

 सत्यमेव जयते BHARAT SARKAR	सीमाशुल्क आयुक्तकाकार्यालय)एनएस(1- OFFICE OF COMMISSIONER OF CUSTOMS (NS-1) जवाहरलालनेहरूकस्टमहाउस, न्हावा-शेवा JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA ताल-उरण, जिला -रायगढ़, महाराष्ट्र 707 400- TAL-URAN, DISTRICT- RAIGAD, MAHARASHTRA-400707	 INDIAN CUSTOMS
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F. No: CUS/AG/MISC/1523/2025/Gr. IIG/JNCH

Dated: 24.09.2025

SCN No.1026/2025-26/JC/Gr. IIG/NS-I/CAC/JNCH

S/10-414/2025-26/JC/Gr. IIG/NS-I/CAC/JNCH

DIN No. 20250978NW0000777C65

**SHOW CAUSE NOTICE ISSUED UNDER SECTION 124 & SECTION 28(4) OF
CUSTOMS ACT, 1962**

M/s Raj Traders (IEC: 0316949132) having registered address at MB7/ A, Mezz Floor, IO/21, Flox Chamber, Tata Road No. -1, Opera house, Girgaon, Mumbai-400004 (hereinafter referred to as 'the importer) through their authorized customs broker (CB), M/s Prakhar Gupta (ASLPG5339H) filed bills of entry no. as mentioned in Table-I (hereinafter referred to as 'subject Bills of Entry) for import of “.LED TV Panel of different sizes ” during the year 2019and 2020. Details of said bills of entry are tabulated as below:

TABLE-I

Sr	BE No.	BE Date	Type of Goods Found	Declared Brand	Qty (Pcs)	UQC	Declared Value (in USD)	Declared Unit Value in Rs
1	9010687	30.09.2020	LED TV PANEL 55"	Samsung	180	Pcs	120	8952
			LED TV PANEL 65"	Samsung	96	Pcs	140	10444
			LED TV PANEL 75"	Samsung	3	Pcs	266	19843.6
			LED TV PANEL 82"	Samsung	10	Pcs	320	23872
2	9064120	05.10.2020	LED TV PANEL 43"	Samsung	198	Pcs	90	6705
			LED TV PANEL 49"	Samsung	114	Pcs	103	7673.5
			LED TV PANEL 50"	Samsung	198	Pcs	105	7822.5
3	9201553	16.10.2020	LED TV PANEL 40"	Sony	20	Pcs	80	5940
			LED TV PANEL 43"	Sony	120	Pcs	90	6682.5

		LED TV PANEL 55"	Sony	280	Pcs	120	8910
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2. During the course of investigation, in a case vide F. No. SG/Inv-65/2020-21/C-cell/SIIB (1)/JNCH wherein it was observed that importer did not declare the brand name with the description and also undervalued the subject imported goods. It was checked in ICES system and found that M/s. Raj Traders imported the same items i. e. LED TV PANEL of different sizes with generic description in past also as mentioned above in Table-I by the way of willful misdeclaration in terms of generic description and undervaluation during the year 2019 and 2020 to evade applicable Customs duty.

3. During the course of investigation, statement of Shri. Bimal Shah, Proprietor of M/s Raj traders was recorded under Section 108 of the Customs Act, 1962, on 13.02.2023 **(RUD-1)** wherein, he inter alia stated that: -

- His name is Bimal Shah. He is the proprietor of M/s. Raj traders. He is 41 years old. He looked after the purchase and sale in case of both domestic and foreign, of M/s. Raj Traders. His PAN Card No. is AVOPS1430M. His email ID is rajtraders108@gmail.com. His mobile no. is 9820448861. His residential address is D-301, Shanti Apartment, Mathuradas Road, Opposite Atul Tower, Kandivali (W), Mumbai- 400 067. The said premise is owned by his mother. He lived here with his mother, father, his wife and their child. He had completed 12th standard. He had saving bank account no. 921010036783929 with Axis bank Kandivali (W) branch. He could read, write and understand Hindi and English language.
- They did trade of LED spare parts, oil and auto parts mainly. Further, he stated that only 10% of overall volume of their business is being imported and remaining 90% they purchased from local market. They are not into exports. They have hardly exported one or two shipments.
- He looked after the purchase and sale in case of both domestic and foreign for M/s. Raj Traders. Further, as he is the proprietor of M/s. Raj Traders. He looked after almost every work or in its management.
- They came in contact with the custom broker through some reference. He did not re-collect from whose reference they met. They paid Rs. 5,000/- plus GST per container to their custom broker. For this, they provided services like assessment, examination, loading and unloading of cargo, etc.
- M/s. Prakhar Gupta, their authorized custom broker filed bill of entry no. 9602410 dated 17.11.2020, 7074946 dated 02.03.2020, 9201553 dated 16.10.2020, 9064120 dated 05.10.2020, 9010687 dated 30.09.2020, 5075763 dated 27.09.2019, 5481421 dated 30.10.2019 and 5921215 dated 03.12.2019 on their behalf.

- On being asked about the content of the goods ordered with foreign supplier and imported vide bill of entry No. 9602410 dated 17.11.2020, 7074946 dated 02.03.2020, 9201553 dated 16.10.2020, 9064120 dated 05.10.2020, 9010687 dated 30.09.2020, 5075763 dated 27.09.2019, 5481421 dated 30.10.2019 and 5921215 dated 03.12.2019 he replied that they ordered for Samsung and Sony brand LED TV panel of different sizes and the same were declared in the bill of entry.
- On being asked did M/s. Quality Export House Pte Ltd is a regular supplier for their firm he replied in affirmative and further stated that M/s. Quality Export House Pte Limited is one of the regular suppliers to their firm. They came in contact with the supplier through some local reference and then they visited Dubai to supplier's go-down and after seeing the goods, they placed the order. The said order was documented via sales contract and accordingly, the supplier delivered the goods as per the said sales contract. Further, he stated that the said goods were stock lot goods. The goods were imported on 90 days DA.
- On being asked when they were getting the goods from four different countries how come rates were same even including freight, as freight from different country must be different he replied that it is correct that the freight from different country/port is different. However, he stated that they always imported on cost and freight basis and invoice was always generated on cost and freight basis. As the freight from different countries is different, supplier must have adjusted in their profit margin to sell the goods.
- On being asked whether the payment for the above said bills of entry had been made he replied that he had to check the same. He would submit the same within one week's time.
- On being asked why he didn't declare the brand in the bill of entry he replied that they declared the brand in respective column of the bill of entry. However, he stated that they didn't declare brand in description column.
- On being asked why he didn't declare the brand in description column of the bill of entry he replied that they mentioned the item description as per the invoice and packing list in description column, brand and model no is mentioned in their respective column and not in description box.
- On being asked that on examination of bill of entries filed by him, it had been noticed that he didn't mentioned item wise brand but against every item he mentioned SONY/SAMSUNG and also asked to explain he replied that in some bill of entry where single brand goods were imported they mentioned the brand name in the specific column. However, wherever both Sony/Samsung brands good were imported, they mentioned SONY/SAMSUNG as value for both the brands were same.
- On being asked that he is also partner in firm namely M/s. Global International and

also asked to explain when were importing similar goods, why two different IEC's are required he replied actually, he had two firms. One is proprietorship firm in his name and other is partnership firm with his wife. He had done the same to make his wife taxpayer as she didn't has any other income. Further, this also splits the income between him and his wife.

4. During the course of investigation, statement of Shri. Bimal Shah, Proprietor of M/s Raj traders was recorded under Section 108 of Customs Act, 1962, on 06.10.2023 (**RUD-2**) wherein, he inter alia stated that:

- On being asked that as per his IEC certificate his registered address is different from his earlier address and further asked had he changed his office address he replied in affirmative and further stated that he changed his office address. Presently, his office address is Ground Floor, Shop no. 07, Aman Chambers, Mama Parmanand Marg, Opera House, Mumbai-400004.
- On being asked that any specific reason to change the office address he replied that the building was old where earlier office was situated. His present office was also on rent.
- On being asked how many brand of LED TV PANEL had he imported in last five years he replied that he imported only LED TV PANEL of Sony and Samsung brand in past.
- On being asked that he had the sale invoices of all imported LED TV PANEL or otherwise he replied in affirmative and further stated that he had sales invoices of all imported LED TV PANELS. He submitted the signed copy of the same.
- On being asked that brand name is not mentioned in sale invoices and further asked what he had to say in this regard he replied that he mentioned the same description which was mentioned in invoices.
- On being asked did he sale all imported LED TV PANEL of Samsung/Sony brands in the same price he replied that Sony/Samsung both are treated as branded goods in India hence they are sold at same price in India.
- On being asked since the brand name is not mentioned with description both in BE and sales invoice also therefore it appeared that it was his modus operandi to hide the actual brand name he replied as he stated in his earlier statement that he mentioned the brand name in respective brand column of B/E during filing the same and in sales invoices didn't understand necessary to mention the brand name in invoices because both brands are similar in price.
- On being asked has he had any records of imported LED TV PANEL he replied that on receiving the cargo at Bhiwandi Godown he prepared a list of all items with brand name.
- On being asked has he had the B/E wise list of LED TV PANEL with brand name he

replied in affirmative and further stated that he had and he submitted the list wherein B/E no., date, invoice no. & date, quantity and product name with brand name is mentioned.

- On being asked it assumed that he mentioned the brand name in invoice and packing list not with description but as per NIDB contemporary data his declared value is very low and further asked what he had to say in this regard he replied that he purchased all the goods in stock-lot on negotiate price and the same is transaction value which was declared by him in invoices.
- He had nothing more to add.

During scrutiny of the documents which were uploaded on e-sanchit such as invoice, packing list it was noticed that both brand name mentioned in seven bills of entry in respective brand column. It was checked in ICES system also but importer declared both brand in respective brand column in above mentioned seven bills of entry. During statement importer submitted a annexure **(RUD-3)** (BE wise list wherein specific brand mentioned with item wise).

5. During the course of investigation, statement of Shri Touseef Ibrahim Shaikh, H-Card Holder of M/s Prakhar Gupta was recorded under Section 108 of Customs Act, 1962, on 26.12.2022 (RUD-4) wherein, he inter alia stated that:

- His name is Touseef Ibrahim Shaikh. He is 42 years old. He resided at Flat no. 104, Nazish Plaza, Indira Gandhi Road, Rashid Compound, Kausa, Mumbra, Thane-400612. The said address is owned by his mother. He lives at this place with his wife and his mother. His Mobile No. is 9987461753. He submitted attested photocopy of Aadhaar Card No.9145 0042 5858 and Kardex No. 113/2019 valid up to 25.04.2024.
- He could read, write and understand Hindi, Marathi and English. Their license is Kanpur based license in the name of their proprietor, Shri Prakhar Gupta, who looks after the customs clearance work in Kanpur and nearby areas. They got license of custom broker in 2017. He had saving bank account no. 01101000002265 with HDFC bank, PUB Nhava Sheva, Uran. He completed his Graduation in commerce from Yashvant Rao Chauhan University. Further, he also submitted his authorization letter dated 23.12.2022 issued by Shri Prakhar Gupta on his name.
- On being asked to specify what kinds of goods did he clear, were there any specific category of goods or he cleared goods in general he replied they did not work in any specific category. Actually, they work in general category which means any kind of work which comes to them and allowed under customs act and other allied act. Further he stated that they didn't clear a single document in last 3-4 months in imports from Mumbai.
- On being asked how they acquired clients he replied they generally tried to acquire clients through their references in the industry. Further, these 04 clients namely M/s.

Electronic Stock Exchange, M/s. Global International, M/s. Ideal Impex and M/s. Raj Traders were brought to them by Shri Hakim Shaikh (Mob No: 9819945946). Earlier Shri Hakim Shaikh was worked in their CB, M/s. Prakhar Gupta.

- On being asked who filed bill of entry in their office in Mumbai he replied that only he filed bill of entry after the checklist was verified by the importer.
- On being asked so he filed all the bills of entry for M/s. Electronic Stock Exchange, M/s. Global International, M/s. Ideal Impex and M/s. Raj Traders he replied in affirmative and further stated that he filed all the bills of entry for M/s. Electronic Stock Exchange, M/s. Global International, M/s. Ideal Impex and M/s. Raj Traders which were filed through M/s. Prakhar Gupta.
- On being asked why he didn't mention the brand as per the invoice and packing list he replied that they did not write brand name in description column. However, he stated that there is specific column for the brand and model no in bill of entry and he always mentioned brand and model no. in the respective column as per the details available in invoice, packing list or any other import documents.
- On being asked did he mention the brand like Sony and Samsung in the respective column of the bill of entry he replied in affirmative and further stated that he mentioned Samsung/ Sony or any other brand as per the invoice and packing list. Further, he also stated that in case of LED TV panel there have been instances where the IPR NOC was also taken from IPR cell, when the docks or assessing group raised such query.
- On being asked did he visit the address of all the four importers he replied that Shri Hakim Shaikh had visited the address situated in Delhi and he verified the address situated in Mumbai. Out of these four importers, M/s. Global International and M/s. Raj Traders are based in Mumbai and remaining two are based in Delhi.
- On being asked what Shri Hakim Shaikh was doing those days he replied since 2021, Shri Hakim Shaikh was working with their firm but from 2022 he had joined new custom broker firm. However, he didn't know where he had joined.
- On being shown the copy of summons issued to M/s. Electronic Stock Exchange, M/s. Global International, M/s. Ideal Impex and M/s. Raj Traders vide Summons No. KS/410/2022-23, KS/411/2022-23, KS/413/2022-23 and KS/412/2022-23 respectively all dated 23.11.2022, which were sent vide speed post and he was given the hard copy for the same but none of the importer has turned up and further asked did he has any communication with the importer he replied that he had forwarded the said summons to Shri Hakim Shaikh and followed up with him. He stated that one similar matter of M/s. Narayan Industries was pending in assessing group for adjudication so accordingly, after adjudication, they would come and attend the same.
- On being asked has he had any knowledge about the remittance made by importer

against the imported goods (LED TV Panel) by M/s. Electronic Stock Exchange, M/s. Global International, M/s. Ideal Impex and M/s. Raj Traders he replied that as per the invoice payment was 90 days after delivery so he couldn't confirm whether the payment had been made or not.

- On being asked how he received invoice and packing list and other import related document from importer M/s. Electronic Stock Exchange, M/s. Global International, M/s. Ideal Impex and M/s. Raj Traders he replied that the document was given to them in the office by the importer based in Mumbai. However, for the importer situated in Delhi the document was given to them in office by the office boys of Shri Gurvinder Singh Kocher (Mob: 8000196575) who was authorized by the importer for giving them the document.
- On being asked as he said the document was given to their office in hard copy, so did he ever receive the original copy of documents or their office always received the scanned copy of the documents he replied that the documents other than BL was given in colored copy to them and the said documents were not in original. Further, he stated that they always received original BL. Sometimes the BL was surrendered before it reaches to them.
- On being asked did he present during the examination of Samsung/Sony LED TV Panel imported by M/s. Electronic Stock Exchange, M/s. Global International, M/s. Ideal Impex and M/s. Raj Traders he replied in affirmative and further stated that he was present in many examinations of the said goods and he stated that the goods were always found as declared in terms of quantity, description, brand and any other declaration by the importer.
- He had nothing else to say. However, he stated that they always mentioned the brand, model no. or any other details as per the invoice, packing list and other import documents in respective columns of the bills of entry and these goods, when subjected to the IPR verification, were accorded IPR NOC.

6. With the introduction of the Self-Assessment Scheme, the onus is on the importer to comply with the various laws, determine his tax liability correctly and discharge the same. The importers are required to declare the correct description, value, classification, notification number, if any, on the imported goods. Self-assessment is supported by Section 17, 18 and 46 of the customs act, 1962 and the bill of entry (Electronic Declaration) Regulation, 2011. The importer is squarely responsible for self-assessment of duty on imported goods and filing all declaration and related documents and confirming these are true, correct and complete. Self-assessment can result in assured facilitation for compliant importers. However, delinquent importers would face penal action on account of wrong self-assessment made with intent to evade duty or avoid compliance of conditions of notifications, Foreign Trade Policy or any other provisions under the customs act, 1962 or

the allied acts. The relevant provisions of law relating to import, assessment of duty, and the liability of the goods to confiscation and imposition of penalty are as per the provisions of the Customs Act, 1962 as amended from time to time.

7. During the course of the investigation, it is observed that importers namely, M/s. Raj Traders has intentionally omitted declaring the brand name of the LED TV panels in the description column during importation of the goods, "LED TV panels". Furthermore, they undervalued the goods, which mean they deliberately misrepresented the value of the imported LED TV panels to pay lesser customs duties. Additionally, they engaged in a scheme where they sold the imported items to each other (M/s. Raj Traders, M/s. Electronics Stock Exchange, M/s. Ideal Impex, and M/s. Global International) under GST invoices and all these importers intentionally omitted mentioning the brand name of the LED TV panels in both import documents (bill of entry) and sales documents (sales invoices). This omission further facilitated the deception regarding the actual value of the imported goods. This convoluted exchange was designed by above mentioned importers to obscure the true market value of branded LED TV panels and circumvent the customs duty payment.

8. Legal provisions relevant to the instant case are:

The relevant provisions of law relating to import and valuation of goods in general, the policy and rules relating to imports, the liability of the goods to confiscation and the persons concerned are liable to penalty for illegal importation under the provisions of the Customs Act, 1962 and the other laws for the time being in force are summarized as below:

8.1 As per the provisions of Section 46(4) of the Customs Act, 1962, the importer while presenting a bill of entry shall at the foot thereof 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, present to the proper officer the invoice, if any, relating to the imported goods.

8.2 Section 17(1) of the Customs Act, 1962, provides for self-assessment of duty on imported goods by the importer himself by filing a Bill of Entry. Under this mode of self-assessment, the bill of entry was self-assessed by importer, with regard to correctness of classification, value, rate of duty, exemption notification or any other relevant particular having bearing on correct assessment of duty on import.

8.3 Section 111 of the Customs Act, 1962, provides for confiscation of improperly imported goods, etc. - The following goods brought from a place outside India shall be liable to confiscation:

(m) 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 in respect thereof, or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54;

8.4 Section 112(a) Penalty for improper importation of goods, etc -

Any person who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111 or abets the doing or omission of such an act.

8.5 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 been part paid or the duty or interest has been erroneously refunded by reason of collusion or any willful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (8) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined:

[**Provided** that where such duty or interest, as the case may be, 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 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, 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 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.

8.6 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.

8.7 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.

[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 there under 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 two years shall be computed from the date of receipt of information under sub-section (2).

(4) Where any duty has not been 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 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.

9. Valuation of the goods

9.1 The importer had not declared the brand name of the items with description in the bills of entry. It is pertinent to mention that in case of electronic goods valuation of the items are decided as per the brand, model no and size of the goods.

9.2 Since there was apparent hiding of information with regard to brand of goods being imported and apparent undervaluation of the goods in the subject consignment, the declared value of the goods of all the bills of entry mentioned in Table-1 is liable to be rejected, in terms of Rule 12 of the Customs Valuation (Determination of Price of Imported Goods) Rules, 2007 (CVR, 2007), read along with Section 14(1) of the Customs Act, 1962 and the value needs to be re-determined in accordance with the CVR, 2007.

9.3 Valuation of goods for the purpose of assessment of customs duties is governed by the provisions of Section 14 of the Customs Act, 1962, which provides that the value of imported goods shall be the transaction value of such goods, when sold for export to India for delivery at the time and place of importation, 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. Further, the Customs Valuation Rules (Determination of Price of Imported Goods) 2007 (hereinafter referred to as 'CVR, 2007'), having been framed under the provisions of Section 14, provides for determination of value in a variety of situations. More specifically, Rule 3 of the CVR, 2007 provides that subject to Rule 12, value of the goods shall be the transaction value adjusted in accordance with Rule 10.

9.4 However, in the instant case, the brand and model numbers of imported goods were not declared with description in the respective bills of entry filed for their clearance. Accordingly, value declared to the customs in the respective bills of entry did not represent the true transaction value of the goods actually imported. It, therefore, appeared that the value declared is liable to be rejected under the provisions of Rule 12 of the CVR, 2007.

9.5 Further, Shri Bimal P. Shah, Proprietor, of M/s. Raj Traders, did not provide any documentary evidence of the true transaction value of the imported goods therefore it cannot be determined under Rule 3 of the CVR, 2007.

9.6 Rule 3(4) of the CVR, 2007 prescribes that, "If the value cannot be determined under the provisions of sub-rule (1), the value shall be determined by proceeding sequentially through rules 4 to 9. As the value of impugned goods could not be determined under the provisions of sub-rule (1) of Rule 3 of the Customs Valuation Rules (CVR), 2007, the same was required to be determined sequentially under Rule 4 to 9 of CVR, 2007. As per Rule 4 of CVR, 2007, 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; Further, as per Rule 5 of CVR, 2007 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: To determine the value of the imported goods as per Rule 4 or Rule 5 of CVR 2007, contemporaneous data of import of identical or similar

goods was required, however, no concrete data of identical or similar items in terms of description, quantity and country of origin was found in customs database, therefore, value of the goods cannot be determined as per Rule 4 and 5 of the Customs Valuation Rules (CVR), 2007. As per Rule 6 of the CVR, 2007 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, then under Rule 8. Further, due to non-availability of the actual profit, transportation, general expenses in each transaction and cost of production & profit percentage of the supplier, it appears that determination of value under Rule 7 and Rule 8 of the CVR 2007 is not a feasible option. Therefore, the valuation of impugned goods was to be done under Rule 9 of the CVR, 2007 using reasonable means consistent with the principles and general provisions of these Rules and on the basis of data available in India. The data of assessable value of similar goods, which are available in India, are as under:

TABLE-II

Sr. No.	Description	B/E No. & Date	Port of Import	Size	Value Declared in B.E. (USD)	Value as per NIDB Data (INR)
1	Samsung LED TV Panel	8471636 dated 14/08/2020	INCCU1	43"	140	10605
2	Samsung LED TV Panel	2589509 dated 27.03.2019	INWFD6	49"	197	13790
3	Samsung LED TV Panel	9889088 dated 12/09/2020	INDEL4	50"	194.8	14551.56
4	Samsung LED TV Panel	8471636 dated 14.08.2020	INCCU1	55"	250	18937.5
5	Samsung LED TV Panel	9003346 dated 30.09.2020	INCCU1	65"	300	22380
6	Samsung LED TV Panel	9003346 dated 30.09.2020	INCCU1	75"	350	26110
7	Samsung LED TV Panel	9003346 dated 30.09.2020	INCCU1	82"	380	28348
8	Sony LED TV Panel	3250162 dated 16/05/2019	INDELA	40"	132.59	9340.96
9	Sony LED TV Panel	9573760 dated 09/01/2019	INDEL4	43"	189.85	13099.31
10	Sony LED Panel TV	4050524 dated 12.07.2019	INCCU4	55"	375	26156.25

10. Further, the total Redetermined Assessable value on the basis of NIDB data is Rs. 2,15,54,585/- (Rupees Two Crore Fifteen Lakh Fifty Four Thousand Five Hundred Eighty Five only) and re-determined duty is Rs. 80,76,503/- (Rupees Eighty Lakh Seventy Six Thousand Five Hundred Three only). Based on the re-determined assessable value, the differential duty worked out to be **Rs. 42,42,137/- (Rupees Forty Two Lakh Forty Two Thousand One Hundred Thirty Seven Only)** (rounded-off to nearest decimal number) (as per Annexure-A).

11. From the above, it appears that:

a. The IEC' holders, M/s. Raj Traders and CB, M/s. Prakhar Gupta have indulged in misdeclaration in terms of generic description, i.e. brand name did not mentioned with description and undervalued the impugned goods thereby, rendering the goods liable for confiscation under Section 111 (m) of the Customs Act, 1962.

b. Consequent to the said mis-declaration and undervaluation in respect of subject impugned goods, the redetermined assessable value on the basis of NIDB data is Rs. 2,15,54,585/- (Rupees Two Crore Fifteen Lakh Fifty Four Thousand Five Hundred Eighty Five only) and re-determined duty is Rs. 80,76,503/- (Rupees Eighty Lakh Seventy Six Thousand Five Hundred Three only). Based on the re-determined assessable value, the differential duty worked out to be Rs. 42,42,137/- (Rupees Forty Two Lakh Forty Two Thousand One Hundred Thirty Seven Only) (rounded-off to nearest decimal number) (as per **Annexure'-A**).

c. M/s. Raj Traders had tried to evade applicable customs duty by way of declared generic description i.e brand name didn't mentioned with description and undervalued the impugned goods and also imported vide above BE,'s mentioned Table-1. The importer, M/s. Raj traders had attempted to evade duty to the tune of **Rs. 42,42,137/-** by providing incorrect data in bills of entry in terms of generic description of goods and value of the impugned goods. By the above acts of omission & commission on the part of the importer, he rendered the goods liable for confiscation under Section 111(m) of the Customs Act, 1962 and consequently rendered himself liable for penal action under section 112(a)/114A of the Customs Act, 1962.

d. Shri. Bimal Shah proprietor, of M/s Raj Traders had knowingly misdeclared the impugned goods in terms of generic description & undervalued the subject impugned goods with intent to fraud the government exchequer. By the above acts of omission & commission on the part of the importer, he rendered the goods liable

for confiscation under Section 111(m) of the Customs Act, 1962 and consequently rendered himself liable for penal action under Section 112(a) & 114AA of the Customs Act, 1962.

e. The CB, M/s. Prakhar Gupta was also indulged to misguide the department as he also did not advise the importer to make the correct description of goods in respect of brand name, model no. and value also. By the above acts of omission & commission on the part of CB, he rendered the goods liable for confiscation under section 111(m) and consequently rendered himself liable for penal action under section 112(a) & 114AA of the Customs Act, 1962.

12. Therefore, in terms of Section 124 read with Section 28(4) of the Customs Act, 1962, M/s. Raj Traders (IEC: 0316949132), having registered address at MB7/A, Mezz Floor, 10/21, Flox Chamber, Tata Road No.-1, Opera House, Girgaon, Mumbai - 400004, & the Customs Broker, M/s. Prakhar Gupta (ASLPG5339H) are hereby called upon to show cause to the Joint Commissioner of Customs, NS-I, JNCH, Nhava Sheva, Taluka – Uran, District – Raigad, Maharashtra – 400707, within 30 days of the receipt of this notice, as to why:

- i. the generic description of goods as declared in the subject Bills of Entry for import of “LED TV Panel of different sizes” as per Table-1 should not be rejected, and correct description mentioning brand name, model number, and correct valuation should not be insisted upon in terms of Customs valuation Rules.
- ii. the declared value of the goods should not be rejected under Rule 12 of the Customs Valuation Rules, 2007, and the value should not be re-determined under Rule 9 of the said Rules at an assessable value of Rs. 2,15,54,585/- (Rupees Two Crore Fifteen Lakh Fifty-Four Thousand Five Hundred Eighty-Five only), with a redetermined duty amounting to Rs. 80,76,503/- (Rupees Eighty Lakh Seventy-Six Thousand Five Hundred Three only)(Annexure A)
- iii. the re-determined differential duty amounting to Rs. 42,42,137/- (Rupees Forty two Lakh forty two Thousand one Hundred thirty seven only) should not be demanded under Section 28(4) of the Customs Act, 1962, along with applicable interest under Section 28AA of the Customs Act, 1962.
- iv. The subject goods as detailed in Table-I to this notice, having total re-determined assessable value of Rs. 2,15,54,585/-, should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962 for misdeclaration and undervaluation.

v. Penalty should not be imposed on M/s. Raj Traders under Section 112(a) and 114A of the Customs Act, 1962, for knowingly providing incorrect description, undervaluation, and misguiding the department.

vii. Penalty should not be imposed on the Customs Broker, M/s. Prakhar Gupta (ASLPG5339H) under Section 112(a) & 114AA of the Customs Act, 1962, for misguiding the department and not advising the importer to provide correct information.

viii. Penalty should not be imposed on Shri Bimal Shah, proprietor under Section 112(a) & 114AA of the Customs Act, 1962, for allegedly misdeclaring the impugned goods in generic terms and undervaluing them with an intent to defraud the Government Exchequer.

13 A Show Cause Notice covering the same issue but for a different period and not covered under this Show Cause Notice in respect of this importer may also be issued as per Regulation 3(6) of Pre-notice Consultation Regulation, 2018.

14. This Show Cause Notice is issued without prejudice to any other action that may be taken in respect of the said goods/notices and/or against any other firm/person concerned covered or not covered under the provisions of the Customs Act, 1962 and/or any other law for the time being in force in the Union of India.

Digitally signed by

Parul Singhal

Date: 24-09-2025

14:46:21

(Dr. Parul Singhal)

Joint Commissioner of Customs

Group IIG, NS-I, JNCH, Nhava Sheva.

M/s Raj Traders (IEC: 0316949132)

MB7/ A, Mezz Floor, IO/21, Flox Chamber,
Tata Road No. -1, Opera house, Girgaon,
Mumbai-400004.

M/s. Prakhar Gupta (ASLPG5339H)

Enclosure :-

i. Annexure-A

ii. Statement of Sh. Bimal P. Shah Proprietor of M/s. Raj Traders dated 13.02.2023 and

06.10.2023– (RUD-1,2)

iii. List of Bills of Entry wherein brand name mentioned with item wise (RUD-'3).

Iv Statement of Sh. Touseif Ibrahim Shaikh employee of CB, M/s. Prakhar Gupta dated 26.12.2022 - (RUD-4)

Copy to:-

- The Dy./Asstt. Commissioner of Customs, SIIB(I), NS-IV, JNCH
- The Dy./Asstt. Commissioner of Customs, Adjudication Cell, (I), JNCH.
- Office copy
- Notice Board (for display)