


F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | |
|---|--|
|  | OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOM HOUSE, MUNDRA PORT, KUTCH, GUJARAT- 370421. PHONE:- 02838-271426/271423 FAX :02838- 271425 ईमेल- adj-mundra@gov.in |
|---|--|

DIN- 20251271MO000001010F

SHOW CAUSE NOTICE

WHEREAS IT APPEARS THAT-

A case was booked and investigated by the DRI HQ against Shri Pranshu Goel, proprietor of M/s Shri Mahadev ji Exports (IEC-CPTPG4273F) for undervaluation in importation of cold rolled stainless steel coil. During the course of the investigation, forensic examination of electronic devices of concerned proprietors/ related persons were conducted and the details as below:-

TABLE-1

| S.no | Record of Proceedings (ROP) dated | Devices Details | Remarks |
|------|---|------------------------|---|
| 1 | 16.05.2023 & 17.05.2023 (RUD 01) | Oppo make mobile phone | Voluntarily submitted by Shri Pranshu Goel vide letter dated 17.11.2022 (RUD 02) |

The Forensic examination led to retrieval of certain incriminating evidences (Genuine Invoices) against import of coils of cold rolled stainless steel by M/s Total Cargo Services (IEC- AASFT0850B), Partnership firm of Shri Arjun Guglani and Shri Ashutosh Kumar Sinha. It is noted that a Show Cause Notice under Section 28(4) of the Customs Act 1962, bearing F.No. GEN/ADJ/COMM/526/2024-Adjn-O/o-Pr.Commr-Cus-Mundra dated 08.11.2024, was issued to M/s Shri Mahadev ji Exports (IEC-CPTPG4273F) & others, by Customs Port Mundra for acts of omission and commission conducted by M/s. Shri Mahadev ji Exports.

THE RETRIEVED GENUINE INVOICES No. TY2202V3812 dated 07.09.2022:

2. The retrieved genuine invoice was bearing Serial No. TY2202V3812 dated 07.09.2022. This retrieved genuine invoice issued to M/s Sada Steel Impex (IEC-AYHPG1590N), Proprietorship of Shri Amit Gupta, by a overseas Chinese supplier M/s HK Pingan Imp and Exp Co Limited for supplying goods namely Cold Rolled Stainless Steel Coil (Grade J-3), was retrieved from forensic examination of mobile phone of Shri Pranshu Goel, proprietor of M/s Shri Mahadev ji Exports (as per discussion in para 1 supra). The unit price found mentioned on the invoice for the above goods was USD 1.565 per KG.

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

On examination of Import Data, it was gathered that the consignment under above invoice was sold by M/s Sada Steel Impex to M/s Total Cargo Services under High Sea Agreement Certificate No. INDL 9134003654500U dated 22.09.2022 **(RUD-03)**. Further, M/s Total Cargo Services declared and cleared the said consignment under Bill of Entry No. 2725688 dated 03.10.2022, however, the declared price for the above consignment was found to be @ USD 0.78 per Kg. Thus, it was noticed that the declared price by M/s Total Cargo Services was significantly lower than the USD 1.565 per KG, found mentioned in genuine invoice No. TY2202V3812 dated 07.09.2022 of M/s Sada Steel Impex. Further, both - retrieved invoices vis-à-vis invoices as declared before Indian Customs are appended below for better understanding.

- I. Genuine Invoice of Chinese Supplier M/s HK Pingan Imp and Exp Co Limited for supplying goods to M/s Sada Steel Impex vis-à-vis Invoice declared by M/s Total Cargo Services before Custom Authorities.

| HK PINGAN IMP AND EXP CO., LIMITED | | | | |
|---|---|--------------------|--|--------------|
| Address: Room 331-332, building B, Yiwu Fort, Yiwu, Zhejiang | | | | |
| COMMERCIAL INVOICE | | | | |
| TO MESSRS | | | | |
| SADA STEEL IMPEX ADD.: 1/10526, GROUND FLOOR, MOHAN PARK, SHAHIDARA DELHI-110032 IEC NO.: AY1HPG1590N PAN: AY1HPG1590N GSTIN: 07AY1HPG1590N1Z3 CONTACT PERSON'S: MR. AMIT GUPTA MOB. NO.: +918287743847 EMAIL ID: sadasteel@yahoo.com | | | 发票号码/Invoice No. TY2202V3812 | |
| | | | 日期/Date: 7th.SEP 2022 | |
| 装船口/ From SHEKOU PORT, CHINA | | | 目的地/ To Mundra PORT, India | |
| 付款方式/ Terms of payment: USD5000 ADVANCE in 3 days, balance against BL scan in 7 days. | | | | |
| 唛头 Marks | 货品名称 Description of Goods | 重量 Quantity(KG) | 单价 Unit Price | 总值 Amount |
| N/M | EX-Stock stainless steel Cold rolled coil grade J3 | | CIF Mundra India | |
| | 0.17*720 | 4414 | 1.565 | \$6,907.910 |
| | 0.17*720 | 4216 | 1.565 | \$6,598.040 |
| | 0.17*605 | 4456 | 1.565 | \$6,973.640 |
| | 0.17*605 | 4742 | 1.565 | \$7,421.230 |
| | 0.17*620 | 4346 | 1.565 | \$6,801.490 |
| | 0.17*620 | 4310 | 1.565 | \$6,745.150 |
| | 0.17*620 | 26484 | | |
| | | | Total | \$41,447.460 |
| | | | Deposit | \$5,000.000 |
| | | | Balance | \$36,447.460 |
| TOTAL AMOUNT: USD 36447.46 | | | | |
| SAY TOTAL AMOUNT: USD THIRTY SIX THOUSAND FOUR HUNDRED FORTY SEVEN POINT FORTY SIX USD ONLY | | | | |
| BENEFICIARY : HK PINGAN IMP AND EXP CO., LIMITED | | | | |
| Account Number : NRA15702142010500027000 | | | | |
| BENEFICIARY ADDRESS: Room 331-332, building B, Yiwu Fort, Yiwu, Zhejiang | | | | |
| SWIFT : CZCNCN2XXXX | | | | |
| Beneficiary BANK : ZHEJIANG CHOUZHOU COMMERCIAL BANK CO., LTD | | | | |
| | | | For and on behalf of HK PINGAN IMP AND EXP CO., LIMITED | |
| | | | Authorized Signature(s) | |

Image above: Genuine retrieved Invoice of M/s Sada Steel Impex with Invoice No.
TY2202V3812 Dated 07.09.2022

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | | | | |
|---|--|--------------------|--|--------------|
| HK PINGAN IMP AND EXP CO.,LIMITED | | | | |
| Address: Room 331-332, building B, Yiwu Port, Yiwu, Zhejiang | | | | |
| COMMERCIAL INVOICE | | | | |
| ORIGINAL | | | | |
| TO MESSRS: | | | | |
| SADA STEEL IMPEX ADD.: 1/10526, GROUND FLOOR, MOHAN PARK, SHAHDARA DELHI-110032 IEC NO.: AYHPG1590N PAN: AYHPG1590N GSTIN: 07AYHPG1590N1Z3 CONTACT PERSON'S: MR. AMIT GUPTA MOB. NO.: +918287743847 EMAIL ID: sadasteel@yahoo.com | | | 发票号码/Invoice No.: TY2202V3812 日期/Date: 7th.SEP 2022 | |
| 装船口岸/ From SHEKOU PORT,CHINA | | | 目的地/ To Mundra PORT, India | |
| 付款方式/ Terms of payment: USD5000 ADVANCE in 3 days, balance against BL scan in 7 days. | | | | |
| 唛头 Marks | 货品名称 Description of Goods | 重量 Quantity(KG) | 单价 Unit Price | 总值 Amount |
| N/M | EX-Stock stainless steel Cold rolled coil grade J3 | | CIF Mundra India | |
| | 0.17*720 | 4414 | \$0.780 | \$3,442.920 |
| | 0.17*720 | 4216 | \$0.780 | \$3,288.480 |
| | 0.17*605 | 4456 | \$0.780 | \$3,475.680 |
| | 0.17*605 | 4742 | \$0.780 | \$3,698.760 |
| | 0.17*620 | 4346 | \$0.780 | \$3,389.880 |
| | 0.17*620 | 4310 | \$0.780 | \$3,361.800 |
| | | 26484 | | |
| | | | Total | \$20,657.520 |
| | | | Deposit | \$5,000.000 |
| | | Blance | \$15,657.520 | |
| TOTAL AMUOUNT: USD 15657.52 SAY TOTAL AMOUNT: USD FIFTEEN THOUSAND SIX HUNDRED FIFTY SEVEN POINT FIFTY TWO USD ONLY | | | | |

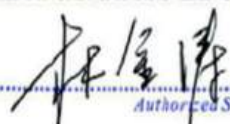
BENEFICIARY : HK PINGAN IMP AND EXP CO.LIMITED

Account Number : NRA15702142010500027000

BENEFICIARYADDRESS: Room 331-332, building B, Yiwu Port, Yiwu, Zhejiang

SWIFT :CZCBN2XXXX

Beneficiary BANK :ZHEJIANG CHOUZHOU COMMERCIAL BANK CO.,LTD

For and on behalf of
HK PINGAN IMP AND EXP CO., LIMITED

Authorized Signature(s)

Validity unknown

Digitally signed by Mukesh Grover

Date: 2022.10.01 18:23:28 IST


Reason: Secure Document

Location: India



Image Above: Invoice No. TY2202V3812 Dated 07.09.2022 of M/s Sada Steel Impex as declared before Indian Customs authorities by M/s Total Cargo Services under Bill of Entry No. 2725688 dated 03.10.2022

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| HIGH SEA SALE INVOICE | | | | (ORIGINAL FOR RECIPIENT) | |
|--|--|--|--------------|--|-----------------|
| SADA STEEL IMPEX 1/10526, GROUND FLOOR, MOHAN PARK, SHAHDARA DELHI-110032 MOB. NO. +91 8287743847 GSTIN/UIN: 07AYHPG1590N1Z3 E-Mail : amitguptatinku@yahoo.com | | Invoice No. HSS/2022-23/023 Delivery Note | | Dated 26-Sep-22 Mode/Terms of Payment | |
| Consignee (Ship to) TOTAL CARGO SERVICES FLAT NO 05, A 252, L.G.F, BUILDING NO 191, NEELKANTH PALACE SANT NAGAR EAST OF KAILASH NEW DELHI GSTIN/UIN : 07AASFT0850B1Z9 State Name : Delhi, Code : 07 | | Reference No. & Date: | | Other References | |
| Buyer (Bill to) TOTAL CARGO SERVICES FLAT NO 05, A 252, L.G.F, BUILDING NO 191, NEELKANTH PALACE SANT NAGAR EAST OF KAILASH NEW DELHI GSTIN/UIN : 07AASFT0850B1Z9 State Name : Delhi, Code : 07 | | Buyer's Order No. | | Dated | |
| | | Dispatch Doc No. | | Delivery Note Date | |
| | | Dispatched through | | Destination HIGH SEA SALE | |
| | | Terms of Delivery | | | |
| Sl No. | Description of Goods | HSN/SAC | Quantity | Rate per | Amount |
| 1 | STAINLESS STEEL COLD ROLLED COILS (7219) | 72199090 | 26,84.00 KGS | 63.970 KGS | 16,94,181.480 |
| | Less : ROUND OFF | | | | (-)0.480 |
| Total | | | 26,84.00 KGS | | ₹ 16,94,181.000 |
| Amount Chargeable (in words) INR Sixteen Lakh Ninety Four Thousand One Hundred Eighty One Only | | | | | |
| HSN/SAC | | | | | Taxable Value |
| Tax Amount (in words) : NIL | | | | | Total |
| Company's PAN : AYHPG1590N Declaration : We declare that this invoice shows the actual price of the goods. and all particulars are true and correct. | | Company's Bank Details Bank Name : INDUSIND BANK LTD. A/c No. : 250008031983 Branch & IFS Code : LOK VIHAR, PITAMPURA & INDB0000371 for SADA STEEL IMPEX | | | |
| Digitally signed by Mukesh Grover Date: 2022.10.01 18:23:16 IST Reason: Secure Document Location: India | | This is a Computer Invoice  | | | |

High-Sea-Sale invoice No. HSS/2022-23/023 dated 26.09.2022 issued by M/s Sada Steel Impex to M/s Total Cargo Services (with 2% High Sea Charges & exchange Rate 1 USD = 80.4 INR); declared under Bill of Entry No. 2725688 dated 03.10.2022

On comparison of the above Customs Invoice as shown before Indian Customs and Genuine Invoice retrieved during investigation by DRI, it was noticed that both the invoices have identical Name of Supplier, Name of Importer, Date of Invoice, Number of Invoice, Nature of Goods, Description of Goods in terms of dimensions and weight, Account Name and Address of Chinese supplier, Account No., Bank Code, Bank Name and Bank Address **except the Unit Price**, which was suppressed from USD 1.565 per Kg to USD 0.780 per Kg.

Further, as per the High Seas sale invoices No. HSS/2022-23/023 dated 26.09.2022, the consignment was sold by M/s Sada Steel Impex to M/s Total Cargo Services at a price of INR 63.970/- (i.e 0.795 USD) including 2% High Sea

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

Charges. Thus, it appears that M/s Total Cargo Services (Partnership firm of Shri Arjun Guglani and Shri Ashutosh Kumar Sinha) with help of M/s Sada Steel Impex (Proprietorship of Shri Amit Gupta) suppressed the value of imported goods by using forged invoices.

SEARCHES CONDUCTED:

3. In view of above observations, an investigation was initiated and searches were conducted at residential and official premises of proprietor and associated CHA, detailed as below:

Table-2

| S. N.o | Address of Premise | Name of Person/Name of Firm associated | Panchama/Incident Report dated |
|---------------|--|--|---------------------------------------|
| 1 | 581/6, Govindpuri Kalkaji New Delhi | Residence of Shri Ashutosh Kumar Sinha Partner in M/s Total Cargo Services | 15.12.2023 (RUD 04) |
| 2 | Flat No. 980, Gali No.9, 2nd Floor, Govindpuri Delhi | Residence of Sh. Ashutosh Kumar Sinha partner M/s Total cargo services | 15.12.2023 (RUD 05) |
| 3 | LGF Flat No. 05, A-252, Building No. 191, Neel Kanth Palace, Sant Nagar, East of Kailash, North East Delhi-Sounth Delhi-110065 | Office premises of M/s Total cargo services | 15.12.2023 (RUD 06) |
| 4 | K-6 Ground Floor, Srinivasपुरi South Delhi | Office premises of M/s Total cargo services | 15.12.2023 (RUD 07) |
| 5 | 4/6, D B Gupta Road, Paharganj Central Delhi, 110055 | Shri Mukesh Grover Proprietor of CHA firm M/s Mukesh Grover | 15.12.2023 (RUD 08) |
| 6 | 318, Tarun Enclave, Saraswati Vihar, Pitampura, Northwest Delhi, 110034 | Shri Atul Kishore Guglani, Partner in M/s Choice Cargo Agency Pvt Ltd | 15.12.2023 (RUD 09) |
| 7 | D-71, Flat No. 101, First Floor Vishwakarma Colony, Delhi | Shri Atul Kishore Guglani, Partner in M/s Choice Cargo Agency Pvt Ltd | 15.12.2023 (RUD 10) |

4. VOLUNTARY STATEMENTS RECORDED UNDER SECTION 108 OF THE CUSTOMS ACT 1962:

The instant notice relates to import of cold rolled stainless steel (Ex Stock) undertaken by the firms M/s Total Cargo Services and M/s Ellora International. Sh Ashutosh Kumar Sinha and Sh Arjun Guglani are the partners in the firm M/s Total Cargo Services; and Sh Ashutosh Kumar Sinha is the proprietor of M/s Ellora International. During the course of the investigation, statements of following persons were recorded under section 108 of the customs act 1962, which tend to indicate under-valuation in imports made by M/s Total Cargo Services and M/s Ellora International:

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

TABLE-3

| S. No | Name of person (Shri/Ms./Smt) | Relationship | Date of Statement | RUDs No |
|-------|---|---|---------------------------------------|------------------|
| 1 | Arjun Guglani, Partner M/s Total Cargo Service | M/s Total Cargo Service purchased goods on High Sea sales basis from M/s Sada Steel Impex; filed the Bill of Entry before Indian Customs | 08.01.2024, 30.05.2024 & 06.10.2025 | (RUD 11,12 &13) |
| 2 | Shri Ashutosh Kumar Sinha | Partner in the firm M/s Total Cargo Services and proprietor of M/s Ellora International | 15.12.2023, 04.09.2024 | (RUD 14&15) |
| 3 | Mukesh Grover (CHA, F-Card Holder) (R-13/2006) Prop. of M/s Mukesh Grover | He, as CHA, filed all documents and cleared consignments of M/s Total Cargo Services and M/s Ellora International before Customs. | 20.12.2023, 21.12.2023 and 03.01.2025 | (RUD 16 17 & 18) |
| 4 | Sh. Atul Kishore Guglani Director of M/s Choice Cargo Agency Pvt. Ltd. | He, outsourced the CHA service on behalf of M/s Total Cargo Services and M/s Ellora International, to M/s Mukesh Grover who actually cleared consignments at port | 05.01.2024 and 02.01.2025 | (RUD 19 & 20) |

Relevant portions of the statements are appended below:

4A. Statement dated 08.01.2024, 30.05.2024 & 06.10.2025 of Shri Arjun Guglani, Partner M/s Total Cargo Service, wherein inter-alia he stated that: (RUD 11,12 &13)

- That being Partner and authorized signatory in M/s Total Cargo Services, he looked after all day-to-day work of M/s Total Cargo services; that Shri Ashutosh Kumar Sinha had less involvement in M/s Total Cargo Service due to his engagement in other firm i.e. M/s Total Credit Solutions (engaged in business of facilitating car/home/business loan from Banks); that he (Shri Arjun Guglani) had led all the work of import and domestic sale in the firm; that he (Shri Arjun Guglani) is active partner ; controlling & managing all work; that he(Shri Arjun Guglani) & his partner Shri Ashutosh Kumar Sinha are both beneficiary in M/s Total Cargo Services;
- That the consignment for goods “Cold Rolled Stainless Steel grade-J3” under Invoice No. TY2202V3812 dated 07.09.2022 was purchased by M/s Total Cargo Services from M/s Sada Steel Impex under High Sea Agreement Certificate No. INDL 9134003654500U dated 22.09.2022; that M/s Total Cargo

*F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH*

Services further cleared the above goods under Bill of Entry No. 2725688 dated 03.10.2022, @ USD 0.78 per Kg; that the actual price of the above goods was @ USD 1.565 per KG;

- On being shown both invoices (genuine invoice as well as the invoice submitted before Indian Customs) bearing Invoice No. TY2202V3812 dated 07.09.2022 issued by Chinese supplier M/s H K Pingan Import and Export Co., Limited to M/s Sada Stainless Steel , one having unit price @ USD 1.565 per Kg and other @ USD 0.78 per KG , Shri Arjun Guglani stated that both invoices bear same invoice number but one has significantly higher rate than other for same goods i.e. Cold Rolled Stainless Steel grade-J3; that the invoice bearing higher rate is genuine and with lower rate is fake/fabricated; that above consignment under Invoice No. TY2202V3812 dated 07.09.2022 was purchased by his firm M/s Total Cargo Services from M/s Sada Steel Impex under High Sea Sale Agreement which was further cleared by his firm M/s Total Cargo Services, using fabricated invoices, at the lower rate of USD 0.78 Per Kg , before Indian Customs, under Bill of Entry No. 2725688 dated 03.10.2022, to evade appropriate Customs Duty; that these two are sets of parallel Invoices, used as modus-operandi to declare imported goods at lower value to evade Customs duty.
- that his firm M/s Total Cargo Services was engaged in under-valuation by using fake/parallel invoices; that since 2021 his firm M/s Total Cargo Services has been importing goods at lower rate in the range of USD 0.75 to 0.80 per KG, which was under-valued;
- On being asked to submit other genuine invoices of M/s Total Cargo Services he stated that he did not have any other invoices except the invoices declared before Indian Customs;
- On being asked how did he get these genuine and fabricated invoices, he stated that he used to get the above import invoices/fabricated invoices from shri Amit Gupta (Proprietor of M/s Sada Steel Impex) ; that he declared these fake invoices before Indian Customs ; that he knew shri Amit Gupta through his other firm M/s Total credit solutions as it provided car loan to shri Amit Gupta; That Shri Amit Gupta is proprietor of M/s Sada Steel Impex; that Shri Amit Gupta handled all activities of M/s Sada Steel Impex.
- On being shown a chart showing actual price range derived ; based on all genuine invoices retrieved by DRI HQ in past investigation issued by suspected Chinese suppliers, for the impugned goods, Shri Arjun Guglani stated that he has gone through the chart indicating the actual price range ; that the chart shows price range of the Cold Rolled Stainless Steel for different grade supplied by the different Chinese suppliers ; that he can remember the name of M/s HK Pingan Import and Export Co Limited and M/s Jiayao (Hongkong) International Group Limited mentioned in the chart, as suppliers of his firms ; that he agreed that the declared import price by his firm was

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

lower than the actual price range derived and mentioned as per above Chart.

- he further stated that he (i.e. Shri Arjun Guglani) had been an active partner and controlling and managing all the work of M/s Total Cargo Services; that in M/s Total Cargo services, he (Shri Arjun Guglani) and Shri Ashutosh Kumar Sinha both are beneficiary; that he was doing under-valuation in M/s Total Cargo Service to stay competitive in the market and acquire more domestic buyers; that it was mistake on his part; that he would not do under-valuation in future.
- On being asked how the differential price on account of undervaluation was being paid/transferred to Chinese supplier by firm's M/s Total cargo services and M/s Ellora International, he refused to comment on it.

4B. Statement dated 15.12.2023 & 04.09.2024 of Shri Ashutosh Kumar Sinha, Partner M/s Total Cargo Service and Proprietor in M/s Ellora International (CEQPS8567E), wherein inter-alia he stated that: (RUD 14&15)

- That he is associated with M/s Total Cargo Services (as a partner) and M/s Ellora International (as proprietor).
- That he is partner in M/s Total Cargo Services without any active participation; that he did not invest any capital in raising of the firm.
- that on request of his friend Shri Arjun Guglani he decided to join M/s Total Cargo Services as partner; that Shri Arjun Guglani operates all day-to-day functions of M/s Total Cargo Services; that he (Shri Ashutosh Kumar Sinha) gets only a remuneration of Rs 15 to 20 thousand per month on account of his being a partner;
- That M/s Total Cargo Services was mainly engaged in import of Cold Rolled Stainless Steel; that he is not sure about quantum of imports made by the firm as the firm M/s Total Cargo Services was being operated and managed by his partner Shri Arjun Guglani; that he signed all the documents as and when told to him by his partner Shri Arjun Guglani.
- That on request of Shri Arjun Guglani he provided his documents viz. Aadhar card, PAN card etc. to him to open a firm namely M/s Ellora International for importing Cold Rolled Stainless Steel and Fabric on a monthly commission of Rs. 25,000/- per month; that M/s Ellora International was also being operated by Shri Arjun Guglani.
- That Shri Atul Kishor Guglani is CHA and cousin of his partner, Shri Arjun Guglani; that Shri Atul Kishore Guglani helped Shri Arjun Guglani financially, but he is not sure about the role of Shri Atul Kishore Guglani in M/s Total Cargo Services;
- That he was not aware about the under-valuation in imports made by M/s Total Cargo Services and M/s Ellora International; that he had very little knowledge about import - export procedure; that he joined M/s Total Cargo Services and

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

M/s Ellora International on request of his partner Shri Arjun Guglani on a monthly remuneration.

- That he knew Shri Amit Gupta as a client in another firm M/s Total Credit Solutions (engaged in business of facilitating car/home/business loan from Banks); that Shri Amit Gupta took loan from this firm;
- On being shown statements of his partner Shri Arjun Guglani where he accepted under-valuation in imports made by M/s Total Cargo Services, he stated that his partner Shri Arjun Guglani used his both firm's M/s Total Cargo Services and M/s Ellora International for importing Cold Rolled Stainless Steel by under-valuing them and thus evaded appropriate Customs duty;
- That he understood his mistake; that he was not aware of the illegal activities being done in his firm.

4C. To further investigate the matter and role of Sh Arjun Guglani in M/s Ellora International, Shri Arjun Guglani, Partner M/s Total Cargo Service was summoned on 23.12.2024, 22.01.2025 and 18.02.2025 (**RUD 15A**) to join investigation. In his voluntary statement dated 06.10.2025(RUD 18), Shri Arjun Guglani , inter alia, stated the following:

- On being asked about business activities and his role in M/s Ellora International, he stated that M/s Ellora International is proprietorship of Shri Ashutosh Kumar Sinha who is his friend (also his partner in M/s Total cargo Services); that M/s Ellora International was mainly engaged in importing and trading of Cold rolled stainless steel coils ; that being old friend of Shri Ashutosh Kumar Sinha, he (Shri Arjun Guglani) had been assisting him in running the business in M/s Ellora International ; that he (Shri Arjun Guglani) had also been helping him getting Chinese suppliers and domestic clients ; that he (Shri Arjun Guglani) had active role in the management and domestic operation of M/s Ellora International; that but the actual beneficiary in respect of imported goods of M/s Ellora International is Shri Ashutosh Kumar Sinha.
- On being shown the statement dated 04.09.2024 of Shri Ashutosh Kumar Sinha wherein he stated that Shri Arjun Guglani is the actual beneficiary in M/s Ellora International and Shri Arjun Guglani was paying Shri Ashutosh Kumar Sinha some monthly remuneration/commission for being as proprietor only, Shri Arjun Guglani stated that Shri Ashutosh Kumar Sinha is the sole proprietor of M/s Ellora International and actual beneficiary ; that Shri Ashutosh Kumar Sinha had been handling all the business activities of M/s Ellora International ; that he (Shri Arjun Guglani) had been only assisting Shri Ashutosh Kumar Sinha; that Shri Ashutosh Kumar Sinha has not authorized him (Shri Arjun Guglani) for any business activity in M/s Ellora International.

4C. Statement dated 20.12.2023, 21.12.2023 and 03.01.2025 Shri Mukesh Grover (CHA, F-Card Holder) (R-13/2006) Prop. of M/s Mukesh Grover,

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

recorded under Sec 108 of Customs Act, wherein inter-alia he stated that (RUD 16,17 & 18)

- That he has done custom clearance for M/s Total Cargo Services and M/s Ellora International which was given to him for customs clearance by one of his friends Shri Atul Kishore Guglani;
- That he has seen invoice No. TY2202V3812 dt. 07.09.2022 issued by Chinese supplier HP Pingan Imp and Exp Co. Limited to M/s Sada Steel Impex ; that he remembered the above goods was sold on High Sea Sale by Shri Amit Gupta of M/s Sada Steel Impex to M/s Total Cargo Service; that the value of goods i.e. Ex-stock stainless steel cold rolled coil grade J3 is USD 1.56 per kg ,which is actual price of the goods.
- Agreed that in his client firms most of the imports of cold rolled stainless steel coil from China was under-valued @ USD 0.75 per kg ; that the actual rates were higher than the declared price ;
- that Shri Atul Kishore Guglani through his firm M/s Choice Cargo Agency Pvt Ltd (07AABFC9292K1Z2) used to outsource CHA services to him (M/s Mukesh Grover) in respect of many imports firm including M/s Total Cargo Services and M/s Ellora International; that he (M/s Mukesh Grover) used to raise Bills to M/s Choice Cargo Agency Pvt Ltd (Director Shri Atul Kishore Guglani) for his services for Customs Clearances of the consignments;
- that he used to receive the Customs documents from Shri Atul Kishore Guglani of M/s Choice Cargo Agencies Pvt Ltd, who was the person, whom he contacted for import consignment; that he never contacted with owners of the firms;
- that he cannot comment upon whether Shri Atul Kishore Guglani was aware about the actual price of the imported goods in above firms, but Shri Atul Kishore Guglani was the person who approved and finalized the documents/checklist for filing before Customs in respect to M/s Total Cargo Services and M/s Ellora International;
- That Shri Amit Gupta and Shri Atul Kishore Guglani are best friends; that he met Shri Amit Gupta in the office of Shri Atul Kishore Guglani situated at Dariya Ganj; that Shri Amit Gupta operates M/s Sada Steel Impex;

Also, Shri Mukesh Grover could not provide any satisfactory answer to having a long career as Customs Broker (since 2006) and handling the Commodity Cold Rolled Stainless Steel Coils since 2019, he was not aware about the actual price of the import goods or goods being under-valued.

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

4D. Statement dated 05.01.2024 and 02.01.2025 of Sh. Atul Kishore Guglani, Director of M/s Choice Cargo Agency Pvt. Ltd. was recorded under Sec 108 of Customs Act, wherein inter-alia he stated that (RUD 19 & 20)

- He has been providing CHA clearance services to M/s Total Cargo Services and M/s Ellora International;
- That his firm M/s Choice Cargo agencies Pvt Ltd, outsourced M/s Mukesh Grover (proprietor Shri Mukesh Grover) for Customs Clearance services (CHA services) for the import consignments for many importers including M/s Total Cargo Services and M/s Ellora International; that against these services M/s Mukesh Grover used to issue him bills which he passed on to the above importers under his invoices (issued by M/s Choice Cargo Agencies Pvt Ltd) by adding his fee/charges;
- That Shri Arjun Guglani provided final approval to him to file documents with Customs in respect of M/s Total Cargo Services and M/s Ellora International;
- That his role in above firms was limited to clearance of import consignment only which he used to outsource from Shri Mukesh Grover;
- That Shri Amit Gupta is a broker who is a permanent resident of China from last 16 years; that he knew him Shri Amit Gupta since 2017-18; that Shri Amit Gupta worked as a commission agent for many importers for purchase of material from China from different foreign suppliers; that Shri Amit Gupta also himself imported Stainless Steel Coils in his firm M/s Sada Steel.

Sh. Atul Kishore Guglani further denied his role in undervaluation done by firms and contended that he was not aware of undervaluation and have no role in undervaluation in the firms, but could not provide any satisfactory answer to having a long career as Customs Broker (since 2006) and handling imported the Commodity Cold Rolled Stainless Steel Coils since 2016, how he was not aware of the actual import price.

4 E. In respect of Shri Amit Gupta (Proprietor of M/s Sada Stainless Steel):

To investigate the role of Sh. Amit Gupta, Proprietor of M/s Sada Steel Impex in selling the goods under fabricated invoices to M/s Total cargo Services, various summons dated 23.12.2024, 01.02.2024, 18.04.2024, 02.09.2024, 01.08.2025 (**RUDs 21**), were issued to him to join the investigation. However, Shri Amit Gupta never attended the investigation. Therefore, for this non-compliance of the summons, a complaint for offences punishable under section 174 of the Indian Penal Code has been filed in Court of Law at Patiala House Court, New Delhi, against Sh. Amit Gupta, Proprietor of M/s Sada Steel Impex. The matter is sub Judice.

5 UNDER-VALAUTION IN IMPORT OF COLD ROLLED STAINLESS STEEL COILS UNEARTHED BY THE DRI IN THE PAST INVESTIGATIONS:

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

5.1 In 2019, DRI had undertaken a detailed investigation concerning import of Cold Rolled Stainless Steel Coils wherein certain Chinese suppliers/exporters were identified against whom genuine invoices—reflecting higher transaction values—were retrieved by DRI during the investigation proceedings. All such retrieved genuine invoices (Record of all proceedings vide which the invoices were retrieved – **RUD 22**) are enclosed as Annexure I (consisting of total 355 pages) (**RUD 23**).

On comparison of these genuine Invoices to corresponding invoice declared before Indian customs authority at time of Customs clearance, it emerged that the Customs declaration were filed and cleared by the concerned importers at lower price, however the genuine invoice had higher price. Thus, a modus-operandi of using forged invoices-at under-valued price, by such importers was un-earthed. Analysis of above retrieved genuine Invoices, led to emergence of names of certain Chinese suppliers who, along with the Indian importers were suspected to be involved in issuing fabricated invoices-at lower value. Further, on comparison of the genuine/actual invoice with the invoices declared with the Indian Customs it emerged that the values of the imported item declared before Indian Customs authority had a common pattern in the declared import-price-range (i.e. USD 0.75 to 1.1 per KG for Cold Rolled Stainless steel -grade J3) which appears to be minimum of under-valuation in the imported goods to evade applicable Customs duties.

5.2. Further, these importers (i.e. entities who were found importing goods from the Chinese suppliers as per the retrieved invoices), in their voluntary statements recorded under Section 108 of the Customs Act 1962, accepted that the genuine invoices—*reflecting higher transaction values*, which were retrieved by the DRI, were actual invoices and the Chinese suppliers being hand-in-glove with the concerned importer issued fabricated/duplicate invoices-*with lower transaction value*. Further, these importers filed their import Customs declaration based on these fabricated invoices to evade appropriate Customs duty. The details are as under:

TABLE 4

| S N O | Name of Case booked/Fi rm (M/s) | Name of the person (Shri) and Statement dated | GIST | Remarks |
|----------------------|--|---|--|--|
| 1 | M/s Shri Mahadev ji exports & others 5 firms | Vijay Goel, Statement dated 16.11.2022 (RUD 24) & 17.11.2022 (RUD 25) | -that the invoices retrieved by the DRI were genuine; -that he under-valued imported goods using fabricated invoices provided to him by Chinese suppliers; -that he used to receive these fabricated invoices from Chinese Suppliers; -that there was difference between actual and declared value of the impugned goods; | Shri Vijay Goel is alleged to be the master mind who controlled 06 firms and used them to import under-valued goods i.e. Cold Rolled Stainless Steel Coils |

*F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH*

| | | | | |
|----|-----------------------|---|---|--|
| | | | -that he paid differential amount-on account of under-valuation, to Chinese suppliers through Hawala. | |
| 2. | | Pranshu Goel (Proprietor), dated 16.11.2022 (RUD 26) | <p>- that there was huge difference of value of the invoices filed before Indian Customs during clearance and value of invoices retrieved by DRI. He further mentioned that usually they clear the item stainless steel coil J3 grade at USD 0.75 per kg. However, the same item was being brought from Chinese supplier at 2 times higher rate.</p> <p>-that he used to receive two set of invoices (with same serial number) from Chinese suppliers one with higher value and other with lower value.</p> <p>- retrieved invoices are the actual invoices which has been received from the overseas Chinese suppliers</p> | Shri Pranshu Goel (son of Shri Vijay Goel), alleged to be assisted his father in under-valuation. |
| 3 | Seeno Stainless Steel | Deepak Jindal, dated 15.12.2023(RUD 27) & 06.02.2024 (RUD 28) | <p>-that the invoices retrieved by the DRI were genuine;</p> <p>-that they used forged invoices in Customs declaration.</p> <p>- that he paid differential amount-on account of under-valuation of the imported goods, to Chinese suppliers through Hawala.</p> | Shri Deepak Jindal is proprietor of M/s Seeno Stainless Steel accused of importing under-valued goods i.e. Cold Rolled Stainless Steel Coils |
| 4 | SS Enterprises | Sandeep Garg, dated 15.12.2023 (RUD 29) & 06.02.2024 (RUD 30) | <p>-that the invoices retrieved by the DRI were genuine.</p> <p>- that he used to declare the imported goods at a lower price @ 0.75 to 0.98 USD Per KG, by way of</p> | Shri Sandeep Garg is proprietor of M/s S S Enterprises accused of importing under-valued |

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | | | | |
|---|--------------------------|---|---|---|
| | | | using forged/duplicate under-valued Import Invoices, before Indian Customs, to evade Customs Duty. However, the actual price of imported goods was higher in the range of \$ 1.3 to \$ 2 USD Per Kg. -that they used forged invoices in Customs declaration; that he paid differential amount-on account of under-valuation, to Chinese suppliers through Cash. | goods i.e. Cold Rolled Stainless Steel Coils |
| 5 | Royal Steel Trading | Vikas Jindal, dated 13.02.2024 (RUD 31) | -that the invoices retrieved by the DRI were genuine. -that they used forged invoices in Customs declaration. | Shri Vikas Jindal is proprietor of M/s Royal Steel Trading accused of importing under-valued goods i.e. Cold Rolled Stainless Steel Coils |
| 6 | Gemini Metal Corporation | Gaurav Jindal dated 09.01.2024 (RUD 32) & 04.03.2024 (RUD 33) | -that the invoices retrieved by the DRI were genuine; -that Chinese supplier supplied them forged invoices-with lower value; -that they used forged invoices in Customs declaration | Shri Gaurav Jindal is proprietor of M/s Gemini Metal Corporation accused of importing under-valued goods i.e. Cold Rolled Stainless Steel Coils |

5.3 All the above controllers/proprietors have admitted during their voluntary statements recorded under Section 108 of Customs Act that the invoices retrieved by the DRI were genuine and accordingly, these genuine invoices can be relied upon during the instant matter.

5.4 Further, in respect of the firms appearing at Serial No. 1& 2 above, a Show Cause Notice (SCN) under Section 124 of the Customs Act 1962, on the ground of misdeclaration of the imported goods through undervaluation, bearing F.No. GEN/ADJ/ADC/2132/2023-Adjn dated. 15.11.2023, was issued by Additional Commissioner of Customs, Customs House, Mundra. The said SCN has been adjudicated by the Adjudicating Authority Customs Mundra vide OIO NO. MCH/ADC/AKM/258/2024-25 dated 20.01.2025 **(RUD 34)** wherein it has been found that impugned goods had been improperly imported

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

to the extent that they were declared undervalued by hiding true transaction value by manipulating import documents with the help of foreign suppliers.

Also, a Show Cause Notice under Section 28(4) of the Customs Act 1962, bearing F.No. GEN/ADJ/COMM/526/2024-Adjn-O/o-Pr.Commr-Cus-Mundra dated 08.11.2024 **(RUD 35)** has also been issued by Pr Commissioner of Customs, Customs House, Mundra wherein demand of duty has been proposed on account of undervaluation of the imported goods. In respect of firms mentioned at Serial no. 3,4 & 5 above, Show Cause Notice under Section 124 and 28(4) of the Customs Act 1962, bearing F.No. GEN/ADJ/COMM/582/2024-Adjn-O/o Pr Commr-Cus-Mundra dated 13.12.2024 **(RUD 36)** has also been issued by Pr Commissioner of Customs, Customs House, Mundra wherein demand of duty has been proposed on account of undervaluation of the imported goods.

Further, for the firm mentioned at serial no 6, Show Cause Notice under Section 124 and 28(4) of the Customs Act 1962, bearing F.No. KOL/CUS/PC/PORT/GR.4/26/2024 dated 13.12.2024 has been issued by Pr Commissioner of Customs, Customs House, Kolkata and the same has been adjudicated by the concerned port Kolkata via OIO No. KOL/CUS/Commissioner /Port/Adjn/22/2025 date 16.06.2025. **(RUD 37)**. Further, the investigation against other importers, in relation to the genuine retrieved invoices, who had imported similar goods from the Chinese overseas suppliers is under process.

5.5. Thus, the investigation conducted by DRI corroborated the genuineness of the retrieved invoices and role of certain Chinese suppliers in issuing these invoices.

5.6. Further, based on retrieved genuine invoices **(Annexure I)**, 18 Chinese suppliers were identified who, as per evidences and statements recorded, were found to be accused of issuing fabricated invoices to the above firms:

TABLE 5

| S. NO. | NAME OF THE CHINESE SUPPLIERS (M/s) | S. N O. | NAME OF THE CHINESE SUPPLIERS (M/s) |
|--------|---|---------|--|
| 1 | FIA INTERNATIONAL TRADING CO. LTD | 11 | FOSHAN WEN ZHI YUAN TRADING CO LTD |
| 2 | GUANGDONG GUANGXIN GOLDTEC HOLDINGS | 12 | FOSHAN XUANZHENG TRADING CO. LTD. |
| 3 | HONGKONG WINNER STEEL CO., LIMITED | 13 | FS-ESSENTIAL INTERNATIONAL CO. LIMITED |
| 4 | JIAYAO (HONGKONG) INTERNATIONAL GROUP LIMITED | 14 | GOLD COAST LOGISTICS HONG KONG LIMITED |
| 5 | LEO METALS LIMITED | 15 | HK PINGAN IMP AND EXP CO LIMITED |
| 6 | MFY METAL COMPANY LIMITED | 16 | HUAYE INTERNATIONAL DEVELOPMENT (HK) LIMITED |
| 7 | ART STEEL MAGIC CO., LIMITED | 17 | LIYI HONGKONG TRADING CO., LIMITED |
| 8 | FOSHAN JIA WEI IMPORT AND EXPORT CO. LTD. | 18 | NEWWEI TRADING COMPANY LIMITED |

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | | | |
|----|--|--|--|
| 9 | BOSOM METAL CO LTD | | |
| 10 | FOSHAN TIAN MAIDUO IMPORT AND EXPORT CO. LTD. | | |

5.7 Further, few sample Copies of retrieved genuine invoices of the above Chinese suppliers vis-à-vis Customs invoices (collectively referred as Parallel Invoices in this SCN) are appended below for better understanding:

- I. Genuine Invoice of Chinese Supplier **M/S LEO METALS LIMITED** to M/s Shri Mahadev Ji Exports vis-à-vis Invoice declared with Custom Authorities.

LEO METALS LIMITED

FLAT/RM 1502 EASEY COMMERCIAL BUILDING 253-261 HENNESSY ROAD WANCHAI HK

COMMERCIAL INVOICE

BUYER: SHRI MAHADEV JI EXPORTS

Invoice No.: **211008J03-5**

A-104, FIRST FLOOR, WAZIRPUR INDL. AREA, NEAR

SHRI RAM CHOWK, DELHI-110052

EMAIL: SHRIMAHADEVJI2000@GMAIL.COM

IEC: CPTPG4273F

GST: 07CPTPG4273F1ZM

PAN: CPTPG4273F

Date: **DEC.10.2021**

COMMODITY: COLD ROLLED STAINLESS STEEL COIL GRADE J3 EX - STOCK
PRICE TERM: CIF MUNDRA, INDIA

| MARKS & NOS | SIZE (MM) | QUANTITY (MTS) | UNIT PRICE (USD/MTS) | AMOUNT (USD) |
|--|------------|----------------|----------------------|--------------|
| N/M | 0.26*510*C | 14.172 | 2000 | 28344.00 |
| | 0.26*600*C | 3.156 | 2000 | 6312.00 |
| | 0.26*650*C | 14.822 | 2000 | 29644.00 |
| | 0.26*690*C | 19.46 | 2000 | 38920.00 |
| | Total : | 51.610 | / | 103,220.00 |
| TOTAL SAY U.S DOLLAR ONE HUNDRED AND THREE THOUSAND TWO HUNDRED AMOUNT: TWENTY ONLY. | | | | |

BANK INFORMATION

BENEFICIARY NAME: LEO METALS LIMITED

BANK NAME: BANK OF COMMUNICATIONS CO., LTD. OFFSHORE BANKING UNIT

BANK ADDRESS: NO.188, YINCHENG ZHONG ROAD, SHANGHAI CHINA

SWIFT CODE: COMMCN3XOBU

BANK ACCOUNT NO.: OSA90000343828100

SZ

6/10/21
4/11/21

Genuine Invoice of M/s Shri Mahadev Ji Exports with Invoice No. 211008J03-5 retrieved during the Investigation

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

LEO METALS LIMITED

FLAT/RM 1502 EASEY COMMERCIAL BUILDING 253-261 HENNESSY ROAD WANCHAI HK

COMMERCIAL INVOICE

BUYER: SHRI MAHADEVJI EXPORTS

Invoice No.: 211008J03-5

A-104, FIRST FLOOR, WAZIRPUR INDL. AREA, NEAR

SHRI RAM CHOWK, DELHI-110052

EMAIL: SHRIMAHADDEVJI2000@GMAIL.COM

IEC: CPTPG4273F

GST: 07CPTPG4273F1ZM

PAN: CPTPG4273F

Date: DEC.10.2021

COMMODITY: COLD ROLLED STAINLESS STEEL COIL GRADE J3 EX - STOCK

PRICE TERM: CIF MUNDRA, INDIA

| MARKS& NOS | SIZE (MM) | QUANTITY (MTS) | UNIT PRICE (USD/MTS) | AMOUNT (USD) |
|------------------|--|-------------------|-------------------------|-----------------|
| N/M | 0.26*510*C | 14.172 | 750 | 10629.00 |
| | 0.26*600*C | 3.156 | 750 | 2367.00 |
| | 0.26*650*C | 14.822 | 750 | 11116.50 |
| | 0.26*690*C | 19.46 | 750 | 14595.00 |
| | Total: | 51.610 | / | 38,707.50 |
| TOTAL AMOUNT: | SAY U.S DOLLAR THIRTY EIGHT THOUSAND SEVEN HUNDRED SEVEN AND CENTS FIFTY ONLY. | | | |

BANK INFORMATION

BENEFICIARY NAME: LEO METALS LIMITED

BANK NAME: BANK OF COMMUNICATIONS CO., LTD. OFFSHORE BANKING UNIT

BANK ADDRESS: NO.188, YINCHENG ZHONG ROAD, SHANGHAI CHINA

SWIFT CODE: COMMCN3XOBU

BANK ACCOUNT NO.: OSA90000343828100

Leo Metals Limited
麗寶金屬有限公司

.....
Authorized Signature(s)

Invoice of M/s Shri Mahadev Ji Exports with Invoice No. 211008J03-5 declared before

Indian Customs

On comparison of the above two invoices it can be seen that the Unit Price of impugned goods was suppressed from USD 2000 per MT to USD 750 MT, however, in this case also other aspects of both the invoices viz. Name of Chinese Supplier, Name of Importer, Description of Good, Dimension of Good, Weight of Good, Bank Account details and Bank Details of Chinese supplier etc, are identical.

- II. Genuine Invoice of Chinese Supplier **M/S JIAYAO (HONGKONG) INTERNATIONAL GROUP LIMITED** to M/s Shri Madhavji Exports, vis-à-vis Invoice declared with Custom Authorities.

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

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JIAYAO(HONGKONG) INTERNATIONAL GROUP LIMITED

RM 4 16/F HO KING COMM CTR 2-16 FA YUEN ST MONG KOK KL

COMMERCIAL INVOICE

COMPANY: SHRI MAHADEV JI EXPORTS
AID : A-104, FIRST FLOOR, WAZIRPUR INDL AREA, NEAR SHRI RAM
H.C. NO.: CPTPG4273F
GSTIN NO.: 07CPTPG4273F1ZM
PAN: CPTPG4273F
MAIL ID: SHRIMAHADEVJ12000@GMAIL.COM
TEL.: 9871576508
CONTACT PERSON: PRANSHU GOEL

NO: FSSR210302-2
DATE: 2021-3-12

Describe of Goods &/ or Services

COLD ROLLED STAINLESS STEEL COIL GRADE JJ STOCK LOT
FROM: SHEKOU, CHINA

TO: MUNDRA, INDIA

| NO. | GRADE | SURFACE | SIZE (MM) | PRICE (USD/KG) | QUANTITY (KG) | AMOUNT (USD) |
|-------------------|-------|---------|-----------|----------------|---------------|---------------|
| CNF MUNDRA, INDIA | | | | | | |
| 1 | 201 | 2B | 0.26*510 | \$1.410 | 3608 | \$5,087.28 |
| 2 | 201 | 2B | 0.26*510 | \$1.410 | 3190 | \$4,920.90 |
| 3 | 201 | 2B | 0.26*550 | \$1.410 | 3744 | \$5,279.04 |
| 4 | 201 | 2B | 0.26*620 | \$1.410 | 4278 | \$6,031.98 |
| 5 | 201 | 2B | 0.26*650 | \$1.410 | 3682 | \$5,191.62 |
| 6 | 201 | 2B | 0.26*650 | \$1.410 | 4216 | \$5,944.56 |
| 7 | 201 | 2B | 0.26*720 | \$1.410 | 4400 | \$6,204.00 |
| 8 | 201 | 2B | 0.26*510 | \$1.410 | 3342 | \$4,712.22 |
| 9 | 201 | 2B | 0.26*550 | \$1.410 | 3874 | \$5,462.34 |
| 10 | 201 | 2B | 0.26*620 | \$1.410 | 4228 | \$5,961.48 |
| 11 | 201 | 2B | 0.26*650 | \$1.410 | 3320 | \$4,681.20 |
| 12 | 201 | 2B | 0.26*690 | \$1.410 | 4240 | \$5,978.40 |
| 13 | 201 | 2B | 0.26*650 | \$1.410 | 3996 | \$5,634.36 |
| 14 | 201 | 2B | 0.26*690 | \$1.410 | 4426 | \$6,240.66 |
| 15 | 201 | 2B | 0.26*510 | \$1.410 | 3482 | \$4,909.62 |
| 16 | 201 | 2B | 0.26*550 | \$1.410 | 3616 | \$5,098.56 |
| 17 | 201 | 2B | 0.26*650 | \$1.410 | 3914 | \$5,518.74 |
| 18 | 201 | 2B | 0.26*650 | \$1.410 | 4072 | \$5,741.52 |
| 19 | 201 | 2B | 0.26*690 | \$1.410 | 4066 | \$5,733.06 |
| 20 | 201 | 2B | 0.26*720 | \$1.410 | 4268 | \$6,017.88 |
| 21 | 201 | 2B | 0.26*720 | \$1.410 | 4026 | \$5,676.66 |
| 22 | 201 | 2B | 0.26*510 | \$1.410 | 3456 | \$4,872.96 |
| 23 | 201 | 2B | 0.26*510 | \$1.410 | 3478 | \$4,903.98 |
| 24 | 201 | 2B | 0.26*550 | \$1.410 | 3724 | \$5,250.84 |
| 25 | 201 | 2B | 0.26*650 | \$1.410 | 4108 | \$5,792.28 |
| 26 | 201 | 2B | 0.26*650 | \$1.410 | 4036 | \$5,690.76 |
| 27 | 201 | 2B | 0.26*690 | \$1.410 | 4220 | \$5,950.20 |
| 28 | 201 | 2B | 0.26*720 | \$1.410 | 4476 | \$6,311.16 |
| TOTAL: | | | | | 109706 | \$1,54,798.26 |

TOTAL: SAY US DOLLARS

Company Bank Account Information
Beneficiary: JIAYAO HK INTL GROUP LTD
Beneficiary Bank Name: SHENZHEN DEVELOPMENT BANK CO LTD, P.O. OFFSHORE BANKING CENTRE
Bank Account No.: 11013250734101
Beneficiary Bank Address: 11/F, NO 5047 ROAD SHENNAN DONG, SHENZHEN P.R.O. CHINA
SWIFT Code: SZDBCNBS
Company Address: RM 4 16/F HO KING COMM CTR 2-16 FA YUEN ST MONG KOK KL

ISSUED BY BENEFICIARY
JIAYAO(HONGKONG) INTERNATIONAL GROUP LIMITED

Genuine Invoice of M/s Shri Mahadev Ji Exports with Invoice No. FSSR2103302-2
retrieved during the Investigation

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

JIA YAO(HONGKONG) INTERNATIONAL GROUP LIMITED

RM 4 16/F HONG KONG COMM. CTR 2-16 FA YUE ST HONG KONG, H.K.

COMMERCIAL INVOICE

COMPANY: SHRI MAHADEV JI EXPORTS
 ADD: A-104, FIRST FLOOR, WAZIRPUR INDL. AREA, NEAR SHRI RAM CHOWK, DIST. JALANDHAR
 INC NO.: CPDNG4273T
 GSTIN NO.: 07CPDNG4273T1ZM
 PAN: CPDNG4273T
 MAIL ID: SHRI MAHADEVJI2009@GMAIL.COM
 TEL: 9871576508
 CONTACT PERSON: PRANSHU GOEL

NO.: FSSR2103302-2

DATE: 2024/3/11

Description of Goods &/ or Services

COLD ROLLED STAINLESS STEEL COIL GRADE J3 STOCK

FROM: SHIKOU, CHINA

TO: MUNDRA, INDIA

| NO. | GRADE | SURFACE | SIZE (MM) | PRICE (USD/KG) | QUANTITY (KG) | AMOUNT (USD) |
|--------------------------|-------|---------|-----------|----------------|---------------|--------------------|
| CTF MUNDRA, INDIA | | | | | | |
| 1 | J3 | 2B | 0.26*510 | 50.750 | 5608 | \$2,706.00 |
| 2 | J3 | 2B | 0.26*510 | 50.750 | 3490 | \$2,617.50 |
| 3 | J3 | 2B | 0.26*550 | 50.750 | 3744 | \$2,608.00 |
| 4 | J3 | 2B | 0.26*595 | 50.750 | 4278 | \$3,208.50 |
| 5 | J3 | 2B | 0.26*598 | 50.750 | 3682 | \$2,761.50 |
| 6 | J3 | 2B | 0.26*598 | 50.750 | 4216 | \$3,162.00 |
| 7 | J3 | 2B | 0.26*585 | 50.750 | 4400 | \$3,500.00 |
| 8 | J3 | 2B | 0.26*580 | 50.750 | 3342 | \$2,506.50 |
| 9 | J3 | 2B | 0.26*550 | 50.750 | 3874 | \$2,905.50 |
| 10 | J3 | 2B | 0.26*595 | 50.750 | 4278 | \$3,171.00 |
| 11 | J3 | 2B | 0.26*598 | 50.750 | 3320 | \$2,499.00 |
| 12 | J3 | 2B | 0.26*590 | 50.750 | 4240 | \$3,180.00 |
| 13 | J3 | 2B | 0.26*598 | 50.750 | 3996 | \$2,997.00 |
| 14 | J3 | 2B | 0.26*590 | 50.750 | 4426 | \$3,319.50 |
| 15 | J3 | 2B | 0.26*510 | 50.750 | 3482 | \$2,611.50 |
| 16 | J3 | 2B | 0.26*550 | 50.750 | 3616 | \$2,717.00 |
| 17 | J3 | 2B | 0.26*598 | 50.750 | 3914 | \$2,935.50 |
| 18 | J3 | 2B | 0.26*598 | 50.750 | 4072 | \$3,054.00 |
| 19 | J3 | 2B | 0.26*598 | 50.750 | 4066 | \$3,049.50 |
| 20 | J3 | 2B | 0.26*585 | 50.750 | 4268 | \$3,201.00 |
| 21 | J3 | 2B | 0.26*585 | 50.750 | 4036 | \$3,019.50 |
| 22 | J3 | 2B | 0.26*510 | 50.750 | 3456 | \$2,592.00 |
| 23 | J3 | 2B | 0.26*510 | 50.750 | 3478 | \$2,608.50 |
| 24 | J3 | 2B | 0.26*550 | 50.750 | 3724 | \$2,793.00 |
| 25 | J3 | 2B | 0.26*598 | 50.750 | 4108 | \$3,081.00 |
| 26 | J3 | 2B | 0.26*598 | 50.750 | 4056 | \$3,027.00 |
| 27 | J3 | 2B | 0.26*598 | 50.750 | 4220 | \$3,165.00 |
| 28 | J3 | 2B | 0.26*585 | 50.750 | 4176 | \$3,157.00 |
| TOTAL: | | | | | 109786 | \$82,339.50 |

TOTAL: SAY IN DOLLARS: EIGHTY TWO THOUSAND THREE HUNDRED THIRTY NINE AND CENTS FIFTY ONLY

Company Bank Account Information

Beneficiary: JIAYAO INC (H.K.) GROUP LTD

Beneficiary Bank Name: SHRI MAHADEV DEVELOPMENT BANK CO. LTD., H.O., OFFSHORE BANKING CENTRE

Bank Account No.: 11013250733101

Beneficiary Bank Address: 11/F, NO 5047 ROAD SHENWAN GONG, SHIKOU P.R. CHINA

SWIFT Code: SDBKCN33

Company Address: RM 4 16/F HONG KONG COMM. CTR 2-16 FA YUE ST HONG KONG, H.K.

ISSUED BY BENEFICIARY

JIAYAO(HONGKONG) INTERNATIONAL GROUP LIMITED



Invoice of M/s Shri Mahadev Ji Exports with Invoice No. FSSR2103302-2 declared before Indian Customs

On comparison of the above two invoices, it can be seen that there is difference in Description of goods and Unit Price of impugned goods (from USD 1.410 per KG to USD 0.75 per KG), however, in this case also other aspects of both the invoices viz. Name of Chinese Supplier, Name of Importer, Dimension of Goods, Weight of Good, Bank Account details and Bank Details of Chinese supplier etc., are identical.

III. Genuine Invoice of Chinese Supplier **M/s HK Pingan Imp and Exp Co Limited** for supplying goods namely Cold Rolled Stainless Steel Coil (Grade J-3) to M/s Sada Steel Impex vis-à-vis Invoice declared by M/s Total Cargo Services before Custom Authorities.

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | | | | |
|---|---|--------------------|--|--------------|
| HK PINGAN IMP AND EXP CO., LIMITED Address: Room 331-332, building B, Yiwu Fort, Yiwu, Zhejiang | | | | |
| COMMERCIAL INVOICE | | | | |
| ORIGINAL | | | | |
| TO MESSRS | | | | |
| SADA STEEL IMPEX ADD.: 1/10526, GROUND FLOOR, MOHAN PARK, SHAHDARA DELHI-110032 IEC NO.: AYHPG1590N PAN: AYHPG1590N GSTIN: 07AYHPG1590N1Z3 CONTACT PERSON'S: MR. AMIT GUPTA MOB. NO.: +918287743847 EMAIL ID: sadasteel@yahoo.com | | | 发票号码/Invoice No.: TY2202V3812 日期/Date: 7th SEP 2022 | |
| 装船口岸/ From SHEKOU PORT, CHINA | | | 目的地/ To Mundra PORT, India | |
| 付款方式/ Terms of payment: USD5000 ADVANCE in 3 days, balance against BL scan in 7 days. | | | | |
| 唛头 Marks | 货品名称 Description of Goods | 重量 Quantity(KG) | 单价 Unit Price | 总值 Amount |
| N/M | EX-Stock stainless steel Cold rolled coil grade J3 | | CIF Mundra India | |
| | 0.17*720 | 4414 | \$1.565 | \$6,907.910 |
| | 0.17*720 | 4216 | \$1.565 | \$6,598.040 |
| | 0.17*605 | 4456 | \$1.565 | \$6,973.640 |
| | 0.17*605 | 4742 | \$1.565 | \$7,421.230 |
| | 0.17*620 | 4346 | \$1.565 | \$6,801.490 |
| | 0.17*620 | 4310 | \$1.565 | \$6,745.150 |
| | 0.17*620 | 26484 | | |
| | | | Total | \$41,447.460 |
| | | | Deposit | \$5,000.000 |
| | | Balance | \$36,447.460 | |
| TOTAL AMOUNT: USD 36447.46 SAY TOTAL AMOUNT: USD THIRTY SIX THOUSAND FOUR HUNDRED FORTY SEVEN POINT FORTY SIX USD ONLY | | | | |

BENEFICIARY : HK PINGAN IMP AND EXP CO., LIMITED

Account Number : NRA15702142010500027000

BENEFICIARY ADDRESS: Room 331-332, building B, Yiwu Port, Yiwu, Zhejiang

SWIFT : CZCNCNXXXX

Beneficiary BANK : ZHEJIANG CHOUZHOU COMMERCIAL BANK CO., LTD

For and on behalf of

HK PINGAN IMP AND EXP CO., LIMITED

Authorised Signature(s)

Genuine Invoice of M/s Sada Steel Impex with Invoice No. TY2202V3812 Dated
07.09.2022 retrieved during the Investigation

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | | | | |
|--|---|--------------------|--|--------------|
| HK PINGAN IMP AND EXP CO.,LIMITED | | | | |
| Address: Room 331-332, building B, Yiwu Port, Yiwu, Zhejiang | | | | |
| COMMERCIAL INVOICE | | | | |
| ORIGINAL | | | | |
| TO MESSRS: | | | | |
| SADA STEEL IMPEX ADD.: 1/10526, GROUND FLOOR, MOHAN PARK, SHAHADARA DELHI-110032 IEC NO.: AYHPG1590N PAN: AYHPG1590N GSTIN: 07AYHPG1590N1Z3 CONTACT PERSON'S: MR. AMIT GUPTA MOB. NO.: +918287743847 EMAIL ID: sadasteel@yahoo.com | | | 发票号码/Invoice No.: TY2202V3812 日期/Date: 7th.SEP 2022 | |
| 装船口岸/ From SHEKOU PORT,CHINA | | | 目的地/ To Mundra PORT, India | |
| 付款方式/ Terms of payment: USD 5000 ADVANCE in 3 days, balance against BL scan in 7 days. | | | | |
| 唛头 Marks | 货品名称 Description of Goods | 重量 Quantity(KG) | 单价 Unit Price | 总值 Amount |
| N/M | EX-Stock stainless steel Cold rolled coil grade J3 | | CIF Mundra India | |
| | 0.17*720 | 4414 | \$0.780 | \$3,442.920 |
| | 0.17*720 | 4216 | \$0.780 | \$3,288.480 |
| | 0.17*605 | 4456 | \$0.780 | \$3,475.680 |
| | 0.17*605 | 4742 | \$0.780 | \$3,698.760 |
| | 0.17*620 | 4346 | \$0.780 | \$3,389.880 |
| | 0.17*620 | 4310 | \$0.780 | \$3,361.800 |
| | | 26484 | | |
| | | | Total | \$20,657.520 |
| | | | Deposit | \$5,000.000 |
| | | Blance | \$15,657.520 | |
| TOTAL AMOUNT: USD 15657.52 | | | | |
| SAY TOTAL AMOUNT: USD FIFTEEN THOUSAND SIX HUNDRED FIFTY SEVEN POINT FIFTY TWO USD ONLY | | | | |

BENEFICIARY : HK PINGAN IMP AND EXP CO.,LIMITED


Account Number : NRA15702142010500027000

BENEFICIARY ADDRESS: Room 331-332, building B, Yiwu Port, Yiwu, Zhejiang

SWIFT :CZCNCNXXXX

Beneficiary BANK :ZHEJIANG CHOUZHOU COMMERCIAL BANK CO.,LTD

For and on behalf of
HK PINGAN IMP AND EXP CO., LIMITED


Authorized Signature(s)

Validity unknown

Digitally signed by Mukesh Grover
Date: 2022.10.01 18:23:28 IST
Reason: Secure Document
Location: India



Custom Invoice No. TY2202V3812 Dated 07.09.2022 of M/s Sada Steel Impex sold
under High Sea Sale to **M/s Total Cargo Services** who declared and cleared it under
Bill of Entry No. 2725688 dated 03.10.2022

- IV. Genuine Invoice of Chinese Supplier **M/S FS-ESSENTIAL INTERNATIONAL CO LIMITED** to M/s SEENO STAINLESS STEEL, vis-à-vis Invoice declared with Custom Authorities.

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

(159) **137**

FS-ESSENTIAL INTERNATIONAL CO., LIMITED.

FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG

COMMERCIAL INVOICE

ORIGINAL

BUYER: SEENO STAINLESS STEEL, INVOICE NO: NWSS1109-4

ADDRESS: SHED NO 283, GHOSI ESTATE, ODHAV,
AHMEDABAD, GUJARAT, 382415
GSTIN: 24AGSPJ1611Q1Z2
PAN: AGSPJ1611Q
IIC: AGSPJ1611Q
CONTACT PERSON: DEEPAK JINDAL
PIE: +91 8010971183
EMAIL: SEENOSS1109@GMAIL.COM

DATE: 2022/12/27

| PRODUCT'S NAME | SIZE(MM) | QUANTITY | TOTAL WEIGHT | UNIT PRICE | AMOUNT |
|---|------------|----------|--------------|-------------------|----------|
| | | COILS | KG | USD/KG | USD |
| COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE 30 | 0.5*600*C | 1 | 2,358.00 | 1.280 | 3,658.24 |
| | 0.5*600*C | 1 | 4,288.00 | 1.280 | 5,488.64 |
| | 0.38*650*C | 1 | 2,668.00 | 1.303 | 3,737.60 |
| | 0.38*650*C | 1 | 2,830.00 | 1.303 | 3,687.49 |
| | 0.38*720*C | 1 | 4,822.00 | 1.303 | 6,283.07 |
| | 0.65*730*C | 1 | 4,596.00 | 1.251 | 5,749.60 |
| | 0.65*730*C | 1 | 4,752.00 | 1.251 | 5,944.75 |
| | 0.5*600*C | 1 | 4,522.00 | 1.280 | 5,788.16 |
| | 0.29*600*C | 1 | 3,880.00 | 1.338 | 5,191.44 |
| | 0.29*600*C | 1 | 4,084.00 | 1.338 | 5,461.39 |
| | 0.38*620*C | 1 | 4,184.00 | 1.303 | 5,451.75 |
| | 0.38*620*C | 1 | 4,190.00 | 1.303 | 5,459.57 |
| | 0.33*720*C | 1 | 3,264.00 | 1.323 | 4,318.27 |
| | 0.33*720*C | 1 | 2,954.00 | 1.323 | 3,908.14 |
| TOTAL | | 14 | 54,092.00 | CIF MUNDRA, INDIA | 70130.52 |

PAYMENT TERM: T/T

Please arrange payment to following account:

Account Name: FS-ESSENTIAL INTERNATIONAL CO., LIMITED

ADDRESS: FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG

Account NO: N9A000005015115G0457

Swift Code: SCBLCN33GZHH

Bank: Standard Chartered Bank (China) Limited Guangzhou Branch

Bank Address: 13/F, JCC No.235 Tianhe North Road, Tianhe District, Guangzhou, China

[Handwritten Signature]

SIGNATURE



Genuine Invoice of M/s Seeno Stainless Steel with Invoice No. NWSS1109-4 retrieved during the Investigation

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

FS-ESSENTIAL INTERNATIONAL CO.,LIMITED.

FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG

COMMERCIAL INVOICE

ORIGINAL

BUYER: SEENO STAINLESS STEEL **INVOICE NO.:** NWSS1109-4

SHED NO.283, GIDC ESTATE, ODHAV,
AHMEDABAD, GUJARAT, 382415
GSTIN: 24AGSP71611Q122
ADDRESS: PAN: AGSP71611Q
IEC: AGSP71611Q **DATE:** 2022/12/27
CONTACT PERSON: DEEPAK JINDAL
PH: +91 8010971183
EMAIL: SEENOSTAINLESS@GMAIL.COM

| PRODUCT'S NAME | SIZE(MM) | QUANTITY | TOTAL WEIGHT | UNIT PRICE | AMOUNT |
|---|------------|-----------|------------------|-------------------------|-----------------|
| | | COILS | KG | USD/KG | USD |
| COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3 | 0.5*600*C | 1 | 2,858.00 | 1.050 | 3,000.90 |
| | 0.5*600*C | 1 | 4,288.00 | 1.050 | 4,502.40 |
| | 0.38*650*C | 1 | 2,868.00 | 1.050 | 3,011.40 |
| | 0.38*650*C | 1 | 2,830.00 | 1.050 | 2,971.50 |
| | 0.38*720*C | 1 | 4,822.00 | 1.050 | 5,063.10 |
| | 0.65*720*C | 1 | 4,596.00 | 1.050 | 4,825.80 |
| | 0.65*730*C | 1 | 4,752.00 | 1.050 | 4,989.60 |
| | 0.5*600*C | 1 | 4,522.00 | 1.050 | 4,748.10 |
| | 0.29*600*C | 1 | 3,880.00 | 1.050 | 4,074.00 |
| | 0.29*600*C | 1 | 4,084.00 | 1.050 | 4,288.20 |
| | 0.38*620*C | 1 | 4,184.00 | 1.050 | 4,393.20 |
| | 0.38*620*C | 1 | 4,190.00 | 1.050 | 4,399.50 |
| | 0.33*720*C | 1 | 3,264.00 | 1.050 | 3,427.20 |
| | 0.33*720*C | 1 | 2,954.00 | 1.050 | 3,101.70 |
| TOTAL | | 14 | 54,092.00 | CIF MUNDRA,INDIA | 56796.60 |

PAYMENT TERM: T/T

Please arrange payment to following account:

Account Name: FS-ESSENTIAL INTERNATIONAL CO.,LIMITED
ADDRESS: FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG
Account NO: 76R4000000501511560457
Swift Code: SCBLCN3XGZH
Bank:Standard Chartered Bank (China) Limited Guangzhou Branch
Bank Address: 13/F,ICC No.235 Tianhe North Road,Tianhe District,Guangzhou,China

Validity unknown

Digitally signed by HIREN KHUSHALBHAI JETHVA
Date: 2023.01.06 16:30:20 IST
Reason: Secure Document
Location: India



SIGNATURE



Invoice of M/s M/s Seeno Stainless Steel with Invoice No. NWSS1109-4 declared before
Indian Customs

On comparison of the above two invoices, it can be seen that there is difference in Description of goods and Unit Price of impugned goods from USD 1.251, 1.280, 1.303 & 1.338 per KG to USD 1.050 per KG, however, in this case also other aspects of both the invoices viz. Name of Chinese Supplier, Name of Importer, Dimension of Goods, Weight of Good, Bank Account details and Bank Details of Chinese supplier etc., are identical.

V. Genuine Invoice of Chinese Supplier **M/S FS-ESSENTIAL INTERNATIONAL CO LIMITED** to M/s S S ENTERPRISES, vis-à-vis invoice declared with Custom

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

Authorities.

(60)

59

(161)

FS-ESSENTIAL INTERNATIONAL CO.,LIMITED.

FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG.

COMMERCIAL INVOICE

ORIGINAL

BUYER: **SS ENTERPRISES** INVOICE NO: NWSS1109-1

ADDRESS: C-9/1 WAZIRPUR INDUSTRIAL AREA NEW
DELHI-110052
GST:07ADZPG1501C1ZW
IEC:ADZPG1501C
PAN:ADZPG1501C
EMAIL: INDALDEEPAK1230@GMAIL.COM
PH: +918010971183

DATE: 2022/11/28

| PRODUCT'S NAME | SIZE(MM) | QUANTITY | TOTAL WEIGHT | UNIT PRICE | AMOUNT |
|---|------------|----------|--------------|------------------|----------|
| | | COILS | KG | USD/KG | USD |
| COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE JJ | 0.38*690*C | 1 | 4,892.00 | 1.303 | 6,374.28 |
| | 0.38*690*C | 1 | 4,810.00 | 1.303 | 6,267.43 |
| | 0.38*690*C | 1 | 4,010.00 | 1.303 | 5,225.03 |
| | 0.38*690*C | 1 | 1,730.00 | 1.303 | 4,860.19 |
| | 0.38*690*C | 1 | 5,010.00 | 1.303 | 6,528.03 |
| | 0.38*690*C | 1 | 4,660.00 | 1.303 | 6,071.98 |
| TOTAL | | 6 | 27,112.00 | CIF MUNDRA,INDIA | 35326.94 |

PAYMENT TERM: T/T

Please arrange payment to following account:
Account Name: FS-ESSENTIAL INTERNATIONAL CO.,LIMITED
ADDRESS: FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG
Account NO: NRA00000501511560457
Swift Code: SCBLCN5XGZH
Bank: Standard Chartered Bank (China) Limited Guangzhou Branch
Bank Address: 13/F,ICC No.235 Tianhe North Road,Tianhe District,Guangzhou,China



Genuine Invoice of M/s SS Enterprises with Invoice No. NWSS1109-1 retrieve during the Investigation

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

FS-ESSENTIAL INTERNATIONAL CO.,LIMITED.

FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG.

COMMERCIAL INVOICE

ORIGINAL

BUYER: S S ENTERPRISES **INVOICE NO.:** NW/SS1109-1
C-9/1 WAZIRPUR INDUSTRIAL AREA NEW
DELHI-110052
ADDRESS: GST:97ADZPG1501C1ZW
IEC:ADZPG1501C
PAN:ADZPG1501C **DATE:** 2022/11/28
EMAIL: JINDALDEEPAK1230@GMAIL.COM
PIN: +918010971183

| PRODUCT'S NAME | SIZE(AM) | QUANTITY | TOTAL WEIGHT | UNIT PRICE | AMOUNT |
|---|------------|----------|------------------|-------------------------|-----------------|
| | | COILS | KG | USD/KG | USD |
| COLD ROLLED STAINLESS STEEL COILS EX STOCK GRADE J3 | 0.38*690*C | 1 | 4,893.00 | 1.050 | 5,136.60 |
| | 0.38*690*C | 1 | 4,810.00 | 1.050 | 5,050.50 |
| | 0.38*690*C | 1 | 4,010.00 | 1.050 | 4,210.50 |
| | 0.38*690*C | 1 | 3,730.00 | 1.050 | 3,916.50 |
| | 0.38*690*C | 1 | 5,010.00 | 1.050 | 5,260.50 |
| | 0.38*690*C | 1 | 4,660.00 | 1.050 | 4,893.00 |
| TOTAL | | 6 | 27,112.00 | CIF MUNDRA,INDIA | 28467.60 |

PAYMENT TERM: T/T

Please arrange payment to following account:

Account Name: FS-ESSENTIAL INTERNATIONAL CO.,LIMITED
ADDRESS: FLAT/RM A 12/F KIU FU COMM BLDG 300 LOCKHART RD WAN CHAI HONG KONG
Account NO: NRA000000501511560457
Swift Code: SCBLIN33GZM
Bank: Standard Chartered Bank (China) Limited Guangzhou Branch
Bank Address: 13/F, JCC No.235 Tianhe North Road, Tianhe District, Guangzhou, China

SIGNATURE



Validity unknown

Digitally signed by HIREN KHUSHALBHAI JETHVA
Date: 2022.12.30 11:47:19 IST
Reason: Secure Document
Location: India



Invoice of M/s SS Enterprises with Invoice No. NWSS1109-1 declared before Indian Customs

On comparison of the above two invoices, it can be seen that there is difference in Description of goods and Unit Price of impugned goods from USD 1.303 per KG to USD 1.050 per KG, however, in this case also other aspects of both the invoices viz. Name of Chinese Supplier, Name of Importer, Dimension of Goods, Weight of Good, Bank Account details and Bank Details of Chinese supplier etc., are identical.

5.8 Thus, ongoing through above sets of parallel invoices (genuine as well as invoices submitted before Indian Customs), it can be seen that the declared price before Indian Customs, of the impugned goods i.e. Cold Rolled Stainless Steel Coils (Ex Stock, grade J3) was lower, however, the actual price as per retrieved genuine invoices, was much higher. In addition, a striking similar pattern of declared import price was also revealed in all such importers (i.e. entities who were found importing goods from the Chinese suppliers as per the retrieved invoices) who declared goods at identical or closely matching undervalued price ranges for the impugned goods (Cold Rolled Stainless Steel

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

Coils grade J3 at USD 0.75 to 1.1 per KG), despite sourcing from different suppliers. This uniformity in under-declaration strongly suggests a deliberate and coordinated practice rather than isolated instances of valuation errors or commercial negotiations. The level of consistency in undervaluation across unrelated entities indicates a systemic modus operandi aimed at evading customs duties and gaining unfair market advantage. Therefore, value of all other supplies by the above suspected Chinese suppliers for Cold Rolled Stainless Steel Coils appear doubtful. In addition, genuineness of price of the impugned goods supplied by other Chinese suppliers at same price, is also questionable.

5.9 In view of the above, it appears that there exist sufficient grounds to conclude that any importer declaring values within the same suspicious price range might be engaging in similar undervaluation practices. The convergence of under-reported values across multiple importers and availability of genuine retrieved invoices issued by above Chinese suppliers as credible documentation to support genuine prices, provide indication of intentional misdeclaration with the aim to evade applicable Customs duties. Therefore, it was imperative that any importers declaring import values within this identified undervalue price range need to be subjected to enhanced scrutiny.

6. IMPORT HISTORY OF M/S TOTAL CARGO SERVICES AND M/S ELLORA INTERNATIONAL VIS-À-VIS GENUINE INVOICES RETRIVED BY DRI HQ, NEW DELHI, IN THE PAST INVESTIGATIONS:

6.1 On analysing the past import data, it was observed that in year 2020 onwards, M/s Total Cargo Services imported the impugned goods i.e. Cold Rolled Stainless Steel Coil (Ex Stock, Grade J-3) from various Chinese suppliers who had a doubtful history of issuing fabricated under-valued invoices, substantiated in the past investigations, namely M/S FS-ESSENTIAL INTERNATIONAL CO., LIMITED, M/S HK PINGAN IMP AND EXP CO., LIMITED, M/s JIAYAO (HONGKONG) INTERNATIONAL GROUP LIMITED, M/S LEO METALS LIMITED etc. Similarly, import data of M/s Ellora International, also revealed imports from such doubtful Chinese suppliers who had a doubtful history of issuing fabricated under-valued invoices, substantiated in the past investigations, namely M/s JIAYAO (HONGKONG) INTERNATIONAL GROUP LIMITED and M/S LEO METALS LIMITED.

6.2 As per import data, the details of the all-Chinese suppliers of these 02 importers, supplying the impugned goods i.e. Cold Rolled Stainless Steel Coils (Ex Stock) is as under:

In r/o M/s Total Cargo Services:

TABLE-6

| S No | NAME OF THE CHINESE SUPPLIER (M/S) |
|---------|------------------------------------|
|---------|------------------------------------|

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | |
|---|---|
| 1 | ALLWELL INDUSTRY COMPANY LIMITED |
| 2 | CROSS LINK INTERNATIONAL TRADING CO |
| 3 | FS-ESSENTIAL INTERNATIONAL CO.,LIMI* |
| 4 | HK PINGAN IMP AND EXP CO., LIMITED* |
| 5 | HONGKONG GUANGXHUNG TRADE CO.LTD |
| 6 | JIAYAO(HONGKONG) INTERNATIONAL GROUP LIMITED* |
| 7 | TEE JAY INTERNATIONAL LIMITED |
| 8 | WINNING WAY INDUSTRY COMPANY LIMITE |

*The Chinese suppliers appearing at Sr No. 3,4 & 6 are suspected having history of issuing fabricated under-valued invoices in the past investigations.

In r/o M/s Ellora International:

TABLE-7

| S No | NAME OF THE CHINESE SUPPLIER (M/S) |
|---------|--|
| 1 | CROSS LINK INTERNATIONAL TRADING CO |
| 2 | FUJIAN ZANYANG FOOD CO LTD |
| 3 | JIAYAO(HONGKONG) INTERNATIONAL GROUP LIMITED |
| 4 | LEO METALS LIMITED |

*The Chinese suppliers appearing at Sr No. 3 & 4 are suspected having history of issuing fabricated under-valued invoices in the past investigations.

7. ACTUAL RANGE OF VALUES AS FOUND DURING THE INVESTIGATION FOR IDENTIFYING UNDER-VALUATION

Based on retrieved genuine invoices during the referred investigation (Annexure-I), and where corresponding invoices as declared before Indian Customs authorities were found to be filed at suppressed (under-valued) prices, a price range has been determined for the goods—Cold Rolled Stainless Steel Coils of various grades—which appears to reflect the actual value of the impugned goods.

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

**ACTUAL PRICE RANGE DERIVED IN USD PER KG (MINIMUM TO MAXIMUM) FOR
SUSPECTED CHINESE SUPPLIERS AS FOUND MENTIONED IN THEIR GENUINE
RETRIEVED INVOICES FOR DIFFERENT GRADES OF COLD ROLLED STAINLESS
STEEL**

TABLE-8

| S. NO | NAME OF THE CHINESE SUPPLIERS (M/S) | RANGE OF UNIT PRICE AS PER GENUINE INVOICE (In USD PER KG) | | | | | | | |
|----------|--|--|---------|----------|---------|----------|---------|-----------|---------|
| | | J3 GRADE | | J2 GRADE | | N1 GRADE | | 304 GRADE | |
| | | MINIMUM | MAXIMUM | MINIMUM | MAXIMUM | MINIMUM | MAXIMUM | MINIMUM | MAXIMUM |
| 1 | FIA INTERNATIONAL TRADING CO. LTD | 1.273 | 1.441 | - | - | - | - | - | - |
| 2 | GUANGDONG GUANGXIN GOLDTEC HOLDINGS | 1.39 | 2.124 | - | - | - | - | 2.11 | 2.131 |
| 3 | HONGKONG WINNER STEEL CO., LIMITED | 1.32 | 2.35 | - | - | - | - | 2.35 | 2.35 |
| 4 | JIAYAO (HONGKONG) INTERNATIONAL GROUP LIMITED | 1.41 | 2.965 | - | - | - | - | - | - |
| 5 | LEO METALS LIMITED | 1.155 | 2 | - | - | - | - | 2.785 | 2.93 |
| 6 | MFY METAL COMPANY LIMITED | 1.333 | 1.395 | - | - | - | - | - | - |
| 7 | ART STEEL MAGIC CO., LIMITED | 1.36 | 1.36 | - | - | - | - | - | - |
| 8 | FOSHAN JIA WEI IMPORT AND EXPORT CO. LTD. | 1.7 | 3.01 | - | - | - | - | - | - |
| 9 | BOSOM METAL CO LTD | 1.90 | 1.98 | - | - | - | - | - | - |
| 10 | FOSHAN TIAN MAIDUO IMPORT AND EXPORT CO. LTD. | 1.925 | 3.215 | - | - | - | - | - | - |
| 11 | FOSHAN WEN ZHI YUAN TRADING CO LTD | 1.15 | 2.03 | - | - | - | - | - | - |
| 12 | FOSHAN XUANZHENG TRADING CO. LTD. | 1.301 | 2.317 | - | - | - | - | - | - |
| 13 | FS-ESSENTIAL INTERNATIONAL CO. LIMITED | 1.25 | 3.01 | - | - | - | - | 2.865 | 3.162 |
| 14 | GOLD COAST LOGISTICS HONG KONG LIMITED | 1.7 | 1.7 | - | - | - | - | - | - |
| 15 | HK PINGAN IMP AND EXP CO LIMITED | 1.56 | 1.56 | - | - | - | - | - | - |
| 16 | HUAYE INTERNATIONAL DEVELOPMENT (HK) LIMITED | 1.44 | 2.855 | - | - | - | - | - | - |
| 17 | LIYI HONGKONG TRADING CO., LIMITED | 1.715 | 2.65 | - | - | - | - | - | - |

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | | | | | | | | | |
|----|--------------------------------|------|-------|-------|-------|-------|-------|---|---|
| 18 | NEWWEI TRADING COMPANY LIMITED | 1.14 | 1.587 | 1.244 | 1.465 | 1.413 | 1.497 | - | - |
|----|--------------------------------|------|-------|-------|-------|-------|-------|---|---|

Thus, on analysing the above data, it can be seen that actual price range derived (by taking all value found mentioned in genuine invoices) for different grades of stainless-Steel Coils ranges from USD 1.14 to 3.215 per KG for Grade J3.

8. PATTERN OF THE IMPORT PRICE DECLARED BY M/S TOTAL CARGO SERVICES AND M/S ELLORA INTERNATIONAL, WHICH APPEARS TO BE UNDER-VALUED:

8.1 On analysis of import data of M/s Total Cargo Services and M/s Ellora International, it emerged that these firms imported the impugned goods at substantial lower price (which has been found from the genuine invoices retrieved by DRI) from the same set of Chinese overseas suppliers, at or about the same time and around same commercial levels.

8.2 It has been observed that M/S Total Cargo Services declared and cleared the impugned goods at a price range of USD 0.75 to 0.90 per KG, which appears to be under-valued in light of evidences (retrieved genuine invoices) and discussion in para supra. Also, M/S Ellora International imported the impugned goods at a price range of USD 0.75 to 0.85 per KG, which appears to be under-valued in light of evidences (Genuine invoices) and discussion in para supra.

8.3 The details of the all-Chinese suppliers of above firms supplying the impugned goods i.e. Cold Rolled Stainless Steel Coil (Grade J3) with price ranges are as under:

TABLE-9: Chinese Suppliers with Price Ranges (as declared before Indian Customs authorities) for Cold Rolled stainless Steel Coils in r/o M/S Total Cargo Services

| S No | NAME OF THE CHINESE SUPPLIER (M/S) | Price Range in USD per KG (Grade J3) |
|------|---|--------------------------------------|
| 1 | ALLWELL INDUSTRY COMPANY LIMITED | 0.75 |
| 2 | CROSS LINK INTERNATIONAL TRADING CO | 0.75 to 0.85 |
| 3 | FS-ESSENTIAL INTERNATIONAL CO.,LIMI* | 0.75 |
| 4 | HK PINGAN IMP AND EXP CO., LIMITED* | 0.78 |
| 5 | HONGKONG GUANGXHUNG TRADE CO.LTD | 0.8 |
| 6 | JIAYAO(HONGKONG) INTERNATIONAL GROUP LIMITED* | 0.75 to 0.9 |
| 7 | TEE JAY INTERNATIONAL LIMITED | 0.78 |

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | | |
|---|--|-----|
| 8 | WINNING WAY INDUSTRY COMPANY LIMITE | 0.8 |
|---|--|-----|

*The Chinese suppliers appearing at Sr No. 3,4 & 6 are suspected having history of issuing fabricated under-valued invoices in the past investigations.

Table-10: Details of Chinese Suppliers with Price Ranges for Cold Rolled stainless Steel Coils in r/o M/S Ellora International

| S No | NAME OF THE CHINESE SUPPLIER (M/S) | Price Range in USD per KG (Grade J3) |
|---------|---|---|
| 1 | CROSS LINK INTERNATIONAL TRADING CO | 0.75 to 0.85 |
| 2 | FUJIAN ZANYANG FOOD CO LTD | 0.85 |
| 3 | JIAYAO(HONGKONG) INTERNATIONAL GROUP LIMITED | 0.75 to 0.85 |
| 4 | LEO METALS LIMITED | 0.75 |

*The Chinese suppliers appearing at Sr No. 3 & 4 are suspected having history of issuing fabricated under-valued invoices in the past investigations.

8.4 Further, a brief of Bills of Entry filed by M/s Total Cargo Services and M/s Ellora International for Cold Rolled Stainless Steel Coil (grade J3), for the relevant period, are as under:

Table-11
(In respect of M/S Total Cargo Services)

| S No. | Total Bills of Entry | Assessable Value (INR) | Duty Paid (INR) |
|-------|----------------------|------------------------|-----------------|
| 1 | 17 | 6,75,23,082 | 1,87,27,527 |
| | TOTAL | 6,75,23,082 | 1,87,27,527 |

Table 12
(In respect of M/S Ellora International)

| S No. | Total Bills of Entry | Assessable Value (INR) | Duty Paid (INR) |
|-------|-------------------------|---------------------------|-----------------|
| 1 | 16 | 7,79,76,082 | 2,16,26,666 |
| | TOTAL | 7,79,76,082 | 2,16,26,666 |

8.5 An examination of past import transactions undertaken by M/s Total Cargo Services and M/s Ellora International from the year 2020 onwards, involving the importation of Cold Rolled Stainless Steel (Ex Stock, grade J3), reveals indications of under-valuation. The subject goods were procured from certain Chinese suppliers who are suspected of engaging in the issuance of forged invoices and have been previously associated with cases involving systematic under-valuation. The declared import prices in these consignments exhibit a striking similarity to the pricing patterns typically observed during the

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

investigation involving such suspect suppliers. Accordingly, a strong presumption now arises that all past import consignments effected by the aforementioned importers from these suspected Chinese Suppliers and other Chinese Suppliers(at similar price) are liable to be considered as under-valued and liable for appropriate penal action under the Customs Act, 1962.

9. Findings and Summary of the Investigation:

9.1 Under-valuation in import of Cold Rolled Stainless Steel by M/s Total Cargo Service and M/s Ellora International:

Investigation revealed that M/s Total Cargo Service, partnership firm of Shri Arjun Guglani and Sh Ashutosh Kumar Sinha and M/s Ellora International (Proprietorship firm of Sh Ashutosh Kumar Sinha) were engaged in under-valuation in import of Cold Rolled Stainless Steel, from China. Sh Arjun Guglani had also been managing the operations of firm M/s Ellora International (Proprietorship of Shri Ashutosh Kumar Sinha) for importing impugned goods at under-valued price. The Modus-operandi which appears to have been used by Shri Arjun Guglani and Sh Ashutosh Kumar Sinha, through the firms - M/s Total Cargo Service and M/s Ellora International, was to declare the impugned goods at under-valued price by using fake/Parallel Invoices -with lower-value, for declaration before Indian Customs to evade appropriate duty.

The above fact is corroborated by the genuine invoice No. TY2202V3812 dated 07.09.2022 (at unit price USD 1.565 per KG) of M/s Sada Steel Impex retrieved by DRI HQ for the consignment of Cold Rolled Stainless Steel Coils(grade J3, Ex Stock), which was sold by M/s Sada Steel Impex to M/s Total Cargo Services under High Sea Agreement Certificate No. INDL 9134003654500U dated 22.09.2022. Further, M/s Total Cargo Services declared and cleared the said consignment under Bill of Entry No. 2725688 dated 03.10.2022, however, the declared price for the above consignment was found to be @ USD 0.78 per Kg. The above fact of under-valuation in the firm M/s Total Cargo Services was further corroborated by Shri Arjun Guglani in his voluntary statement recorded under Section 108 of the Customs Act 1962. In addition, Shri Ashutosh Kumar Sinha in his voluntary statements also accepted that he provided his documents viz. Aadhar card, PAN card etc. to Shri Arjun Guglani to open a firm namely M/s Ellora International for importing Cold Rolled Stainless Steel and Fabric. Further, as per statements of Shri Arjun Guglani he had been assisting Shri Ashutosh Kumar Sinha in M/s Ellora International and Shri Ashutosh Kumar Sinha is actual beneficiary in M/s Ellora International; further he (Shri Arjun Guglani) and Shri Ashutosh Kumar Sinha were the beneficiary in Total cargo Services.

9.2 Purchase of the impugned goods by M/s Total Cargo Service (Partnership of Shri Arjun Guglani and Shri Ashutosh Kumar Sinha) and M/s Ellora International (Proprietorship of Sh Ashutosh Kumar Sinha) from suspected Common Chinese Suppliers:

Investigation and analysing the past import data, revealed that from year 2020 onwards, M/s Total Cargo Service imported the impugned goods i.e. Cold Rolled Stainless Steel Coil (of different Grads) from various Chinese suppliers who had a doubtful history of issuing fabricated under-valued invoices namely

M/S FS-ESSENTIAL INTERNATIONAL CO., LIMITED, M/S HK PINGAN IMP AND EXP CO., LIMITED, M/s JIAYAO (HONGKONG) INTERNATIONAL GROUP LIMITED, M/S LEO METALS LIMITED. Similarly, import data of M/s Ellora International, also revealed imports from such doubtful Chinese suppliers, namely M/s JIAYAO (HONGKONG) INTERNATIONAL GROUP LIMITED, M/S LEO METALS LIMITED. In the past investigations, genuine invoices-with actual prices of goods, have been retrieved, issued by such Chinese suppliers, in which under-valuation in import has been corroborated by price comparison with corresponding Customs Invoices declared which was found to be lower than genuine invoices.

9.3. Resemblance of Pattern of the Import Price Declared By M/s Total Cargo Service and M/s Ellora International, found to be Under-Valued in previous investigations:

Examination of import price declared by M/s Total Cargo Service and M/s Ellora International for the impugned goods i.e. Cold Rolled Stainless Steel (Grade J3), shows resemblance with the import prices found to be undervalued in investigations conducted by DRI in import of cold rolled stainless steel. On analysis of import data of above firms, it emerged that import prices declared for the impugned goods i.e. Cold Rolled Stainless Steel Grade J3 at a price range of USD 0.75 to 0.9 per KG which shows similarity with the range of suppressed price found mentioned in fabricated invoices. Thus, the imports made by M/s Total Cargo Service and M/s Ellora International in the past (2020 onwards), of the impugned goods i.e. Cold Rolled Stainless Steel (grade J3), also appear to be under-valued.

9.4. Statements of Shri Arjun Guglani (Partner in M/s Total cargo Services) and Shri Ashutosh Kumar (Proprietor of M/s Ellora International)

Shri Arjun Guglani in his statements accepted that the consignment for goods "Cold Rolled Stainless Steel grade-J3" under Invoice No. TY2202V3812 dated 07.09.2022, which was further cleared under Bill of Entry No. 2725688 dated 03.10.2022, @ USD 0.78 per Kg was undervalued; that the actual price of the above goods was @ USD 1.565 per KG; that he had been doing under-valuation in imports made by his firm M/s Total Cargo Services by using fake/parallel invoices since 2021, at lower rate in the range of USD 0.75 to 0.85 per KG. Shri Ashutosh Kumar Sinha in his statement accepted that M/s Total Cargo Services (his partnership firm with Shri Arjun Guglani) and M/s Ellora (his proprietorship firm) had been controlled and operated by Shri Arjun Guglani. Shri Arjun Guglani in his voluntary statement had stated that he had been assisting only Shri Ashutosh Kumar Sinha in M/s Ellora International and Shri Ashutosh Kumar Sinha is actual beneficiary in M/s Ellora International. Therefore, basis the evidences gathered during the investigation, it appears that Shri Arjun Guglani and Shri Ashutosh Kumar Sinha were the beneficiary in M/s Total cargo Services. And, Shri Ashutosh Kumar Sinha was the beneficiary in M/s Ellora International and was duly assisted by Sh Arjun Guglani in the management and operations of the firm M/s Ellora International.

10. **LEGAL PROVISIONS:**

A) **Section 2 (39)** of Customs Act defines "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113;

B) **(26) "importer"** in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes [any owner, beneficial owner] or any person holding himself out to be the importer;

C) **Section 14:** Valuation of goods.

(1) For the purposes of the Customs Tariff Act, 1975 (51 of 1975), or any other law for the time being in force, the value of the imported goods and export goods shall be the transaction value of such goods, that is to say, the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation, or as the case may be, for export from India for delivery at the time and place of exportation, where the buyer and seller of the goods are not related and price is the sole consideration for the sale subject to such other conditions as may be specified in the rules made in this behalf:

Provided that such transaction value in the case of imported goods shall include, in addition to the price as aforesaid, any amount paid or payable for costs and services, including commissions and brokerage, engineering, design work, royalties and licence fees, costs of transportation to the place of importation, insurance, loading, unloading and handling charges to the extent and in the manner specified in the rules made in this behalf:

Provided further that the rules made in this behalf may provide for,-

(i) the circumstances in which the buyer and the seller shall be deemed to be related;

(ii) the manner of determination of value in respect of goods when there is no sale, or the buyer and the seller are related, or price is not the sole consideration for the sale or in any other case;

(iii) the manner of acceptance or rejection of value declared by the importer or exporter, as the case may be, where the proper officer has reason to doubt the truth or accuracy of such value, and determination of value for the purposes of this section:

Provided also that such price shall be calculated with reference to the rate of exchange as in force on the date on which a bill of entry is presented under section 46, or a shipping bill of export, as the case may be, is presented under section 50.

(2) Notwithstanding anything contained in sub-section (1), if the Board is satisfied that it is necessary or expedient so to do, it may, by notification in the Official Gazette, fix tariff values for any class of imported goods or export goods, having regard to the trend of value of such or like goods, and where any such tariff values are fixed, the duty shall be chargeable with reference to such tariff value.

Explanation.-For the purposes of this section-

(a) "rate of exchange" means the rate of exchange-

(i) determined by the Board, or

(ii) ascertained in such manner as the Board may direct, for the conversion of Indian currency into foreign currency or foreign currency into Indian currency;

(b) "foreign currency" and "Indian currency" have the meanings respectively assigned to them in clause (m) and clause (q) of section 2 of the Foreign Exchange Management Act, 1999 (42 of 1999).

D) Section 28. Recovery of duties not levied or not paid or short-levied or short-paid] or erroneously refunded. –

(1) Where any duty has not been levied or not paid or short-levied or short-paid] or erroneously refunded, or any interest payable has not been paid, part-paid or erroneously refunded, for any reason other than the reasons of collusion or any willful mis-statement or suppression of facts, -

(a) the proper officer shall, within two years from the relevant date, serve notice on the person chargeable with the duty or interest which has not been so levied or paid or which has been short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice;

Provided that before issuing notice, the proper officer shall hold pre-notice consultation with the person chargeable with duty or interest in such manner as may be prescribed;]

(b) the person chargeable with the duty or interest, may pay before service of notice under clause (a) on the basis of, -

(i) his own ascertainment of such duty; or

(ii) the duty ascertained by the proper officer,

the amount of duty along with the interest payable thereon under section 28AA or the amount of interest which has not been so paid or part-paid.

7[Provided that the proper officer shall not serve such show cause notice, where the amount involved is less than rupees one hundred.]

(2) The person who has paid the duty along with interest or amount of interest under clause (b) of sub-section (1) shall inform the proper officer of such payment in writing, who, on receipt of such information, shall not serve any notice under clause (a) of that sub-section in respect of the duty or interest so paid or any penalty leviable under the provisions of this Act or the rules made thereunder in respect of such duty or interest:

Provided that where notice under clause (a) of sub-section (1) has been served and the proper officer is of the opinion that the amount of duty along with interest payable thereon under section 28AA or the amount of interest, as the case may be, as specified in the notice, has been paid in full within thirty days from the date of receipt of the notice, no penalty shall be levied and the proceedings against such person or other persons to whom the said notice is served under clause (a) of sub-section (1) shall be deemed to be concluded.

(3) Where the proper officer is of the opinion that the amount paid under clause (b) of sub-section (1) falls short of the amount actually payable, then, he shall proceed to issue the notice as provided for in clause (a) of that sub-section in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of 9[two years] shall be computed from the date of receipt of information under sub-section (2).

(4) Where any duty has not been 10[levied or not paid or has been short-levied or short-paid] or erroneously refunded, or interest payable has not been paid, part-paid or erroneously refunded, by reason of,-

- (a) collusion; or
- (b) any wilful mis-statement; or
- (c) suppression of facts,

by the importer or the exporter or the agent or employee of the importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been 11[so levied or not paid] or which has been so short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he should not pay the amount specified in the notice.

(5) Where any 12[duty has not been levied or not paid or has been short-levied or short paid] or the interest has not been charged 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 by the importer or the exporter or the agent or the employee of the importer or the exporter, to whom a notice has been served under sub-section (4) by the proper officer, such person may pay the duty in full or in part, as may be accepted by him, and the interest payable thereon under section 28AA and the penalty equal to 13 [fifteen per cent.] of the duty specified in the notice or the duty so accepted by that person, within thirty days of the receipt of the notice and inform the proper officer of such payment in writing.

(6) Where the importer or the exporter or the agent or the employee of the importer or the exporter, as the case may be, has paid duty with interest and penalty under sub-section (5), the proper officer shall determine the amount of duty or interest and on determination, if the proper officer is of the opinion-

- (i) that the duty with interest and penalty has been paid in full, then, the proceedings in respect of such person or other persons to whom the notice is served under sub-section (1) or sub-section (4), shall, without prejudice to the provisions of sections 135, 135A and 140 be deemed to be conclusive as to the matters stated therein; or
- (ii) that the duty with interest and penalty that has been paid falls short of the amount actually payable, then, the proper officer shall proceed to issue the notice as provided for in clause (a) of sub-section (1) in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of 14 [two years] shall be computed from the date of receipt of information under sub-section (5).

(7) In computing the period of two years referred to in clause (a) of sub-section (1) or five years referred to in sub-section (4), the period during which there was any stay by an order of a court or tribunal in respect of payment of such duty or interest shall be excluded.

(7A). Save as otherwise provided in clause (a) of sub-section (1) or in sub-section (4), the proper officer may issue a supplementary notice under such circumstances and in such manner as may be prescribed, and the provisions of this section shall apply to such supplementary notice as if it was issued under the said sub section (1) or sub-section (4).]

(8) The proper officer shall, after allowing the concerned person an opportunity of being heard and after considering the representation, if any, made by such person, determine the amount of duty or interest due from such person not being in excess of the amount specified in the notice.

(9) The proper officer shall determine the amount of duty or interest under sub-section (8),-

(a) within six months from the date of notice, 17 [***] in respect of cases falling under clause (a) of sub-section (1);

(b) within one year from the date of notice, 17 [***] in respect of cases falling under sub-section (4).

Provided that where the proper officer fails to so determine within the specified period, any officer senior in rank to the proper officer may, having regard to the circumstances under which the proper officer was prevented from determining the amount of duty or interest under sub-section (8), extend the period specified in clause (a) to a further period of six months and the period specified in clause (b) to a further period of one year:

Provided further that where the proper officer fails to determine within such extended period, such proceeding shall be deemed to have concluded as if no notice had been issued.

(9A) Notwithstanding anything contained in sub-section (9), where the proper officer is unable to determine the amount of duty or interest under sub-section (8) for the reason that-

(a) an appeal in a similar matter of the same person or any other person is pending before the Appellate Tribunal or the High Court or the Supreme Court; or

(b) an interim order of stay has been issued by the Appellate Tribunal or the High Court or the Supreme Court; or

(c) the Board has, in a similar matter, issued specific direction or order to keep such matter pending; or

(d) the Settlement Commission has admitted an application made by the person concerned, the proper officer shall inform the person concerned the reason for non-determination of the amount of duty or interest under sub-section (8) and in such case, the time specified in sub-section (9) shall apply not from the date of notice, but from the date when such reason ceases to exist.]

(10) Where an order determining the duty is passed by the proper officer under this section, the person liable to pay the said duty shall pay the amount so determined along with the interest due on such amount whether or not the amount of interest is specified separately.

(10A) Notwithstanding anything contained in this Act, where an order for refund under sub-section (2) of section 27 is modified in any appeal and the amount of refund so determined is less than the amount refunded under said sub-section, the excess amount so refunded shall be recovered along with interest thereon at the rate fixed by the Central Government under section 28AA, from the date of refund up to the date of recovery, as a sum due to the Government.

(10B) A notice issued under sub-section (4) shall be deemed to have been issued under sub-section (1), if such notice demanding duty is held not sustainable in any proceeding under this Act, including at any stage of appeal, for the reason that the charges of collusion or any wilful mis-statement or suppression of facts to evade duty has not been established against the person to whom such notice was issued and the amount of duty and the interest thereon shall be computed accordingly.

11 Notwithstanding anything to the contrary contained in any judgement, decree or order of any court of law, tribunal or other authority, all persons appointed as officers of Customs under sub-section (1) of section 4 before the 6th day of July, 2011 shall be deemed to have and always had the power of assessment under section 17 and shall be deemed to have been and always had been the proper officers for the purposes of this section.]

Explanation 1 . - For the purposes of this section, "relevant date" means,-

- (a) in a case where duty is 21[not levied or not paid or short-levied or short-paid], or interest is not charged, the date on which the proper officer makes an order for the clearance of goods;
- (b) in a case where duty is provisionally assessed under section 18, the date of adjustment of duty after the final assessment thereof or re-assessment, as the case may be;
- (c) in a case where duty or interest has been erroneously refunded, the date of refund;
- (d) in any other case, the date of payment of duty or interest.

Explanation 2 . - For the removal of doubts, it is hereby declared that any non-levy, short-levy or erroneous refund before the date on which the Finance Bill, 2011 receives the assent of the President, shall continue to be governed by the provisions of section 28 as it stood immediately before the date on which such assent is received.]

22[**Explanation 3** . - For the removal of doubts, it is hereby declared that the proceedings in respect of any case of non-levy, short-levy, non-payment, short-payment or erroneous refund where show cause notice has been issued under sub-section (1) or sub-section (4), as the case may be, but an order determining duty under sub-section (8) has not been passed before the date on which the Finance Bill, 2015 receives the assent of the President, shall, without prejudice to the provisions of sections 135, 135A and 140, as may be applicable, be deemed to be concluded, if the payment of duty, interest and penalty under the proviso to sub-section (2) or under sub-section (5), as the case may be, is made in full within thirty days from the date on which such assent is received.]

23[**Explanation 4** - For the removal of doubts, it is hereby declared that notwithstanding anything to the contrary contained in any judgment, decree or order of the Appellate Tribunal or any Court or in any other provision of this Act or the rules or regulations made thereunder, or in any other law for the time being in force, in cases where notice has been issued for non-levy, short-levy, non-payment, short payment or erroneous refund, prior to the 29th day of March, 2018 (13 of 2018), being the date of commencement of the Finance Act, 2018, such notice shall continue to be governed by the provisions of section 28 as it stood immediately before such date.]

F) Section 28AA. Interest on delayed payment of duty. –

- (1) Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any other provision of this Act or the rules made thereunder, the person, who is liable to pay duty in accordance with the provisions of section 28, shall, in addition to such duty, be liable to pay interest, if any, at the rate fixed under sub-section (2), whether such payment is made voluntarily or after determination of the duty under that section.

(2) Interest at such rate not below ten per cent. and not exceeding thirty-six per cent. per annum, as the Central Government may, by notification in the Official Gazette, fix, shall be paid by the person liable to pay duty in terms of section 28 and such interest shall be calculated from the first day of the month succeeding the month in which the duty ought to have been paid or from the date of such erroneous refund, as the case may be, up to the date of payment of such duty.

(3) Notwithstanding anything contained in sub-section (1), no interest shall be payable where,-

- (a) the duty becomes payable consequent to the issue of an order, instruction or direction by the Board under section 151A; and
- (b) such amount of duty is voluntarily paid in full, within forty-five days from the date of issue of such order, instruction or direction, without reserving any right to appeal against the said payment at any subsequent stage of such payment.]

G.) Section 46. Entry of goods on importation. -

(1) The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed :

Provided that the Principal Commissioner of Customs or Commissioner of Customs may, in cases where it is not feasible to make entry by presenting electronically on the customs automated system, allow an entry to be presented in any other manner:

Provided further that if the importer makes and subscribes to a declaration before the proper officer, to the effect that he is unable for want of full information to furnish all the particulars of the goods required under this sub-section, the proper officer may, pending the production of such information, permit him, previous to the entry thereof (a) to examine the goods in the presence of an officer of customs, or (b) to deposit the goods in a public warehouse appointed under section 57 without warehousing the same.

(2) Save as otherwise permitted by the proper officer, a bill of entry shall include all the goods mentioned in the bill of lading or other receipt given by the carrier to the consignor.

(3) The importer shall present the bill of entry under sub-section (1) before the end of the day (including holidays) preceding the day on which the aircraft or vessel or vehicle carrying the goods arrives at a customs station at which such goods are to be cleared for home consumption or warehousing:

Provided that the Board may, in such cases as it may deem fit, prescribe different time limits for presentation of the bill of entry, which shall not be later than the end of the day of such arrival:

Provided further that a bill of entry may be presented at any time not exceeding thirty days prior to the expected arrival of the aircraft or vessel or vehicle by which the goods have been shipped for importation into India:

Provided also that where the bill of entry is not presented within the time so specified and the proper officer is satisfied that there was no sufficient cause

for such delay, the importer shall pay such charges for late presentation of the bill of entry as may be prescribed.

(4) The importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed.

(4A) The importer who presents a bill of entry shall ensure the following, namely:-

- (a) the accuracy and completeness of the information given therein;*
- (b) the authenticity and validity of any document supporting it; and*
- (c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.*

(5) If the proper officer is satisfied that the interests of revenue are not prejudicially affected and that there was no fraudulent intention, he may permit substitution of a bill of entry for home consumption for a bill of entry for warehousing or vice versa.

H) Section 111. Confiscation of improperly imported goods, etc.

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

(a) any goods imported by sea or air which are unloaded or attempted to be unloaded at any place other than a customs port or customs airport appointed under clause (a) of section 7 for the unloading of such goods;

(b) any goods imported by land or inland water through any route other than a route specified in a notification issued under clause (c) of section 7 for the import of such goods;

(c) any dutiable or prohibited goods brought into any bay, gulf, creek or tidal river for the purpose of being landed at a place other than a customs port;

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;

(e) any dutiable or prohibited goods found concealed in any manner in any conveyance;

(f) any dutiable or prohibited goods required to be mentioned under the regulations in an 1 [arrival manifest or import manifest] or import report which are not so mentioned;

(g) any dutiable or prohibited goods which are unloaded from a conveyance in contravention of the provisions of section 32, other than goods inadvertently unloaded but included in the record kept under sub-section (2) of section 45;

(h) any dutiable or prohibited goods unloaded or attempted to be unloaded in contravention of the provisions of section 33 or section 34;

(i) any dutiable or prohibited goods found concealed in any manner in any package either before or after the unloading thereof;

(j) any dutiable or prohibited goods removed or attempted to be removed from a customs area or a warehouse without the permission of the proper officer or contrary to the terms of such permission;

(k) any dutiable or prohibited goods imported by land in respect of which the order permitting clearance of the goods required to be produced under section 109 is not produced or which do not correspond in any material particular with the specification contained therein;

(l) any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;

(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) any dutiable or prohibited goods transited with or without trans-shipment or attempted to be so transited in contravention of the provisions of Chapter VIII;

(o) any goods exempted, subject to any condition, from duty or any prohibition in respect of the import thereof under this Act or any other law for the time being in force, in respect of which the condition is not observed unless the non-observance of the condition was sanctioned by the proper officer;

(p) any notified goods in relation to which any provisions of Chapter IVA or of any rule made under this Act for carrying out the purposes of that Chapter have been contravened.

(q) any goods imported on a claim of preferential rate of duty which contravenes any provision of Chapter VAA or any rule made thereunder.

I) 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) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty 4 [not exceeding the difference between the declared value and the value thereof or five thousand rupees], whichever is the greater;]

(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty 5 [not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest;

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty 6 [not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest.]

J) 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 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 3 [sub-section (8) of section 28] shall also be liable to pay a penalty equal to the duty or interest so determined:

4 [**Provided** that where such duty or interest, as the case may be, as determined under 3 [sub-section (8) of section 28], and the interest payable thereon under section 5 [28AA], is paid within thirty days from the date of the 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 duty or interest, as the case may be, so determined:

Provided further that the benefit of reduced penalty under the first proviso shall be available subject to the condition that the amount of penalty so determined has also been paid within the period of thirty days referred to in that proviso :

Provided also that where the duty or interest determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or,

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

as the case may be, the court, then, for the purposes of this section, the duty or interest as reduced or increased, as the case may be, shall be taken into account:

Provided also that in case where the duty or interest determined to be payable is increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, the benefit of reduced penalty under the first proviso shall be available if the amount of the duty or the interest so increased, along with the interest payable thereon under section 5 [28AA], and twenty-five percent of the consequential increase in penalty have also been paid within thirty days of the communication of the order by which such increase in the duty or interest takes effect :

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

Explanation. - For the removal of doubts, it is hereby declared that -

(i) the provisions of this section shall also apply to cases in which the order determining the duty or interest 3 [sub-section (8) of section 28] relates to notices issued prior to the date* on which the Finance Act, 2000 receives the assent of the President;

(ii) any amount paid to the credit of the Central Government prior to the date of communication of the order referred to in the first proviso or the fourth proviso shall be adjusted against the total amount due from such person.]

K) Section 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.

L) Further, vide Finance Act, 2011 w.e.f. 08.04.2011 "Self-Assessment" has been introduced under the Customs Act, 1962. Section 17 of the said Act provides for self-assessment of duty on import and export goods by the importer or exporter himself by filing a bill of entry or shipping bill as the case may be, in the electronic form, as per Section 46 or 50 respectively. Thus, under self-assessment, it is the importer or exporter who will ensure that he declares the correct classification, applicable rate of duty, value, benefit of exemption notification claimed, if any in respect of the imported/ exported goods while presenting Bill of Entry or Shipping Bill.

M) Customs Valuation (Determination of Value of Imported Goods) Rules, 2007:

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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

(iii) 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.

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.

6. Determination of value where value cannot be determined under rules 3, 4 and 5.-

If the value of imported goods cannot be determined under the provisions of rules 3, 4 and 5, the value shall be determined under the provisions of rule 7 or, when the value cannot be determined under that rule, under rule 8.

Provided that at the request of the importer, and with the approval of the proper officer, the order of application of rules 7 and 8 shall be reversed.

7. Deductive value.-

(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).

8. Computed value.- 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.

9. Residual method.-

(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.

11. REJECTION OF THE TRANSACTION VALUE DECLARED M/S TOTAL CARGO SERVICE AND M/S ELLORA INTERNATIONAL UNDER RULE 12 OF CUSTOMS VALUATION RULES 2007:

11.1 From the investigation and evidences discussed above, it has inter alia emerged that the actual price of the imported goods was significantly higher than what has been declared by above 02 firms; that undervaluation of impugned goods emerged to have been done in the Bills of entry by way of submission of forged and fabricated invoices with an intent to illegally evade payment of appropriate Customs duty ; that M/s Total Cargo Service and M/s Ellora International, instead of declaring the correct transaction value at the landing port, resorted to wilfully suppressing the actual value of goods. Hence, the declared value of the impugned goods is not the correct transaction value at which the said goods have been purchased by the above mentioned importers from the suspected Chinese suppliers including others Chinese suppliers where the import value found similar with the prices found mentioned in fabricated invoices which emerged to be under-valued price as per the investigation conducted by DRI in case referred to in para supra of this notice; later corroborated as under-valued; hence, the declared value of the goods is not the correct transaction value at which the said goods have been purchased by the above mentioned importers from the overseas Chinese suppliers. Therefore, the declared import price of the impugned goods is liable to be rejected.

11.2 Further, in terms of Section 14 of the Customs Act, 1962, the value of the imported goods shall be the transaction value that is to say that price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation, subject to such other conditions as may be specified in this behalf by the rules made in this regard.

11.3 Further, in accordance with such provisions, Central Government has made Customs Valuation (Determination of value of imported goods) Rules, 2007 (herein after referred to as "CVR 2007"). Further, as per Rule 3 of the CVR, 2007, the transaction value of imported goods shall be the price actually paid or payable for the goods when sold for export. The evidences and voluntary statements recorded under Section 108 of Customs Act, 1962 discussed herein foregoing paras have strongly suggested that the values declared in relation to the impugned goods i.e. Cold Rolled Stainless Steel coils J3(Ex Stock) are not the correct value and the same are liable to be rejected in terms of Rule 12 of the Customs Valuation (Determination of value of Imported Goods) Rules, 2007.

11.4. (a) Rule 3 (1) of the CVR, 2007 lays down that the value of the imported goods shall be the transaction value adjusted in accordance with provisions of Rule 10 CVR 2007. Further Rule 2(g) of CVR 2007 defines transaction value as the value referred to in sub-section (1) of Section 14 of the Customs Act 1962.

Rule 13 of the CVR, 2007 lays down that the interpretative notes specified in the Schedule to these rules shall apply for the interpretation of these rules. The interpretative note to Rule 3 provides that price actually paid or payable is the total payment made or to be made by the buyer to or for the benefit of the seller for the imported goods.

11.5 On a combined reading of the Section 14 ibid & the CVR 2007, it appears that customs duty is payable on transaction value that is to say that:

- (1) Price actually paid or payable for the goods i.e. the total payment made by the buyer
- (2) When sold for export to India for delivery

(3) At the time and place of importation

11.6. It appears that in terms of Rule 3 of the CVR 2007 read with Section 14 of the Customs Act, 1962 and the schedule to the valuation rules (CVR 2007), the actual price paid or payable for the impugned goods, should have formed part of the assessable value for the purpose of calculation of Customs duty as the same is the actual transaction value of the imported goods.

12.7 Since it appears that the values declared by M/s Total Cargo Service and M/s Ellora International are not the correct values and are liable to be rejected in terms of Rule 12 of the Customs Valuation Rules, 2007, as said 2 importers appears to have indulged in mis-declaration of value of the goods and have used fraudulent and manipulated documents [explanation 1(iii) (d) & (f) of Rule 12 CVR 2007]. Rule 12(1) provides that in such cases it shall be deemed that the transaction value cannot be determined under the provisions of sub- Rule 1 of Rule 3.

11.8 From the foregoing, there appears sufficient reason to believe that the value of the impugned items declared by M/s Total Cargo Service and M/s Ellora International in the respective Bills of Entry are not the actual transaction values and the same appear liable to be rejected in terms of rule 12 of Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

12. RE-DETERMINATION OF VALUE OF THE IMPORTED GOODS:

12.1 Valuation of the goods where Genuine Invoices are available:

As per Rule 3 of the Customs Valuation (Determination of value of imported goods) Rules, 2007, subject to Rule 12 *ibid*, the value of the goods shall be the Transaction Value of goods. Further, in terms of Section 14 of the Customs Act, 1962, the transaction value is the price actually paid or payable for the goods when the goods are sold for delivery at the time and place of importation. In this case, the investigations have led to the recovery of irrefutable evidence that the value declared before Customs is not the actual transaction value of goods. Therefore, in terms of Rule 3(1) of Customs Valuation Rules, read with Section 14 of the Customs Act 1962, for the Bills of Entry where actual/Genuine/actual Invoices are available the value mentioned in these actual/Genuine/actual Invoices being taken as the actual transaction value of the goods for the purpose of valuation of the goods.

12.2 Valuation of goods where Genuine Invoices not are available:

In respect of those imported goods where original invoices are not available, the value of said consignments is to be re-determined under Customs Valuation (Determination of value of imported goods) Rules, 2007. It appears that in terms of Rule 3 (4) of the said rules, for the Bills of Entry where Genuine Invoices are not available, the value has to be re-determined by proceeding sequentially through Rule 4 to 9.

Application of Rule 4 of CVR, 2007:

Rule 4 of the Valuation Rules, 2007 provides that 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. However, the

following conditions as per Rule 4 read with Rule 2(1)(d) of the Valuation Rules, 2007 must be satisfied by the 'identical goods', before their value can be used as a basis for determining the correct values of the goods in question. Thus, the identical goods should be:

- i. which are same in all respects, including physical characteristics, quality and reputation as the goods being valued except for minor differences in appearance that do not affect the value of the goods;
- ii. produced in the country in which the goods being valued were produced; and
- iii. produced by the same person who produced the goods, or where no such goods are available, goods produced by a different person;

The value of the Cold Rolled Stainless Steel Coils depends upon number of factors including their constituents, width, thickness, surface finish, etc. Further, the nature of goods varies greatly in physical characteristics due to their composition, quality, reputation etc. In the absence of correct composition, surface finish etc., it is not feasible to identify the 'identical goods' (which satisfied the above criteria) imported by the other importers during contemporaneous time for comparing the value declared by the other importers vis a vis value declared by the instant importer. Hence, it would not be proper to determine the value of the goods under Rule 4 of the CVR 2007

Application of Rule 5 of CVR, 2007:

Rule 5 of the Valuation Rules, 2007 provides that 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. However, the following conditions as per Rule 5 read with Rule 2(1)(f) of the Valuation Rules, 2007 must be satisfied by the 'similar goods', before their value can be used as a basis for determining the correct values of the goods in question. Thus, the 'similar goods', should be :

- i) which although not alike in all respects, have like characteristics and like component materials which enable them to perform the same functions and to be commercially interchangeable with the goods being valued having regard to the quality, reputation and the existence of trade mark;
- ii) produced in the country in which the goods being valued were produced; and
- iii) produced by the same person who produced the goods being valued, or where no such goods are available, goods produced by a different person,

This provision ensures a logical, consistent, and legally sound framework for valuation in complex import scenarios. In the instant case, the availability of 'similar goods', from the same suppliers, provides a practical and justifiable route for determining customs value. Firstly, while the imported goods may not be 'identical' due to their diverse physical features, their functional interchangeability, commercial comparability, and availability in the same market segment often qualify them as "similar goods" under the definitions provided in the Valuation Rules. These goods may serve similar purposes and cater to the same consumer base. Therefore, though minor distinctions exist, their economic value and utility are sufficiently aligned, allowing reasonably rely on their transaction values for valuation purposes. Secondly, the availability of

similar goods simplifies the valuation process significantly. In an increasingly globalized trading environment, firms often engage with the same suppliers for a variety of goods with marginal differences. This commercial reality results in a rich repository of invoices and import records, providing multiple reference points for similar transactions. Such documentation enhances transparency, traceability, and accuracy in customs assessment, reinforcing the legitimacy of values derived through comparison. Moreover, using the transaction value of similar goods is not only procedurally permissible but also equitable. It ensures that the valuation reflects a price actually paid or payable for comparable merchandise under comparable conditions. This deters undervaluation and promotes a level playing field for all importers, as duties are levied based on fair market benchmarks rather than arbitrary estimations. Lastly, the presence of multiple retrieved (genuine) invoices pertaining to the same suppliers or suppliers from same country dealing in similar goods further strengthens the application of Rule 5. These invoices reflect genuine pricing trends and reduce anomalies during valuation. **Therefore, use of these retrieved genuine invoices appears justifiable to arrive at a reliable and verifiable valuation for the impugned goods, even in the absence of a direct transaction value for the impugned goods in question.** In the instant case, the impugned goods have the same description (i.e. J3 grade, Ex stock) as that of the goods mentioned in the retrieved invoices and have been imported from the same set of Chinese suppliers who have been identified as suspicious suppliers in the past investigation. Further, the impugned goods have been imported at or about the same time as that in the retrieved invoices and have like characteristics and are commercially interchangeable with the goods mentioned in the retrieved invoices. Therefore, it appears that the impugned goods are similar goods with the goods mentioned in the retrieved invoices thus meriting the use of rule 5 of the valuation rules for arriving at the redetermined prices.

12.3 Accordingly, valuation of the imported goods (Cold Rolled Stainless Steel Grade J3 Ex Stock), imported at or around the same time by above 02 firms, in terms of Rule 5 of the valuation rules, has been arrived at as follows:

- Where the importers have imported goods of a particular grade (J3 in subject case) from the suspected Chinese supplier (i.e supplier belonging to the list of 18 Chinese Suppliers as identified in discussions in para supra of this notice) and genuine invoice of that suspected Chinese supplier for that particular grade (J3 in subject case) are available, then for valuation purpose, genuine invoice having lowest value of that grade of the Chinese supplier has been taken.
- Where the importers have imported goods of a particular grade and where genuine invoice of that suspected Chinese supplier or particular grade(J3 in subject case) are not available, then for valuation purpose, genuine invoice available having the lowest value of that grade, among all the suspected Chinese supplier, has been taken to arrive at the redetermined value.

13. Role of Key Persons and Analysis and findings:

From the investigation conducted in the case and from the facts and records, evidences have come on record from which it appears that:

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

- A) **Shri Arjun Guglani** through the firms namely M/s Total Cargo Service and M/s Ellora international imported under-valued goods namely coils of cold rolled stainless steel by using fabricated invoices; that Shri Arjun Guglani, in connivance with Chinese suppliers manipulated and forged the import invoices and declared them before Customs; further the substantive evidence in form of genuine invoice of a particular consignment issued by a suspected Chinese supplier to M/s Sada Steel Impex and further sold to M/s Total Cargo Services, on High Sea Sales basis, by suppressing the value of the goods, reinforces the allegations that Shri Arjun Guglani had been engaged in under-valuation of "Cold Rolled Stainless Steel(Ex Stock)". Shri Arjun Guglani appears to have meticulously planned the unscrupulous modus-operandi to defraud the government by not declaring the correct value of the imported goods and consequently paid/attempted to pay lesser Customs duty on import of the goods; that Shri Arjun Guglani through the firms M/s Total Cargo Service and M/s Ellora international had been involved in under-valuation over the years with an intent to evade payment of appropriate customs duty; that in terms of Section 46(4), the importers, while presenting the Bill of Entry shall make and subscribe to a declaration as the truth of the contents of such Bill of Entry and shall, in support of such declaration, produce to the proper officer, the invoice, if any, relating to the imported goods. In view of the above, it appears that Shri Arjun Guglani through the firms M/s Total Cargo Service and M/s Ellora international have violated the provisions of Section 46 of the Customs Act, 1962 by mis-declaring the value of the goods. Thus, Shri Arjun Guglani appear to have violated the provisions of Section 46(4) of the customs act in as much as he has undervalued the value of the goods imported by him in firm M/s Total Cargo Service and M/s Ellora international and had given a false declaration in the bills of entry thus, consequently rendered himself liable for penalty under Section 114A and/or 112(a)&(b) and Section 114AA Section of the Customs Act, 1962.
- B) **Shri Ashutosh Kumar Sinha:** As partner in M/s Total Cargo Service and Proprietor of M/s Ellora International, he allowed his both firms to be used and operated by Shri Arjun Guglani for importing under-valued Cold Rolled Stainless Steel; that above fact is corroborated by his voluntary statements that he had no role in operations of above firms. It appears that Shri Ashutosh Kumar Sinha had a tacit under-standing of fraudulent activities being executed in his firms against whom he had been receiving monthly remuneration. Shri Arjun Guglani had also stated that Shri Ashutosh Kumar Sinha is the sole proprietor of M/s Ellora International and actual beneficiary and that Shri Ashutosh Kumar Sinha had been handling all the business activities of M/s Ellora International. Shri Ashutosh Kumar Sinha through his firms M/s Total Cargo Service and M/s Ellora International appears to be an accomplice with Shri Arjun Guglani in under-valuation over the years with an intent to evade payment of appropriate customs duty; that in terms of Section 46(4), the importers, while presenting the Bill of Entry shall make and subscribe to a declaration as the truth of the contents of such Bill of Entry and shall, in support of such declaration, produce to the proper officer, the invoice, if any, relating to the imported goods. In view of the above, it appears that Shri Ashutosh Kumar Sinha (Partner in M/s Total Cargo Service) and Proprietor in M/s Ellora International has violated the provisions of

*F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH*

Section 46 of the Customs Act, 1962 by mis-declaring the value of the goods. Thus, Shri Ashutosh Kumar Sinha -who assisted Shri Arjun Guglani in his illegal activities, appear to have violated the provisions of Section 46(4) of the customs act in as much as he has undervalued the imported goods by his firms M/s Total Cargo Service and M/s Ellora International; thus, consequently rendered himself liable for penalty under Section 114A and/or 112(a)&(b) and Section 114AA Section of the Customs Act, 1962.

- C) **Shri Atul Kishore Guglani** (Partner in M/s Choice Cargo Agency Private Limited) and **Shri Mukesh Grover** (Proprietor of M/s Mukesh Grover): As CHA/Customs Broker, Shri Mukesh Grover and Shri Atul Kishore Guglani were entrusted with all the work including documentations and were responsible for the movement of cargo right from entering the port till it was cleared by customs. Shri Mukesh Grover being in the trade for so long were fully aware of their own responsibilities as CHA/Customs Brokers but still failed to deliver and in a way aided undervaluation by M/s Total Cargo Services and M/s Ellora International. Further, Shri Atul Kishore Guglani aided and abetted the importing firms in the scheme involving undervaluation of goods. As discussed above, for the purpose of Customs clearance, in the above-mentioned firms, he used to receive import documents from the proprietors of the firms directly, which he further passed on to Shri Mukesh Grover CHA for clearance. It is also evident from the statements of Shri Mukesh Grover and Shri Atul Kishore Guglani that they had knowledge that the imported goods were undervalued. Thus the role of Shri Atul Kishore Guglani and Sh Mukesh Grover appear doubtful who appear to have full knowledge of the illegal activities of the firms accused of under-valuation in import of Cold Rolled Stainless Steel investigations ; that they themselves are CHA and had a long career as Customs Broker (since 2006) and handling the Commodity Cold Rolled Stainless Steel Coils since 2016, could not provide any satisfactory answer how they were not aware of the actual import price and consequently rendered them liable for penalty under Section 112(a)&(b) and 114AA of the Customs Act, 1962.
- D) **Shri Amit Gupta:** As per statements of Shri Mukesh Grover and Shri Atul Kishore Guglani discussed in para supra, Shri Amit Gupta is a broker who resides at China; that Shri Amit Gupta worked as a commission agent for many Indian importers for purchase of material from China from different Chinese suppliers; that Shri Amit Gupta also himself imported Stainless Steel Coils in his firm M/s Sada Steel Impex; further that Sh. Amit Gupta, Proprietor of M/s Sada Steel Impex was summoned on various dates to join investigation for his role in imports made by M/s Total cargo Services under fabricated invoice issued by his (i.e. Shri Amit Gupta's) firm M/s Sada Steel Impex. However, Shri Amit Gupta never joined the investigation which suggests his intention to evade scrutiny and accountability; the absence of cooperation also suggests that the individuals lack credible arguments or evidence to defend himself, against the substantial evidence with the investigating agency ; that for this non-compliance of the summons, a complaint for offences punishable under section 174 of the Indian Penal Code has been filed in Court of Law at Patiala House Court, New Delhi, against Sh. Amit Gupta, Proprietor of M/s Sada Steel Impex. The matter is sub judice.

In the instant matter, the evidences suggested that Shri Amit Gupta provided fabricated invoice to Shri Arjun Guglani (Partner in M/s Total Cargo Service) at under-valued price and made a High-Sea sale agreement at under-valued price; that Shri Arjun Guglani in hand and glove with Shri Amit Gupta filed the same before Customs authority to evade appropriate Customs duty. This act of abetment by Shri Amit Gupta proprietor of M/s Sada Steel Impex consequently rendered him liable for penalty under Section 112(a)&(b) and 114AA of the Customs Act, 1962.

Thus, due to the mis-declaration of value as discussed above, correct duty has not been levied on the impugned goods and therefore, the differential duty on account of such mis-declaration of value, as per **Annexure X** and **Annexure Y** are liable to be demanded from the M/s Total Cargo Service and M/s Ellora International, respectively, under Sec 28(4) of the Customs Act 1962.

14. APPLICABILITY OF SECTION 28(4) OF THE CUSTOMS ACT, 1962:

14.1 In the present case, it is evident that the actual facts regarding undervaluation of the imported goods were known to Shri Arjun Guglani; that Shri Arjun Guglani in tacit understanding with Shri Ashutosh Kumar Sinha, had knowingly and deliberately indulged in suppression of facts and wilfully misrepresented/mis-stated the material facts in contravention of the provisions of Section 46(4) of the Customs Act, 1962 read with other provisions mentioned at para supra. In terms of Section 46(4) of Customs Act, 1962, the importers were required to make a declaration as to truth of the contents of the Bills of Entry submitted for assessment of Customs duty. For these contraventions and violations, the goods fall under the ambit of 'smuggled goods' within the meaning of Section 2(39) of the Customs Act, 1962, and are liable for confiscation under the provisions of Section 111(m) of the Customs Act, 1962.

14.2. It further emerged that mis-declaration in valuation of the impugned goods in the import documents viz. Bills of Entry, import invoices etc. presented by M/s Total Cargo Service and M/s Ellora International, before the Customs authorities, were done by Shri Arjun Guglani in tacit understanding with Shri Ashutosh Kumar Sinha, in order to avoid appropriate levy of Customs duty on the actual transaction value. Thus, Shri Arjun Guglani with assistance of Shri Ashutosh Kumar Sinha appear to have engaged in under-valuation of imported goods i.e. Cold Rolled Stainless Steel Coils.

14.3 All the aforesaid acts of omissions and commissions on the part of Shri Arjun Guglani and Shri Ashutosh Kumar Sinha, have rendered the imported goods liable for confiscation under Section 111 (m) of the Customs Act, 1962, and consequently rendered them liable for penalty under Section 112(a)&(b) of the Customs Act, 1962. Further, acts of Sh Arjun Guglani and Sh Ashutosh Kumar Sinha, who knowingly and intentionally prepared/got prepared, signed/got signed and used the declaration, statements and/or documents presented the same to the Customs authorities, which were incorrect in as much as they were not representing the true, correct and actual value of the imported goods, has rendered themselves liable for penalty under section 114AA of the Customs Act, 1962. Shri Arjun Guglani along with Shri Ashutosh Kumar Sinha have also violated the provisions of Section 17 and 46 of the Customs Act, 1962. Therefore, the duty not paid/short paid is liable to be recovered from M/s Total

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

Cargo Service and M/s Ellora International by invoking the extended period of five years as per Section 28(4) of the Customs Act, 1962, in as much as the duty is short paid on account of wilful mis-statement as narrated above.

Thus, the instant case appears to fall squarely within the ambit of Section 28(4) of Customs Act, 1962, and the differential duty appears liable to be demanded as per the extended period clause container therein, and accordingly the importers also appear liable for penalty under Sec 114A of Customs Act 1962.

15. Calculation of Duty:

Basis the investigation, the value of goods declared by the importers have been rejected and redetermination of value of goods have been done as discussed in para supra. Therefore, the calculation of duty with respect to M/s Total Cargo Service and M/s Ellora International are tabulated below:

15A. Calculation of Duty for M/s Total Cargo Service (Detailed calculation in Annexure X):

TABLE 13

| Sr. No. | Ports / ICDs | ASSESSABLE VALUE DECLARED BY THE IMPORTER (RS.) | DUTY PAID (RS.) | ASSESSABLE VALUE RE- DETERMINED (RS.) | DUTY PAYABLE (RS.) | Customs Duty Short paid/ to be recovered (Rs.) (Col 6-Col 4) |
|---------|--------------|---|--------------------|---------------------------------------|--------------------|--|
| | | | | | Total | |
| 1 | INMUN1 | 6,75,23,082 | 1,87,27,527 | 10,31,52,269 | 2,86,09,282 | 98,81,755 |
| | TOTAL | 6,75,23,082 | 1,87,27,527 | 10,31,52,269 | 2,86,09,282 | 98,81,755 |

Accordingly, the differential Customs duty amounting to **Rs 98,81,755 /-**, as indicated in **Annexure-X** to the SCN, is liable to be recovered from **M/s Total Cargo Service**, under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28 AA ibid.

15B. Calculation of Duty for M/s Ellora International (Detailed calculation in Annexure Y):

TABLE 14

| Sr. No. | Ports / ICDs | ASSESSABLE VALUE DECLARED BY THE IMPORTER (RS.) | DUTY PAID (RS.) | ASSESSABLE VALUE RE- DETERMINED (RS.) | DUTY PAYABLE (RS.) | Customs Duty Short paid/ to be recovered (Rs.) (Col 6-Col 4) |
|---------|--------------|---|--------------------|---------------------------------------|--------------------|--|
| | | | | | Total | |
| 1 | INMUN1 | 7,79,76,082 | 2,16,26,666 | 11,98,58,066 | 3,32,42,635 | 1,16,15,968 |
| | TOTAL | 7,79,76,082 | 2,16,26,666 | 11,98,58,066 | 3,32,42,635 | 1,16,15,968 |

Accordingly, the differential Customs duty amounting to **Rs 1,16,15,968 /-**, as indicated in **Annexure-Y** to the SCN, is liable to be recovered from **M/s Ellora International**, under Section 28(4) of the Customs Act, 1962 along with applicable interest under Section 28 AA ibid

Charging Section:**16. In respect of firm M/s Total Cargo Service :**

16.1 Now, M/s Total Cargo Services (IEC-AASF70850B) having registered addressed at F-2/13, Mangolpuri, New Delhi, North West Delhi, 110083 are hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why:

- i) The declared assessable value of **Rs 6,75,23,082 /-** of the imported goods imported, as per **Annexure X**, should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules 2007 and re-determined as Rs. **10,31,52,269 /-**, in terms of Rule 3 and Rule 5 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.
- ii) The goods mentioned at (i) above should not be held liable for confiscation under Section 111(m) of Customs Act 1962.
- iii) The differential duty Rs **98,81,755 /-** (as per **Annexure X**) on account of under-valuation should not be demanded and recovered from him under Section 28(4) of the Customs act 1962.
- iv) Interest under Section 28AA of the Customs Act, 1962 as applicable, should not be demanded and recovered from him.
- v) Penalty should not be imposed upon M/s Total Cargo Services under Section 114AA, Section 114A and/or Section 112(a)/(b) of Customs Act 1962 for an act of omission and commission discussed in the foregoing paras;

16.2 In relation to the firm M/s Total Cargo Services, Shri Arjun Guglani and Shri Ashutosh Kumar Sinha (Partners in M/s Total Cargo Services) are hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why penalty should not be imposed upon him under Section 114AA, and Section 112(a)/(b) of Customs Act 1962 for the act of omission and commission discussed in the foregoing paras.

16.3 In relation to the firm M/s Total Cargo Services, Shri Amit Gupta, proprietor of M/s Sada Steel Impex, addressed at A-30, First Floor Group Wazirpur Industrial Area, New Delhi – 110052, is hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why, penalty should not be imposed upon him under Section 112(a)&(b) and Section 114AA of Customs Act for his acts of omissions & commissions, as brought out in the Show Cause Notice.

16.4 In relation to the firm M/s Total Cargo Services, Shri Atul Kishore Guglani resident of 318, Tarun Enclave, Pitampura, North West Delhi 110034 is hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why, penalty should not be imposed upon him under why, penalty should not be imposed upon him under Section 112(a)&(b) and Section 114AA of Customs Act for his acts of omissions & commissions, as brought out in the Show Cause Notice .

16.5 Now, in relation to the firm M/s Total Cargo Services, Shri Mukesh Grover proprietor of M/s Mukesh Grover resident of 4/6, 8748, D.B. Gupta Road,

*F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH*

Paharganj, New Delhi is hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why, penalty should not be imposed upon him under Section 112(a)&(b) and Section 114AA of Customs Act for his acts of omissions & commissions, as brought out in the Show Cause Notice .

17. In respect of firm M/s Ellora International:

17.1 Now, therefore Shri Ashutosh Kumar Sinha Proprietor in M/s Ellora International (IEC- CEQPS8567E); having registered address at Flat No 26, Sect 13, Pkt. 1 Dwarka Ph-1, New Delhi, Delhi, 110078, is hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why:

- i) The declared assessable value of **Rs 7,79,76,082** of the imported goods, as per Annexure Y, should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules 2007 and re-determined as Rs. **11,98,58,066** /-, in terms of Rule 5 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 read with Section 14 of the Customs Act, 1962.
- ii) The goods mentioned at (i) above should not be held liable for confiscation under Section 111(m) of Customs Act 1962.
- iii) The differential duty Rs **1,16,15,968** /-(as per **Annexure Y**) on account of under-valuation should not be demanded and recovered from him under Section 28(4) of the Customs act 1962;
- iv) Interest under Section 28AA of the Customs Act, 1962 as applicable, should not be demanded and recovered from him;
- v) Penalty should not be imposed upon Shri Ashutosh Kumar Sinha under Section 114AA, Section 114A and/or Section 112(a)&(b) of Customs Act 1962 for an act of omission and commission as discussed in the foregoing paras.

17.2 In relation to the firm, M/s Ellora International, Shri Arjun Guglani is hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why penalty should not be imposed upon him under Section 114AA, and Section 112(a)&(b) of Customs Act 1962 for the act of omission and commission discussed in the foregoing paras.

17.3 In relation to the firm, M/s Ellora International, Shri Atul Kishore Guglani resident of 318, Tarun Enclave, Pitampura, North West Delhi 110034 is hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why, penalty should not be imposed upon him under why, penalty should not be imposed upon him under Section 112(a)&(b) and Section 114AA of Customs Act for his acts of omissions & commissions, as brought out in the Show Cause Notice.

17.4 In relation to the firm M/s Ellora International, Shri Mukesh Grover proprietor of M/s Mukesh Grover resident of 4/6, 8748, D.B. Gupta Road, Paharganj, New Delhi is hereby called upon to show cause to the Pr. Commissioner/Commissioner, Mundra Customs within 30 days from the receipt of this Notice as to why, penalty should not be imposed upon him under Section

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

112(a)&(b) and Section 114AA of Customs Act for his acts of omissions & commissions, as brought out in the Show Cause Notice.

18. The Noticees should state in their written reply to this notice as to whether they desire to be heard in person. If no reply to this notice is received from them within 30 days from the date of receipt of this notice or if they fail to appear for the personal hearing on the date and time intimated to them, the case is liable to be decided ex parte based on evidence available on record without any further reference to them.

19. This notice is issued without prejudice to any other action that may be taken against the Noticees or any other person(s) under the provisions of the Customs Act, 1962 and the Rules & Regulations made thereunder or any other law for the time being in force.

20. Department reserves its rights to add, alter, amend, modify or supplement this Notice at any time on the basis of any evidence, material facts related to import of goods in question, which may come to the notice of the department after issuance of this notice and prior to the adjudication of the case. Further, this Show Cause Notice is only with respect to the issue in the instant case and the department reserves the right to issue Show Cause Notice on other issues relation to the above firms. This Show Cause Notice is issued without prejudice to any other action that may be taken against the persons/firms mentioned herein or any other person under the Customs Act 1962 or any other law for the time being in force.

21. A copy of the Show Cause Notice is also e-mailed to the notices at their mail ID as under in terms of clause (C) of sub-section 1 of Section 153 of the Customs Act 1962, so that such service through e-mail shall be deemed to have been received by the notices in terms of clause (C) of sub-section 1 of section 153 of the Customs Act 1962,

Encl: As above.

Digitally signed by
Nitin Saini
Date: 02-12-2025
10:42:51

(Nitin Saini)
Commissioner of Customs

F.No. GEN/ADJ/COMM/697/2025-Adjn--O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

To:

- i) Shri Arjun Guglani Partner in M/s Total Cargo Service L.G.F, Flat No 05, A-252, Building No 191, Neelkanth Palace Sant Nagar, East Of Kailash, Delhi, 110065 and Flat No 161, 2nd Floor, Ashoka Enclave, Sector-37, Faridabad, Haryana-121003 (Email guglani1985arjun@gmail.com, totalcargoservices2021@gmail.com)
- ii) Shri Ashutosh Kumar Sinha Partner in M/s Total Cargo Service and proprietor of M/s Ellora International Flat No.980, Gali No.9 2nd Floor, Govindpuri, Delhi-110019, Flat No 26, Sect 13, Pkt 1 Dwarka Ph 1, New Delhi, Delhi, 110078 and L.G.F, Flat No 05, A-252, Building No 191, Neelkanth Palace Sant Nagar, East Of Kailash, Delhi, 110065 (Email anutoshsinha4984@gmail.com, ellorainternational75@gmail.com)

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

- iii) Shri Amit Gupta of M/s Sada Steel Impex A-30, First Floor Group Wazirpur Industial Area, New Delhi – 110052(Email amitguptatinku@yahoo.com)
- iv) M/s Mukesh Grover (Shri Mukesh Grover), 4/6, 8748, D.B. Gupta Road, Paharganj, New Delhi. (Email sanjaygrover25@yahoo.com)
- v) Shri Atul Kishore Guglani , 318, Tarun Enclave, Pitampura, North West Delhi 110034(Email a.k.enterprises310@gmail.com)

Copy to the following:

- i) The Pr. Additional Director General, Directorate of Revenue Intelligence (Hqrs.), 7th Floor, I.P. Bhawan, I.P. Estate, New Delhi.
- ii) The Additional Director (CI), Directorate of Revenue Intelligence (Hqrs.), 7th Floor, I.P. Bhawan, I.P. Estate, New Delhi.
- iii) The Superintendent (EDI), Custom House Mundra

LIST OF RUDs

| RUD No. | Description of Document |
|----------------|--|
| RUD No 1 | ROP dated 16.05.2023 & 17.05.2023 |
| RUD No 2 | Voluntary submission letter of Pranshu Goel dated 17.11.2022 |
| RUD No 3 | High Sea sale Agreement Certificate No. INDL 9134003654500U dated 22.09.2022 |
| RUD No 4 | Panchnama dated 15.12.2023, 581/6, Govindpuri Kalkaji New Delhi |
| RUD No 5 | Panchnama dated 15.12.2023, Flat No. 980, Gali No.9, 2nd Floor, Govindpuri Delhi |
| RUD No 6 | Panchnama dated 15.12.2023, LGF Flat No. 05, A-252, Building No. 191, Neel Kanth Palace, Sant Nagar, East of Kailash, North East Delhi-Sounth Delhi-110065 |
| RUD No 7 | Panchnama dated 15.12.2023, K-6 Ground Floor, Srinivasपुरi South Delhi |
| RUD No 8 | Panchnama dated 15.12.2023 at 4/6, D B Gupta Road, Paharganj Central Delhi, 110055 |
| RUD No 9 | Panchnama dated 15.12.2023 at 318, Tarun Enclave, Saraswati Vihar, Pitampura, Northwest Delhi, 110034 |
| RUD No 10 | Panchnama dated 15.12.2023 D-71, Flat No. 101, First Floor Vishwakarma Colony, Delhi |
| RUD No 11 | Statement of Arjun Guglani, Partner M/s Total Cargo Service dated 08.01.2024 |
| RUD No 12 | Statement of Arjun Guglani, Partner M/s Total Cargo Service dated 30.05.2024 |
| RUD No 13 | Statement of Arjun Guglani, Partner M/s Total Cargo Service dated 06.10.2025 |
| RUD No 14 | Statement of Ashutosh kumar Sinha (Partner in the firm M/s Total Cargo Services and proprietor of M/s Ellora International) dated 15.12.2023 |
| RUD No 15 | Statement of Ashutosh kumar Sinha Partner in the firm M/s Total Cargo Services, Partner M/s Total Cargo Service dated 04.09.2024 |
| RUD 15A | Summons to Shri Arjun Guglani, Partner M/s Total Cargo Service summon dated 23.12.2024, 22.01.2025 & 18.02.2025 |
| RUD No 16 | Mukesh Grover (CHA) dated 20.12.2023 |
| RUD No 17 | Mukesh Grover (CHA) dated 21.12.2023 |
| RUD No 18 | Mukesh Grover (CHA) dated 03.01.2025 |

F.No. GEN/ADJ/COMM/697/2025-Adjn-O/o Pr Commr-Cus-Mundra
SCN No. 33/2025-26/COMM/N.S/Adjn/MCH

| | |
|-----------|---|
| RUD No 19 | Statement of Sh. Atul Kishore Guglani Director of M/s Choice Cargo Agency Pvt. Ltd. dated 05.01.2024 |
| RUD No 20 | Statement of Sh. Atul Kishore Guglani Director of M/s Choice Cargo Agency Pvt. Ltd. dated 02.01.2025 |
| RUD No 21 | Summons to Sh. Amit Gupta , Proprietor of M/s Sada Steel impex dated 23.12.2024, 01.02.2024, 18.04.2024, 02.09.2024, & 01.08.2025 |
| RUD No 22 | Record of all proceedings |
| RUD No 23 | Retrieved genuine invoices in Past Investigation |
| RUD No 24 | Statement of Vijay Goel, dated 16.11.2022, Controller of "M/s Mahadev ji exports" |
| RUD No 25 | Statement of Vijay Goel, dated 17.11.2022, Controller of "M/s Mahadev ji exports" |
| RUD No 26 | Statement of Pranshu Goel, dated 16.11.2022, Proprietor of "M/s Mahadev ji exports" |
| RUD No 27 | Statement of Shri Deepak Jindal, dated 15.12.2023, proprietor of M/s Seeno Stainless Steel |
| RUD No 28 | Statement of Shri Deepak Jindal, dated 06.02.2024, proprietor of M/s Seeno Stainless Steel |
| RUD No 29 | Statement of Shri Sandeep Garg, dated 15.12.2023, proprietor of M/s S S Enterprises |
| RUD No 30 | Statement of Shri Sandeep Garg, dated 06.02.2024, proprietor of M/s S S Enterprises |
| RUD No 31 | Statement of Shri Vikas Jindal, dated 13.02.2024, proprietor of M/s Royal Steel Trading |
| RUD No 32 | Statement of Shri Gaurav Jindal dated 09.01.2024, proprietor of M/s Gemini Metal Corporation |
| RUD No 33 | Statement of Shri Gaurav Jindal dated 04.03.2024, proprietor of M/s Gemini Metal Corporation |
| RUD No 34 | OIO NO. MCH/ADC/AKM/258/2024-25 dated 20.01.2025 in respect of M/s Mahadev ji exports and others |
| RUD No 35 | Show Cause Notice F.No. GEN/ADJ/COMM/526/2024-Adjn-O/o-Pr.Commr-Cus-Mundra dated 08.11.2024 |
| RUD No 36 | Show Cause Notice F.N o. GEN/ADJ/COMM/582/2024-Adjn-O/o Pr Commr-Cus-Mundra dated 13.12.2024 |
| RUD No 37 | OIO No. KOL/CUS/Commissioner /Port/Adjn/22/2025 in respect of Gemini Metal Corporation dated 16.06.2025 |