5.

**Table-5**

<b>Goods Not Declared in the B.E. 5831437 dated 27.09.2024</b>						
<b>Sr.No.</b>	<b>Sr. No. of the Annexure B of Panchnama dated 01.10.2024</b>	<b>Goods appears to be</b>	<b>Details as per Annexure-B to panchnama dated 01.10.2024</b>			
			<b>No. of PP Bags/cartons</b>	<b>No. of Pcs in 1 Bag/cartons</b>	<b>Total No. of PCs</b>	<b>Total Pieces</b>
1	4	Socks Packing	1	15.370 Kgs	15.370 Kgs	15.370 Kgs

		Polythe ne & Box				
2	5	Bra Packing Boxes	1	600	600	600
3	6	Bra Sticker s	1	1000	1000	1000
4	15	Girl's Pazama	10	192	1920	3120
	16	Girl's Pazama	6	200	1200	
5	32	Men's Trouser	1	180	180	180
6	38	Nipple Cowen	1	100	100	300
	39	Nipple Cowen	1	200	200	
7	40	Silicon Bra with packing boxes	4	150	600	600
8	62	Woolen Pant	3	72	216	216
9	64	Yarn	1	14.760 Kgs	14.760 Kgs	14.760 Kgs
10	65	Women' s Bra Long size	1	11	11	11
		Chargi ng Socket		2	2	2
		Rubber Bushes		300	300	300

From the above, it is evident that these undeclared goods were neither declared by the importer in the Bill of Lading nor were declared at the time of filing of the Bill of Entry to the Customs. Thus, appearing with the clear intentions of the importer to evade the applicable Custom Duty and hence, making these undeclared goods to be liable for confiscation under section 111(l) of the Customs Act, 1962.

## 12.2 Goods mis-classification in terms of Quantity

During investigation, it was observed that the goods imported under the Bill of Entry No. 5831437 dated 27.09.2024 had discrepancies between the declared quantity in the Bill of Entry and the actual quantity of goods found during the examination proceedings. This significant discrepancy indicates potential mis-declaration in terms of the quantity of the goods declared and possible violations of the customs regulations. The discrepancies found in the quantity of the items of the subject cargo are detailed in the below Table-6.

**Table-6**

Sr. No.	Sr. No. of the Annexure B of Panchnama dated 01.10.2024	Goods appears to be	Details as per Annexure-B to panchnama dated 01.10.2024				Total piece s/quantity declared in Bill of Entry 5831437 dated 27.09.2024	Difference (7-8)
			No. of PP Bags/cartons	No. of Pcs in 1 Bag/cartons	Total No. of PCs	Total Pieces		
1	2	3	4	5	6	7	8	9
1	1	Ankle Socks	49	1200	58800	83400	99804	-
	2	Ankle Socks	9	1000	9000			
	3	Knee Socks	13	1200	15600			
2	9	Electric Balloon Pumps	48	12	576	576	576	0
3	41	Physics Teaching Super Magnet	123	52	6396 (3034.41Kg)	6396 (3034.41 Kg)	2767.5 Kg	266.91 Kg
4	37	Nail Glitter	7 Box containing Glitter Packets, 1 Broch	200.4 Kgs.	200.4 Kgs.	200.4 Kgs	180.9 Kg	19.5 Kg

			ure Diary and 1 electri c nail spread er					
5	10	Electric Massage Stick	6	100	600	600	600	<b>0</b>
6	7	Dummy Hands	1	71	71	91	40	<b>51</b>
	8	Dummy Legs	2	10	20			
7	11	Electric Neck Fan (Air Cooler & Purifier)	10	60	600	600	600	<b>0</b>
8	59	Woolen Cap	1	1200	1200	4800	2400	<b>240 0</b>
	60	Woolen Cap	6	600	3600			
9	63	Wallet	4	200	800	800	795	<b>5</b>
10	12	Girls Leggings	2	120	240	6300	4380	<b>192 0</b>
	13	Girls Leggings	3	180	540			
	14	Girls Leggings	21	240	5040			
	61	Woolen Leggings	4	120	480			
11	44	Women's Bra	2	30	60	1834 6	8650	<b>969 6</b>
	45	Women's Bra	7	120	840			
	46	Women's Bra	22	600	13200			
	47	Women's Bra	3	240	720			
	48	Women's Bra	1	180	180			
	49	Women's Bra	1	216	216			
	50	Women's Bra	1	50	50			
	51	Women's Bra	5	360	1800			
	52	Women's Free Size Padded Bra	2	360	720			
	53	Women's Padded Bra	1	300	300			

	54	Women's Padded Bra	1	80	80			
	55	Women's Padded Bra	1	180	180			
12	56	Women's Panty	2	1500	3000	5800	2799	<b>300 1</b>
	57	Women's Panty	1	200	200			
	58	Women's Panty	2	1300	2600			
13	17	Men's Full sleeve T-shirts	2	288	576	4136	1904	<b>223 2</b>
	18	Men's Half sleeve T-shirts	9	240	2160			
	19	Men's Half sleeve T-shirts	1	330	330			
	20	Men's Half sleeve T-shirts	4	180	720			
	21	Men's Half sleeve T-shirts	1	350	350			
14	22	Men's Track Pants	9	80	720	4173	2101	<b>207 2</b>
	23	Men's Track Pants	2	200	400			
	24	Men's Track Pants	4	100	400			
	25	Men's Track Pants	2	210	420			
	26	Men's Track Pants	1	240	240			
	27	Men's Track Pants	3	270	810			
	28	Men's Track Pants	1	325	325			
	29	Men's Track Pants	1	208	208			
	30	Men's Track Pants	1	300	300			
	31	Men's Track Pants	1	350	350			
15	42	Thermal Pant	1	30	30	210	105	<b>105</b>
	43	Thermal Vest	6	30	180			

16	33	Men's Underwear	11	1200	13200	1880 0	6600	<b>122 00</b>
	35	Men's Underwear	5	1120	5600			
17	34	Men's Underwear	18	720	12960	1598 4	8000	<b>798 4</b>
	36	Men's Underwear	2	1512	3024			

From the above, it is evident that in most of the goods as detailed in the Table-6 above, quantity of the goods found during the examination is more than the quantity declared by the importer in the said Bill of Entry. Hence, the importer had imported the said goods in contravention to the Customs Act, 1962, thereby evading the applicable custom duty and making these goods liable for confiscation under section 111(m) of the Customs Act, 1962.

### 12.3 Goods Mis-classified in terms of CTH

During the course of investigation, it is revealed that the importer had misclassified certain goods in the Bill of Entry against their description with an incorrect CTH as detailed in the Table-7 below :

**Table-7**

Sr.No	Sr. No. of the Annexure B of Panchnama dated 01.10.2024	No. of PP Bags/cartons	Goods appears to be	CTH as per Bill of Entry	CTH as per investigation findings
1	2	3	4	5	6
1	1	49	Ankle Socks	6115950 0	<b>61159600</b>
	2	9	Ankle Socks		
	3	13	Knee Socks		
2	9	48	Electric Balloon Pumps	8414209 0	<b>84142090</b>
3	41	123	Physics	8505119	<b>95030099</b>

			Teaching Super Magnet  MKDVR Super Magnet, Physics Teaching , Super Magnetic Force, 30 pairs in each packet, <b>3+ Ages</b>	0	
4	37	7 Box containg Glitter Packets, 1 Brochure Diary and 1 electric nail spreader	Nail Glitter	3926909 9	<b>33049990</b>
5	11	10	Electric Neck Fan (Air Cooler & Purifier)	8414909 0	<b>84145990</b>
6	59	1	Woolen Cap	6505009 0	<b>61169100</b>
	60	6	Woolen Cap		
7	63	4	Wallet	6212100 0	<b>42021990</b>
8	12	2	Girls Leggings	6115960 0	<b>61152990</b>
	13	3	Girls Leggings		
	14	21	Girls Leggings		
	61	4	Woolen Leggings		

During the investigation, it is revealed that the above 8 items out of 17 items covered under the B/E no. 5831437 dated 27.09.2024 filed by the importer are with incorrect CTH against their description. As all the above 8 items are incorrectly classified by the importer with an intention to evade



the applicable customs duty, hence these goods are liable to be confiscated under section 111 (m) of the Customs Act, 1962.

#### **12.4 Goods imported without BIS**

Further, during the investigation, it is also revealed that for the item mentioned at serial no. 3 of Table-7 above, with the description as “Physics Teaching Super Magnet MKDVR Super Magnet, Physics Teaching, Super Magnetic Force, 30 pairs in each packet, **3+ Ages**”, having CTH in BE as “85051190”, the correct CTH for the said item is 95030099 and the **DGFT vide its notification 20/2015-20 dated 07.07.2022** has made the import of the Items of the CTH 95030099 “free”, subject to mandatory BIS certification for the said item. As the importer has failed to provide any BIS certificate to the subject goods and as all the above 8 items of Table-7 are incorrectly classified by the importer with an intention to evade the applicable customs duty, hence these goods are liable to be confiscated under section 111 (d) and 111(m) of the Customs Act, 1962.

**12.5** In view of facts of investigation narrated in foregoing paras, it appears that Shri Anuj Amarbahadur Singh Proprietor of M/s ABS International had imported the high quality goods i.e Socks (Ankle Socks, Knee Socks etc.), Electric balloon Pumps, Men’s T Shirt (Full sleeve T-shirts, half Sleeve T-shirts), Men’s Track pants etc. of different size, colour design by mis declaring their description, quantity and value. It was very well planned that by declaring the goods as Socks, Air Pumps, T Shirt, Track pants etc. of different size, colour design, they will import the goods having high quality with excess quantity and misclassifying the same along with some undeclared goods; which were unearthed during the examination of the said import consignment. The importer also attempted to import goods requiring BIS certification i.e. “Physics Teaching Super Magnet” without having requisite certification.

**12.6** Further, it appears that the price of imported goods mentioned in the Invoice No. A120240831 dated 31.08.2024 is very less in respect of different

items. Shri Anuj Amarbahadur Singh proprietor of M/s ABS International, in his statement dated 04.10.2024/11.04.2024/28.11.2024 clearly stated that his overseas supplier sent him two types of Invoices for the same consignment of import goods, one invoice with 11 items and having total CIF value as 11601.59 USD and another invoice with 17 items and having total CIF value as 12134.76 USD. Moreover, the quantity, unit and unit price of the item-wise import goods is different in both the invoices. Further, during the examination of the cargo, the said cargo was found to be mis-declared in terms of quantity, thus it appears that the declared value of the Cargo was lesser in comparison to the actual quality and quantity of goods. Also, no payment proof for purchase of said consignment could be provided by the importer. Therefore, the valuation done by government approved Chartered Engineer established that the actual assessable value of the goods is Rs. 32,00,310/- in place of declared assessable value of Rs. 10,26,600/-. Hence it appears that the importer has mis-declared the import goods in terms of value also in order to evade applicable customs duty and hence the subject goods are also liable to be confiscated under section 111 (m) of the Customs Act, 1962.

### **13. Role and culpability on the importer/person/firm involved:-**

#### **13.1 Role of M/s ABS International (Shri Anuj Amarbahadur Singh, Proprietor of M/s ABS International) :-**

M/s. ABS International is a proprietorship firm under the proprietorship of Shri Anuj Amarbahadur Singh. The importer firm was found indulged into evasion of Customs duty on import of different type of goods by way of gross undervaluation, misdeclaration and undeclaration. They used to import goods from China. It was noticed that Anuj Amarbahadur Singh was handling the import related work of the said firm. It was revealed during investigation that Shri Anuj Amarbahadur Singh used to contact with Chinese supplier in order to finalize the deal with the suppliers of the goods. He used to bargain with foreign suppliers and used to

arrange the payment against the subject import goods to the Chinese suppliers with draft and final invoices. Shri Anuj Amarbahadur Singh contacted the Customs Broker M/s. Senghi Shipping Services, for arranging the clearance from Mundra Port.

Shri Anuj Amarbahadur Singh was looking after all the work related to M/s ABS International and it appears that he was responsible for the business activities and import related activities of the said firm. Shri Anuj Amarbahadur Singh admittedly made conversations with Chinese supplier and they send various types of invoice, packing list, etc. which is evident from the parallel invoice bearing same no. AI20240831 dated 31.08.2024 having 11 items in total with the total CIF value as 11601.59 USD for the subject import cargo, obtained from the mobile phone of Shri. Krishna Nand Shahi along with the chat conversations between the two. It appears that Chinese Supplier prepared Invoices, packing list and other documents related to import consignment on the direction of Shri Anuj Amarbahadur Singh and he has been instructing to Chinese supplier for preparing the import documents in terms of value, quantity, CTH according to his own wish. It is evident that the actual assessable value of the subject goods is higher than as declared by Shri Anuj Amarbahadur Singh before Customs authorities. It appears that the invoice, packing list and other documents were made by Chinese Supplier and they adjusted the cost of goods at the request of Shri Anuj Amarbahadur Singh, in which value of goods were fixed very low comparatively with the quality of the import goods. Therefore, it appears that the declared assessable value of the import goods do not represent true transaction value of the goods. No payment proof for purchase of said consignment could be provided by the importer. It appears that M/s ABS International involved in gross undervaluation, misclassification and undeclaration of the goods, so that maximum profit can be earned by M/s ABS International through paying less customs duty, by declaring a lower value for the goods, with intent to potentially lower their import duty and tax liabilities.

By such act of omission and commission M/s ABS International (Shri Anuj Amarbahadur Singh, Proprietor of M/s ABS International) rendered the subject import consignment covered under Bill of Entry No. 5831437 dated 27.09.2024 having declared value of goods as Rs. 10,26,600/-, however having appropriate assessable value of Rs. 32,00,310/-, liable to confiscation under **Sections 111(f), 111(l) and 111(m) of the Customs Act, 1962.**

From the above, it appears that M/s ABS International (Shri Anuj Amarbahadur Singh, Proprietor of M/s ABS International) has done an act rendering the subject goods liable for confiscation and has knowingly concerned himself in removing, depositing, harbouring, keeping, concealing, selling and dealing with mis-declared goods being imported by them. Therefore his act resulted into contravention of the provisions of Customs Act, 1962 and rules made there under and thus, M/s ABS International (Shri Anuj Amarbahadur Singh, Proprietor of M/s ABS International) rendered itself liable to penalty under **Section 112(a) and 112 (b) of Customs Act 1962.**

M/s ABS International (Shri Anuj Amarbahadur Singh, Proprietor of M/s ABS International) had knowingly and intentionally made/signed/used the import document (Invoice, packing list etc.) and caused to make and use the documents such as Bill of Lading, Invoice and other related documents, which were false or incorrect in material particulars for the purposes of avoiding huge differential amount of Customs Duty, therefore M/s ABS International (Shri Anuj Amarbahadur Singh, Proprietor of M/s ABS International) is also liable to penalty under **Section 114AA of the Customs Act, 1962.**

### **13.2 Role of M/s. Senghi Shipping Services, Custom House Agent.**

M/s Senghi Shipping Services is fully aware of the Customs Act, 1962, and CBLR 2018. Moreover, they have been providing Customs

Clearing Agent services to their customers for a considerable period. Therefore, it is the responsibility and duty of M/s Senghi Shipping Services to guide the importer regarding the correct declaration of the assessable value and CTH of the imported cargo. If the DRI had not initiated an investigation against M/s ABS International, they would have potentially evaded a significant amount of Customs Duty by paying wrong duty based on the declared value.

In his statement of Shri Himanshu Kumar Singh, G-card Holder (CBLMS No. 2015CNAI10509) of M/s. Senghi Shipping Services, acknowledges the description based on the documents provided by the importer. He further asserts that he did not seek clarification from the importer regarding the disparities in the descriptions, CTH, Valuation. This admission points to a critical lapse in due diligence on the part of the CHA.

As a Customs House Agent, the responsibility extends beyond merely processing the provided documents; it includes ensuring the accuracy and consistency of the information presented. Failing to seek clarification on discrepancies in product descriptions, especially valuation and correct CTH, undermines the agent's role in maintaining the integrity of customs declarations.

By such act of omission and commission M/s. Senghi Shipping Services rendered the subject import consignment covered under Bill of Entry No. 5831437 dated 27.09.2024 having declared value of goods as Rs. 10,26,600/-, however having appropriate assessable value of Rs. 32,00,310/-, liable to confiscation under **Sections 111(f), 111(l) and 111(m)** of the Customs Act, 1962 and also rendered themselves liable to penalty under **Section 112 (a) and 112 (b)** of the Customs Act, 1962.

**14.1** Now, therefore, **M/s ABS International (IEC No. DROPS3537Q) (Shri Anuj Amarbahadur Singh, Proprietor of M/s ABS International)**, Shop No. 57, Ground Floor, Plot No. 55, Sector 15, CBD, Belapur, Navi Mumbai-400614, called upon to show cause in writing to **the**

**Additional Commissioner of Customs, Customs House, Mundra**, having his office situated at 'Port User Building (PUB), Mundra Port' within 30 days from the receipt of the Show Cause Notice as to why:

- i. The declared assessable value of **Rs. 10,26,600/-**, of the subject goods covered under B/E No. 5831437 dated 27.09.2024, should not be rejected under Rule 12 of the Customs Valuation (Determination of value of imported goods) Rules, 2007 and the same be re-determined as **Rs. 32,00,310/-**, under Rule 9 Customs Valuation (Determination of value of imported goods) Rules, 2007.
- ii. Total Quantity of 31 cartons of different type of goods which are undeclared by the importer and found during the examination conducted by the DRI as per **Table-5** above should not be held liable for confiscation under sections 111 (f) and 111 (l) of the Customs Act, 1962.
- iii. Total Quantity of 446 cartons of different type of goods as per **Table-6 above**, which are found to be mis-declared in terms of quantity and value as found during the examination proceedings conducted by the DRI and covered under the B/E No. 5831437 dated 27.09.2024 should not be held liable for confiscation under sections 111 (l) and 111 (m) of the Customs Act, 1962.
- iv. Total Quantity of 177 cartons of different type of goods as per **Table-7 above** (Except Sl No. 3), which are found to be mis-classified in terms of CTH and value covered under the B/E No. 5831437 dated 27.09.2024 should not be held liable for confiscation under section 111 (m) of the Customs Act, 1962.
- v. Total Quantity of 123 cartons of "Physics Teaching Super Magnet, MKDVR Super Magnet, Physics Teaching, Super Magnetic Force, 30 pairs in each packet, **3+ Ages**", mentioned at Sl No. 3 of **Table-7**, imported without mandatory BIS certification, and mis-classified in terms of CTH and value in the said Bill of Entry, should not be held liable to confiscation under Section 111(d) and 111(m) of the Customs Act, 1962.

vi. Penalty under Section 112(a), 112(b) and 114(AA) of the Customs Act, 1962 should not be imposed on M/s ABS International, for the reasons mentioned above.

**14.2** Now therefore, **M/s. Senghi Shipping Services.**, may be called upon to show cause in writing to the Additional Commissioner of Customs, Customs House, Mundra, having his office situated at 'Port User Building (PUB), Mundra Port' within 30 days from the receipt of the Show Cause Notice as to why:-

(i) Penalty under Section 112(a) and 112(b) of the Customs Act, 1962 should not be imposed.

**15.** The noticee are hereby required to produce at the time of showing cause all the evidences upon which they intend to rely in support of their defense. They are further required to indicate in their written explanation 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 explanation, it will be presumed that they do not desire a personal hearing.

**16.** If no cause is shown by them against the action proposed to be taken within 30 days of receipt of this notice or if they do not appear before the adjudicating authority when the case is posted for hearing, the case would be liable to be adjudicated on the basis of evidences on records.

**17.** This Show Cause Notice is issued without prejudice to any other actions that may be taken against the persons involved in the subject case, under the provisions of the Customs Act, 1962 or any other Allied Acts for the time being in force.

**18.** The documents as listed at **Annexure-R** are relied upon and are enclosed with this show cause notice.

**(Amit Kumar Mishra)**  
**Additional Commissioner,**  
**Custom House, Mundra.**

**F.No. GEN/ADJ/ADC/527/2025-Adjn-O/o Pr. Commr- Cus-Mundra**

**DIN : 20250271MO000000480E**

To,

- 1. M/s ABS International,**  
Shop No. 57, Ground Floor,  
Plot No. 55, Sector 15, CBD,  
Belapur, Navi Mumbai-400614.  
([ABSinternational27283@gmail.com](mailto:ABSinternational27283@gmail.com))
- 2. Shri Anuj Amarbahadur Singh,**  
beneficial owner M/s ABS International,  
Shop No. 57, Ground Floor, Plot No. 55,  
Sector 15, CBD, Belapur, Navi Mumbai-400614.
- 3. M/s. Senghi Shipping Services,**  
Custom House Agent having  
office no. 102, Satguru Empire 1,  
Nr. Rashapir Circle, Mundra-370421.

**Copy to:**

- (1)** The Deputy Director, Directorate of Revenue Intelligence, Ghandidham.
- (2)** The Assistant Commissioner, EDI, Customs Mundra **(For uploading on Mundra Customs Website)**
- (3)** Guard File.



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

**Investigation regarding undervaluation, mis-declaration and undeclaration in respect of M/s. ABS International, Belapur, Navi Mumbai.**

<b>RUD No.</b>	<b>Details of the RUD</b>	<b>Page No.</b>
<b>RUD-01</b>	Copy of mail dated 26.09.2024 vide which consignment put on hold by DRI.	<b>01</b>
<b>RUD-02</b>	Copy of Panchnama dated 01.10.2024 for examination of the goods conducted by DRI officers.	<b>02-09</b>
<b>RUD-03</b>	Copy of Bill of Entry No. 5831437 dated 27.09.2024.	<b>10-20</b>
<b>RUD-04</b>	Copy of Bill of Lading No. KMTCNBO8196019 dated 31.08.2024.	<b>21</b>
<b>RUD-05</b>	Statement of Shri Anuj Amarbahadur Singh, proprietor of M/s. ABS International dated 04.10.2024/09.10.2024/28.11.2024/ 13.01.2025.	<b>22-31</b>
<b>RUD-06</b>	Statement of Shri Himanshu Kumar Singh, G-card Holder of M/s. Senghi Shipping Services dated 04.10.2024.	<b>32-35</b>
<b>RUD-07</b>	Government approved Chartered Engineer valuation report CE/MUN/DRI-012/2024-25 dated 12.12.2024.	<b>36-40</b>
<b>RUD-08</b>	Panchnama dated 12/13.11.2024 drawn at Cyber Forensic Laboratory, Ground Floor, DRI, Mumbai Zonal Unit, Mumbai.	<b>41-45</b>
<b>RUD-09</b>	Copy of invoice bearing No. AI20240831 dated 31.08.2024 having 11 items and copy of invoice bearing No. AI20240831 dated 31.08.2024 having 17 items	<b>46-47</b>

<b>RUD-10</b>	Seizure Memo dated 24.12.2024.	<b>48</b>
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