



F.No. CUS/APR/MISC/9449/2025-Gr 5-6

Date:16-01-2026

DIN: 20260171MO000000C176

SCN No. 169/2025-26/ADC/ZDC/MCH

SHOW CAUSE NOTICE
(Under Section 28(4) read with Section 124 of the Customs Act, 1962)

M/s. Apara Electricals, Room No.403 404, 3RD Floor, A-112, Group Industrial Area Wazirpur, Delhi - 110052 holding IEC No. **0510037984** (hereinafter also referred to as 'Noticee No. 1'), had cleared goods as mentioned below under CTH "8541 9000" into domestic tariff area by filing DTA bill of Entries (**RUD-1**) as mentioned below through APSEZ Mundra warehousing unit **M/s. Fast Track CFS Pvt. Ltd.** (hereinafter also referred to as 'M/s. Fast Track' or "Noticee No. 2") and Custom House Agent **M/s. Cargo Concepts (Bombay) Private Limited**, First Floor, Office No 11, Maruti Corner, Rashapir Circle, Dhrub, Mundra, Kachchh, Gujarat, 370421 (hereinafter also referred to as "Noticee No. 3").

TABLE-I

Sl No.	DTA Bill of Entry	Request Submission Date	Request assessment date	DTA Client Name	QTY	Assessable Value	Duty paid
1	2000752	21-Jan-21	21-Jan-21		3000	2993384	538809
2	2002192	25-Feb-21	25-Feb-21	M/s. Apara Electricals	10171	7950	1431
3	2002196	26-Feb-21	26-Feb-21		75	335	60
4	2001903	19-Feb-21	19-Feb-21		3500	3091884	556539
				Total	16746	6093553	1096840

2 . Whereas, during the test check of records of O/o the Specified Officer, APSEZ, Mundra for the period April 2018 to March 2021, it was noticed that the M/s. Fast Track CFS Pvt. Ltd. had cleared "Metal Core Printed Circuit Board" classifying the same into **CTH 8541 9000** of Assessable Value of Rs. 60.93 lakh and paid only IGST @18%. "Metal Core Printed Circuit Board" merits to classify under **CTH 9405 4090** as there is specific mention of "Metal Core Printed Circuit Board and duty @42.80% (BCD @25%, SWS @10% on BCD, and IGST @12% on cumulative value as per Customs Tariff 2021) should have been levied. This Resulted in short levy of duty due to misclassification to the tune of Rs. 15.11 lakh as mentioned below in Table-II.

2.1 Whereas, CTH 85419000 classify the goods of "parts of Diodes, Transmission

and similar semi - conductor devices, Photosensitive Semiconductor devices, including photo voltaic cells, whether or not assembles in modules or made up into panels; emitting diodes (LED), Mounted Piezo Electric crystals" and attracts BCD @ 0% and IGST @18%. While CTH 94054090 classify the goods of "LED Driver and MCPCB (Metal core Printed Circuit Board)" and attracts BCD @25%, SWS @ 10% of BCD and IGST @ 12% (Sr. No. 227 of schedule -II of notification No. 01/2017-IGST).

TABLE-II

Sl No.	DTA Bill of Entry	Request Submission Date	Request assessment date	DTA Client Name	QTY	Assessable Value	Duty paid	Duty to be paid @42.80%	Difference
1	2000752	21-Jan-21	21-Jan-21		3000	2993384	538809	1281168	742359
2	2002192	25-Feb-21	25-Feb-21	M/s. Aparna Electricals	10171	7950	1431	3403	1972
3	2002196	26-Feb-21	26-Feb-21		75	335	60	143	83
4	2001903	19-Feb-21	19-Feb-21		3500	3091884	556539	1323326	766787
				Total	16746	6093553	1096840	2608041	1511201

2 . 2 In view of the audit observations, it appears that goods as mentioned in Table-I above cleared into DTA from M/s. Fast Track were mis-classified in order to get undue benefit of Customs Duty. Thus, it appears that DTA buyer Noticee No. 1 have short paid the customs duty to the tune of **Rs. 15,11,201/-** as mentioned in Table-II above (Calculation of the differential Custom Duty as provided by the CERA Auditors is also attached as **RUD-2**):

3 . Whereas, on the basis of audit observation which then converted into Para 04 of LAR-15/2021-22 (**RUD-3**), letters F.No. APSEZ/26/CERA Audit/2021-22 dated 06.10.2021 (**RUD-4**), reminder letter F.No. APSEZ/26/CERA Audit/2021-22 dated 22.11.2021 (**RUD-5**) were issued to M/s. Fast Track and DTA Buyer Noticee No. 1, to furnish their comments on the audit observations. Noticee No. 1 vide their letter dated 17.03.2022 submitted reply on the audit observations and requested to drop the same as they have correctly assessed. Noticee No. 1 did not provide any concrete submission in their favour.

3.1 Whereas, it appears that while presenting DTA sale bill of entries, Noticee No. 1 and Noticee No. 2, misclassified the goods "Metal Core Printed Circuit Board" under CTH **8541 9000**, in order to get full duty exemption of BCD for which they were not eligible. Since the declared goods "Metal Core Printed Circuit Board" is specifically classified under CTH **9405 4090**, it appears that while presenting DTA sales bill of entries, goods were misclassified in order to get duty exemption.

4. Whereas, the relevant provisions to clear the goods into DTA from SEZ unit are Section 30 of the SEZ Act, 2005, Rule 47 and 48 of the SEZ Rules, 2006.

30. 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 antidumping,

countervailing and safeguard duties under the Customs Tariff Act, 1975, where applicable, as leviable on such goods when imported; and

(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.

47. Sales in Domestic Tariff Area.-

(1).....

.....

(4) Valuation and assessment of the goods cleared into Domestic Tariff Area shall be made in accordance with Customs Act and rules made there under.

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.

5. Section 17 of the Customs Act, 1962 provides for self-assessment of duty on imported and export goods by the importer and exporter himself by filing a bill of entry or shipping bill, as the case may be. Under self-assessment, the importer or exporter has to ensure correct classification, applicable rate of duty, value and **exemption notifications**, if any, in respect of imported /export goods while presenting bill of entry or shipping bill. Further, Rule 75 of the SEZ Rules, 2006 also provides that unless and otherwise specified in these rules, all inward or outward movements of the goods into or from SEZ by the Unit/Developer shall be based on self-declaration made by the Unit/Developer. While presenting bill of entry for clearing subject goods warehoused on behalf of DTA buyer Noticee No. 1 and SEZ unit M/s. Fast Track (Noticee No. 2) as well as M/s. Cargo Concepts (Bombay) Pvt. Ltd. (Noticee No. 3) were bound to true and correct declaration and assessment. As detailed in *para supra*, it appears that while presenting bill of entry, they all misclassified the goods to avail full benefit of BCD for which they were not even eligible. Therefore, it appears that by not giving proper declaration and not doing correct self-assessment, they suppressed the true facts and cleared goods in to DTA, with a motive to evade Customs duty to the tune of **Rs. 15,11,201/-**. Thus, all the Noticees i.e. Noticee No. 1, Noticee No. 2 & Noticee No. 3 have violated the provisions of Customs Act, 1962 as well as SEZ Act, 2005.

6 . Whereas, Section 46(4A) of the Customs Act, 1962, the importer, who is presenting the bill of entry should ensure the accuracy and completeness of the information given therein, the authenticity and validity of any document supporting it; and compliance with the restriction or prohibition, if any, relating to the goods under the Customs Act, 1962 or under any other law for the time being in force. Apparently, it appears that DTA sales bill of entries jointly filed by

Noticee No. 1 and Noticee No. 2 with help of Custom House Agent Noticee No. 3, with incorrect / false particulars, and they have violated the provisions of section 46(4A) by way of not declaring and not paying applicable / correct rate of duty and thereby not self-assessed the Bill of Entries correctly. Such indulgence and endeavour on their part are in violation of the provisions of Section 46 of the Customs Act, 1962, which makes the impugned goods liable for confiscation in terms of Section 111(m) of the Customs Act, 1962 as the goods having assessable value of **Rs. 60,93,554/- (as tabulated in Table-I and II above para)** which were cleared into DTA do not correspond in respect of applicable CTH and thereby applicable rate of duty, thereby appears to be treated as improperly imported goods. Hence, it appears that Noticee No. 1, Noticee No. 2 and Noticee No. 3 have rendered themselves liable for penalty under section 112 (a)(ii) and/or 112(b)(ii) of the Customs Act, 1962. Relevant section of the Customs Act, 1962 is produced below for reference:

Section 111 of the Customs Act, 1962

111. Confiscation of improperly imported goods, etc.

- The following goods brought from a place outside India shall be liable to confiscation:-

(a).....

.....

(m) ²[any goods which do not correspond in respect of value or in any other particular] with the entry made under this Act or in the case of baggage with the declaration made under [section 77](#) ³ [in respect thereof, or in the case of goods under trans-shipment, with the declaration for trans-shipment referred to in the proviso to sub-section (1) of [section 54](#)];

(n).....

(o)

SECTION 112. Penalty for improper importation of goods, etc.-

Any person, -

(a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under [section 111](#), or abets the doing or omission of such an act, or

(b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under [section 111](#),

shall be liable, -

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty ¹ [not exceeding the value of the goods or five thousand rupees], whichever is the greater;

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

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

- (iii)*
- (iv)*

7 . Whereas, it appears that by declaring false information and wilfulmis-statement while filing bill of entry and thereby evading customs duty, the Noticee No. 1 being liable to pay differential Customs duty amounting to **Rs. 15,11,201/-**, is also liable to be penalized under Section 114A of the Customs Act, 1962.

[Section 114A. Penalty for short-levy or non-levy of duty in certain cases:

*Where the duty has not been levied or has been **short-levied** or the interest has not been charged or paid or has ² [****]been part paid or the duty or interest has been erroneously refunded by reason of collusion or any wilfulmis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under ³ [sub-section (8) of section 28] shall also be liable to pay a penalty equal to the duty or interest so determined:*

- Provided that*
- Provided further that*
- Provided*
- Provided*

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

8. Whereas, Section 114AA of the Customs Act, 1962 states that:

114AA. [Penalty for use of false and incorrect material:

- If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.]

In the present case, Noticee No. 1, Noticee No. 2 and Noticee No. 3 knowingly and intentionally made the declaration which was false and incorrect while presenting bill of entry and tried to evade Customs duty to the tune of **Rs. 15,11,201/-** having assessable value of **Rs. 60,93,554/- (as tabulated in Table-I and II above)**. Therefore, it appears that they all have made themselves liable for penalty under Section 114AA of the Customs Act, 1962, too.

9. Whereas, SEZ unit M/s. Fast Track (Noticee No. 2) were authorized to clear the goods on behalf of DTA buyers Noticee No. 1 and as provided in terms of Rule 47(5) of the SEZ Rules, 2006 that **Adjudication** with regard to matters relating to authorized operations under Special Economic Zones Act, 2005, transactions, and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the Customs Act, 1962, the Central Excise Act, 1944, and the Finance Act, 1994 and the rules made there under or the notifications issued there under.

Rule 47: Sales in Domestic Tariff Area.-

*(5) Refund, Demand, **Adjudication**, Review and Appeal with regard to matters relating to authorised operations under Special Economic Zones Act, 2005, transactions, and goods and services related thereto, shall be made by the Jurisdictional Customs and Central Excise Authorities in accordance with the relevant provisions contained in the Customs Act, 1962, the Central Excise Act, 1944, and the Finance Act, 1994 and the rules made there under or the notifications issued there under.*

10. Now, therefore, **M/s. Apara Electricals**, Room No. 403 404, 3RD Floor, A-112, Group Industrial Area Wazirpur, Delhi - 110052, **SEZ unit M/s Fast Tract CFS Pvt. Ltd.** and **SEZ unit M/s Cargo Concepts (Bombay) Pvt. Ltd.** are jointly called upon to Show Cause to the **Additional Commissioner of Customs**, Custom House Mundra, having his office situated at 1st Floor, Customs House, Mundra, Port User Building, Mundra, Kutch within 30 days from the receipt this notice as to why:-

- (i)** The imported goods "Metal Core Printed Circuit Board" of quantity 16746 KG having assessable value of Rs. 60,93,554/- cleared into Domestic Tariff Area by filing DTA sales bill of entries as tabulated in Table-I & II, should not be classified under CTH "9405 4090" instead of declared CTH "8541 9000".
- (ii)** The imported goods of 16746 KG having declared assessable value of Rs. 60,93,554/- should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962.
- (iii)** Penalty under Section 112(a)(ii) and/or 112(b)(ii) of the Customs Act, 1962 should not be imposed on **M/s. Apara Electricals**.
- (iv)** Short paid Customs Duty amounting to **Rs. 15,11,201/-** (Rupees Fifteen Lakh Eleven Thousand Two Hundred and One Only) as mentioned in Table-II, supra should not be demanded and recovered under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28AA of the Custom Act, 1962 *ibid*.
- (v)** Penalty under Section 114A of the Customs Act, 1962 should not be imposed upon **M/s. Apara Electricals**.
- (vi)** Penalty under Section 114AA of the Customs Act, 1962 should not be imposed on **M/s. Apara Electricals**.

(vii) Penalty under Section 112(a)(ii) and/or 112(b)(ii) of the Customs Act, 1962 should not be imposed on **M/s Fast Tract CFS Pvt. Ltd.** for their improper importation of goods.

(viii) Penalty under Section 114AA of the Customs Act, 1962 should not be imposed on **M/s Fast Tract CFS Pvt. Ltd.**

(xi) Penalty under Section 112(a)(ii) and/or 112(b)(ii) of the Customs Act, 1962 should not be imposed on **M/s Cargo Concepts (Bombay) Pvt. Ltd.** for their improper importation of goods.

(x) Penalty under Section 114AA of the Customs Act, 1962 should not be imposed on **M/s Cargo Concepts (Bombay) Pvt. Ltd.**

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

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

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

14. The list of relied upon documents (RUDs) in this case is as per Annexure-A.

(Dipak Zala)
Additional Commissioner of Customs
Custom House, Mundra

By Speed Post/Courier

To

1. M/s. Aparna Electricals,

Room No. 403, 404, 3rd Floor, A-112,
Group Industrial Area Wazirpur, Delhi - 110052

2. M/s. Fast Track CFS Pvt. Ltd., APSEZ, Mundra

3. M/s. Cargo Concepts (Bombay) Private Limited,

First Floor, Office No 11, Maruti Corner,
Rashapir Circle, Dhrub, Mundra, Kachchh, Gujarat - 370 421

Copy to :-

(i) The Specified officer, APSEZ Mundra

(ii) The Deputy Commissioner, EDI, Custom House Mundra for uploading of the Show Cause Notice

(iii) Guard file

Annexure-A

(List of Relied Upon Documents)

RUD-1: Copies of DTA Bill of Entries

RUD-2: Duty Calculation Statement

RUD-3: Para 04 of LAR-15/2021-22

RUD-4: letters F.No. APSEZ/26/CERA Audit/2021-22 dated 06.10.2021

RUD-5: Reminder letter F.No. APSEZ/26/CERA Audit/2021-22 dated 22.11.2021

RUD-6: Letter dated 17.03.2022 submitted by M/s. Aparna Electricals