



**OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-
V, APPRAISING GROUP VA,**



**JAWAHARLAL NEHRU CUSTOMS HOUSE,
NHAVA SHEVA, TALUKA- URAN, DISTRICT
RAIGAD, MAHARASHTRA- 400707.**

F. No. S/26-Misc- 454/2025-26/Gr. VA JNCH

Date of Order: 19.12.2025

Date of issue: 22.12.2025

Show Cause Notice No. 1690/2025-26/Commr./Gr. VA/CAC/JNCH

DIN: 20251278NX000000E0D1
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SHOW CAUSE NOTICE ISSUED UNDER SECTION 28(4) OF THE CUSTOMS ACT, 1962

M/s Genvolt India Pvt Ltd, 3rd Floor, 417, S.No. 104/3, Sharayu Harmony, Pune Bangalore Highway, Near Balewadi, Baner, Pune, Maharashtra – 411045 (hereinafter referred to as “GIPL/Importer”) imported goods of description ‘Collector/Cathode HV Transformers’ and ‘CLR Assy’ under CTIs 8504 1020/8504 1090 and paid BCD @7.5%.

2. M/s Genvolt India Pvt. Ltd. imported goods of description 'Collector/Cathode HV Transformers' and 'CLR Assy' under CTIs 8504 1020/8504 1090 and paid BCD@7.5% whereas appears to be rightly classifiable under CTI 8504 9010. The incorrect CTI: 8504 1020 / 8504 1090 relate to Ballasts for discharge lamps or tubes. Also, the correct classification for "Parts of Transformers" is CTI: 8504 9010. The merit BCD rate applicable to import of Transformers and also their parts is @10%. Accordingly, the matter was taken up by DRI, Kakinada Sub-Regional Unit for investigation.

3. In view of the above, it appears that the importer has misclassified the imported goods and paid BCD@7.5% instead of correct BCD@10%. The correct classification of the Collector/Cathode HV Transformer, CLR Assy, appears to be parts of other than transformers under CTI: 8504 9090 attracting BCD@10%, SWS@10% and IGST @18% as per the amendment notification cited above. Hence, differential BCD@2.5%, SWS@10% on BCD and IGST @ 18% is liable to be paid by the importer.

4. Chapter 8504 deals with goods viz. Electrical Transformers, Static Converters, Rectifiers, Inductors and the like and their parts. For the sake of immediate reference, the excerpt of CTH:8504 is reproduced hereunder:

8504 ELECTRICAL TRANSFORMERS, STATIC CONVERTERS
(FOR EXAMPLE, RECTIFIERS) AND INDUCTORS

8504 10 - Ballasts for discharge lamps or tubes:

8504 10 10	---	<i>Conventional type</i>	<i>u</i>	<i>*7.5%</i>	-
8504 10 20	---	<i>For compact fluorescent lamps</i>	<i>u</i>	<i>*7.5%</i>	

8504 10 90 --- *Other* u *7.5%

- *Liquid dielectric transformers:*

8504 21 00 -- *Having a power handling capacity* u 10% -

Not exceeding 650 kVA

8504 22 00 -- *Having a power handling capacity* u 10% -

exceeding 650 kVA but not

exceeding 10,000 kVA

8504 23 -- *Having a power handling capacity exceeding 10,000 kVA:*

8504 23 10 --- *Having a power handling capacity* u 10% -

exceeding 10,000 kVA but not

exceeding 50,000 kVA

8504 23 20 --- *Having a power handling capacity* u 10% -

exceeding 50,000 kVA but not

exceeding 1,00,000 kVA

8504 23 30 --- *Having a power handling capacity* u 10% -

exceeding 1,00,000 kVA but not

exceeding 2,50,000 kVA

8504 23 40 --- *Having a power handling capacity* u 10% -

exceeding 2,50,000 kVA

- *Other transformers:*

8504 31 00 -- *Having a power handling capacity* u 10% -

not exceeding 1 kVA

8504 32 00 -- *Having a power handling capacity* u 10% -

exceeding 1 kVA but not exceeding

16 kVA

8504 33 00 -- *Having a power handling capacity* u 10% -

exceeding 16 kVA but not exceeding

500 kVA

8504 34 00 -- *Having a power handling capacity* u 10% -

exceeding 500 Kva

8504 40 - *Static converters:*

8504 40 10 --- *Electric inverter* u 20% -

--- *Rectifier:*

8504 40 21 ---- *Dip bridge rectifier* u 20% -

8504 40 29 ---- *Other* u 20% -

8504 40 30 --- *Battery chargers* u 20% -

8504 40 40 --- *Voltage regulator and stabilizers* u 20% -

(other than automatic)

8504 40 90 --- *Other* u 20% -

8504 50 - *Other inductors:*

8504 50 10 --- *Choke coils (chokes)* u 7.5% -

8504 50 90	---	<i>Other</i>	<i>u</i>	7.5%	-
8504 90	-	<i>Parts:</i>			
8504 90 10	---	<i>Of transformers</i>	<i>kg.</i>	10%	-
8504 90 90	---	<i>Other</i>	<i>kg.</i>	15%	-

5. Accordingly, the importer was requested vide letter dated 26.03.2025 (**Annexure-A1**) sent by email, to submit their reply to the above observation of the department where they are liable for BCD@10% on the value of the goods imported by them.

6. In reply, the importer had submitted a letter Ref: GenIndia/DRI/V1.0 dtd. 28.03.2025 by mail (**Annexure-A2**), *inter-alia*, stating that the impugned goods are fundamentally electronic Ballasts designed to drive a discharge device. They further submitted that these goods are used in the manufacturing of military radar system and specifically serve to drive a vacuum tube called a Travelling Wave Tube (TWT), which is a type of discharge tube and their specific purpose as custom designed product was to drive a TWT, which functions through electron discharge – mirroring the role of a ballast in supporting gas discharge lamps or tubes.

7. Summons dtd. 07.05.2025 (**Annexure-A3**) under Section 108 of the Customs Act, 1962, were issued to M/s GIPL to appear for recording statement on 15.05.2025. Sri Sandeep Gupta, Director of M/s GIPL, Authorised representative, appeared and his statement was recorded on 15.05.2025 (**Annexure-A4**), in which he, *inter-alia*, mentioned the following in his statement:

- i. that the company design and manufacture High Voltage DC Power Supplies and Systems and Components; (Reply to Q.02)
- ii. that he looks after India operations of the company w.r.t. sales, service, manufacturing activities for high voltage DC systems and also Imports & Exports Logistics; (Reply to Q.03)
- iii. that the Goods imported were Collector/Cathode HV Transformer and CLR Assy; (Reply to Q.05)
- iv. that the goods were imported under HSN: 8504 1020/8504 1090; (Reply to Q.07)
- v. that they supply to their sole customer M/s Bharat Electronics Ltd. (BEL), Bangalore and BEL, Ghaziabad to Military Radar (MR) and Missile System (MS) wings; (Reply to Q.06)
- vi. that the goods doesn't fall under HSN: 8504 2100 to 8504 3400 as the same are related to Transformers with power handling capacity in Kilo Volt Ampere (KVA) which are solely related to Alternating Current (AC) Transformers for stepping up and stepping down the voltage, whereas their products entirely related/works on the Direct Current (DC) only and hence the above HSNs are not related to their product; (Reply to Q.09)
- vii. that the items mentioned under HSN: 8504 2100 to 8504 3400 are related to the Transformers handling AC power and are used generally in Power Transmission and Distribution. That their products are filled with liquid dielectric i.e. oil for better heat dissipation and insulation also their product drives a vacuum discharge tube i.e. technically called as Travelling Wave Tube (TWT); (Reply to Q.10)

- viii. that their product is also a type of High Voltage Electronic Ballast used to drive discharge tube (TWT). Like ballast used in the normal lamps or tubes, it provides output regulation, rectification and DC conditioning, ensure stable operation of vacuum discharge device (TWT); (Reply to Q.11)
- ix. that their products are used to heat the cathode element in a discharge tube to generate an electron beam which is further used inside the TWT tube; (Reply to Q.11)
- x. that generally 'Liquid dielectric transformers' handles AC power and are used generally in Power Transmission and Distribution. Oil is generally used as dielectric/insulating medium for providing insulation to the windings and better heat dissipation. There are other types of transformers like Dry Transformers where Air is used as the medium in the place of Oil; (Reply to Q.12)
- xi. that even though their product is termed as Transformer for the sake of industry convenience, in fact they are Ballasts used to drive a discharge device in a TWT Tube which is further used in Military Radar and Missile Systems manufacturing details of which are classified. The products they import are specially made to perform Ballast operations and hence they classified the same under HSN:85041020/85041090; (Reply to Q.12)
- xii. that they are following their head unit in UK where they have classified the same under HSN:8504 1020. Copy of the extract of the UK integrated Tariff online was submitted. The supplier has mentioned the same HSN in their Invoice and that they are also following the same; (Reply to Q.12)
- xiii. that regarding evasion of Customs duties, they clarified that they supply these goods to only one customer that too to a Govt. of India undertaking, on back to back basis. they have been supplying the goods to M/s Bharat Electronics Ltd. (M/s BEL, a Govt. of India undertaking) for more than 15 years; (Reply to Q.12)
- xiv. that M/s BEL was earlier importing the same goods from M/s Genvolt, UK directly. Afterwards M/s Genvolt, India was incepted in the year 2017 and supplying the same following the earlier practices; (Reply to Q.12)
- xv. that their product is tailor made to specific application of M/s BEL according to their requirement. As a law abiding company, they don't have plans to misclassify the goods to evade customs duties; (Reply to Q.12)

8. In response to a query through mail dtd.12.06.2025 regarding CLR Assy regarding their nature whether the same are part of the Ballast System or a stand alone project itself, the importer vide email dtd.16.06.2025 sent Technical report (CLR Assy- Oil cooled) (**Annexure-A5**) which, *inter-alia*, mentions that the CLR Assy is specifically engineered to provide safe current regulation;

9. Another Summons dtd.13.08.2025 (**Annexure-A6**), under section 108 of the Customs Act, 1962, were issued to the importer requesting them to appear before SIO, DRI, KSRU on 22.08.2025 for recording their statement. In response to the Summons dtd.13.08.2025, Shri Sandeep Gupta, Director, M/s Genvolt India Pvt Ltd. appeared before the Senior Intelligence

Officer of DRI, KSRU on 22.08.2025 and statement was recorded (**Annexure-A7**) (Copy attached) in which he, inter-alia, stated the following:

- i. that the three impugned goods are Ballasts by themselves and support the Travelling Wave Tube (TWT) to discharge electrons; (Reply to Q.06)
- ii. that all the three can be termed as individual ballasts and not as team/group; (Reply to Q.08)
- iii. that he doesn't know about the entire Ballast ecosystem, but know about the products they supply. All the three, Cathode HV Transformer, Collector HV Transformer and CLR Assy are independently working as Ballasts; (Reply to Q.09)
- iv. that they are individually work as Ballasts and they perform their individual capacity; (Reply to Q.10 & 11)
- v. that, in CFL Bulb the CLR used is Current Limiting Resistor; (Reply to Q.12)
- vi. that all three items are independently used in TWT setup to perform functions of a Ballast. Accordingly, they have classified the same under Ballasts for discharge tubes under HSN: 8504 1020; (Reply to Q.14)
- vii. that a CLR, in the context of CFL Bulb, is a Current Limiting Resistor. Whereas CLR Assy they import is Capacitor, Inductor and Resistor Assembly and is totally different from CLR used in ballasts of CFL Bulbs. Even in Cathode/Collector HV Transformer, there are CLR (Current Limiting Resistors) inside; (Reply to Q.15)
- viii. that all the three items viz. Cathode HV Transformer, Collector HV Transformer and CLR Assy are replaceable. Since it is not viable for repair, they generally replace the defective part with a new one, on request; (Reply to Q.16)
- ix. that Cathode HV Transformer itself works as Ballast. It regulates voltage, current and give a stable current to TWT. Similar is the case with collector HV Transformer. CLR Assy limits the collector (not collector HV Transformer) current to safe level, suppressing fault conditions and smoothens current transients and protect both collector (not collector transformer) and power electronics; (Reply to Q.17)

10. A Chartered Engineer Certificate dated 08.09.2025 (**Annexure-A8**) issued by M/s Ashish Deshmukh & Associates. Chartered Engineers & IBBI Regd. Valuer (P&M), Pune, was submitted by the importer through email dtd. 11.09.2025. It was opined by the said Chartered Engineer that the imported goods viz. Cathode HV Transformer, Collector HV Transformer and CLR Assy serve as electronic ballasts delivering stability and protection for vaccum discharge operation (TWT), not eligible for generic transformer classification.

11. In the light of the above investigation process, the impugned goods viz. 'Cathode HV Transformer, Collector HV Transformer and CLR Assy (Oil Cooled)' appears to be not ballasts by themselves but parts of the Ballasts of Travelling Wave Tube (TWT) for the following reasons:

a. **Functions of Ballast:**

A Ballast is any component that helps limit, control, or stabilize the current to sensitive TWT electrodes such as cathode and collector(s) (sometimes multiple collectors in a multistage

depressed collector) TWTs operate at very high voltages (often several kV to tens of kV), and current surges can instantly destroy them — so ballasting is critical.

b. **Types of Ballasts in TWT System:**

- i. Cathode Ballast (Current Limiting Resistor or Inductor)
- ii. Collector Ballast
- iii. Helix Protection Ballast (if applicable)
- iv. Arc Fault Ballast / Surge Limiter
- v. Start-Up Ballast / Inrush Limiter....etc.

c. **Parts of the Cathode Ballast used in the TWT System:**

<u>Part</u>	<u>Function</u>
Filament Supply	Heats the cathode for electron emission
Cathode HV Transformer	Supplies high negative voltage to cathode
Cathode Bias Circuit	Sets cathode potential; controls beam current
Ballast Resistors	Limits current and stabilizes supply
Arc Protection Circuit	Shuts down supply during arcing to protect TWT
Soft Start / Preheat Timer	Ensures proper startup sequence
Monitoring Circuitry	Provides real-time voltage and current feedback
Control Logic	Manages external interface and fault handling

d. **Parts of Collector Ballast used in a TWT System:**

<u>Part</u>	<u>Function</u>
HV Transformer	Converts low-voltage to collector-level high voltage
HV Rectifier	Converts AC to high-voltage DC for collector
Ballast Resistors	Limits current, prevents damage from transients
Voltage Divider / Feedback	Monitors collector voltage for regulation and safety
Arc Detection / Crowbar Circuit	Quickly disables collector supply during arc faults
Soft-Start / Sequencing Logic	Ensures collector voltage is applied in the correct order
Multi-Stage Collector Network	Optimizes beam collection efficiency
Monitoring and Control Interface	Provides system-level control and health monitoring

11.1 As can be conspicuously seen from c and d above, Cathode HV Transformer and Collector HV Transformer are integral **parts** of Cathode and Collector Ballasts respectively, which are in-turn parts of a Travelling Wave Tube (TWT) system. Core function of Cathode and Collector HV Transformers is to provide/supply High Voltage to Cathode and Collector Ballasts respectively. Similarly, the function of a CLR Assy is to limit current and protect sensitive tube components like the cathode, collector(s), or helix. To sum up, it appears that 'Cathode HV Transformer, Collector HV Transformer and CLR Assy (Oil Cooled)' are **parts** of Cathode/Collector Ballasts which in turn are integral and essential/important parts of a larger Travelling Wave Tube setup/system. Hence, it appears that the imported goods viz. 'Cathode HV Transformer, Collector HV Transformer and CLR Assy (Oil Cooled)' are parts of the Ballasts but not complete Ballasts, as claimed by the importer. The same merit classification as 'Parts---Other' under CTI: 8504 9090 whose rate of duty is BCD@10% under Sl.No.13A of Notification No.57/2017-Cus dtd.30.06.2017 as amended vide Notification 03/2021-Cus dtd. 01.02.2021.

12. Legal Provisions:

12.1 **Section 2(4)** – “bill of entry” means a bill of entry referred to in section 46;

12.2 **Section 2(23)** – “import”, with its grammatical variations and cognate expressions, means bringing into India from a place outside India;

12.3 **Section 2(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;

12.4 **Section 17 of the Customs Act, 1962:** “(1) An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods.....”

12.5 **Section 28(4) of the Customs Act, 1962:**

“(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.

12.6 **Section 28AA of the Customs Act, 1962:** “ Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any

other provisions of this Act or the rules made thereunder, the person, who is liable to pay duty in accordance with 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.....”

12.7 Section 46 (1) of the Customs Act, 1962: “*The importer of any goods, other than goods intended for transit or transhipment, 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.....”*

12.8 Section 46 (4) of the Customs Act, 1962: “*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).”*

12.9 Section 46 (4A) of the Customs Act, 1962: “*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.”*

12.10 Section 110AA of the Customs Act, 1962 read with Notification No.28/2022-Cus dtd.31.03.2022: “*Where in pursuance of any proceeding, in accordance with Chapter XIIA or this Chapter, if an officer of customs has reasons to believe that—*

(a) any duty has been short-levied, not levied, short-paid or not paid in a case where assessment has already been made;

then such officer of customs shall, after causing inquiry, investigation, or as the case may be, audit, transfer the relevant documents, along with a report in writing—

(i) to the proper officer having jurisdiction, as assigned under section 5 in respect of assessment of such duty, or to the officer who allowed such refund or drawback; or

(ii) in case of multiple jurisdictions, to an officer of customs to whom such matter is assigned by the Board, in exercise of the powers conferred under section 5,

and thereupon, power exercisable under sections 28, 28AAA or Chapter X, shall be exercised by such proper officer or by an officer to whom the proper officer is subordinate in accordance with sub-section (2) of section 5].

As per Notification 28/2022-Cus dtd.31.03.2022 issued by CBIC with regard to Section 110AA in cases involving multiple jurisdiction where the duty recoverable under Section 28 is more than 50 lakhs, the proper officer would be the Principal Commissioner or Commissioner of Customs of the Jurisdiction having highest amount of Duty recoverable at the stage of transfer.

12.11 Section 111 of the Customs Act, 1962 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 the transhipment, with the declaration for transhipment referred to in the proviso to sub-section (1) of Section 54";

(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";

12.12 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 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, to a penalty not exceeding the duty sought to be evaded on such goods or five thousand rupees, whichever is the greater;

(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 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 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 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.

12.13 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 wilful mis-statement or suppression of facts, the person who is liable to pay the duty or interest, as the case may be, as determined under sub-section (8) of section 28 shall also be liable to pay a penalty equal to the duty or interest so determined.”

12.14. Section 117 of the Customs Act, 1962: “Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding four lakh rupees.”

13. Obligation under Self-assessment:

The importer had subscribed to a declaration as to the truthfulness of the contents of the Bills of Entry in terms of Section 46(4) of the Customs Act, 1962, in all their import declarations. Further, consequent upon the amendment to Section 17 of the Customs Act, 1962 vide Finance Act, 2011, 'Self-Assessment' had been introduced in Customs. Section 17 of the Customs Act, 1962, effective from 08.04.2011, provides for self-assessment of duty on imported goods by the importer himself by filing a Bill of Entry, in electronic form. Section 46 of the Customs Act, 1962 makes it mandatory for the importer to make an entry for the imported goods by presenting a Bill of Entry electronically to the proper officer. As per Regulation 4 of the Bill of Entry (Electronic Integrated Declaration and Paperless Processing) Regulation, 2018 (issued under Section 157 read with Section 46 of the Customs Act, 1962), the Bill of Entry shall be deemed to have been filed and self-assessment of duty completed when, after entry of the electronic declaration (which was defined as particulars relating to the imported goods that are entered in the Indian Customs Electronic Data Interchange System) in Electronic Data Interchange System either through ICEGATE or by way of data entry through the service centre, a Bill of Entry number was generated by the Indian Customs Electronic Data Interchange System for the said declaration. The Importers statement that they relied on the supplier's classification does not absolve the Importer from their mistake in mis-declaring the goods under wrong classification, since the Importer ought to have confirmed the classification even if the Supplier has recommended the wrong Classification.

14. Reasons for raising duty demand by invoking extended period under Section 28(4) of the Customs Act, 1962.

14.1 The government has placed full trust on the importer so far as declaration is concerned and accordingly measures like Self-assessments etc., based on mutual trust and confidence are in place. All these operate on the basis of honesty of the importer; therefore, the governing statutory provisions create an absolute liability when any provision is contravened or there is a breach of trust placed on the importer. The deliberate efforts to mis-declare the imported goods in the Bill of entry and not paying the correct amount of customs duties is utter disregard to the requirements of law and breach of trust deposed on them. Such outright act in defiance of law appeared to have rendered them liable for stringent penal action as per the provisions of the Customs Act, 1962 for suppression or mis-declaration of the imported goods with an intent to evade payment of customs duties. The fact of short/non-payment of customs duties came to light only during the course of investigation taken up. Had the Department not initiated verification of their imports, the matter of short-payment/nonpayment of customs duties would have gone unnoticed. The noticee, by mis-

declaring the classification of the imported goods, had willfully misstated / suppressed the facts with an intention to evade payment of customs duties. Hence, it appears that, the Customs duties short-paid by the importer are recoverable by invoking the provisions of Section 28(4) of the Customs Act, 1962.

14.2 Further, under the scheme of self-assessment, it was the importer who must ensure that he declared the correct classification / CTH of the imported goods, the applicable rate of duty, value, and the benefit of exemption notification claimed, if any, in respect of the imported goods while presenting the Bill of Entry. Thus, with the introduction of self-assessment by amendment to Section 17, w.e.f. 08.04.2011, it was the added and enhanced responsibility of the importer to declare the correct description, value, applicability of Notification benefit etc. and to correctly classify, determine and pay the duty applicable in respect of the imported goods. In the instant case, the impugned goods viz. 'Cathode HV Transformer, Collector HV Transformer and CLR Assy (Oil Cooled)' appears to be parts of Ballsts and are classifiable under HSN: 8504 9090 whereas the importer is following a wrong classification resulting in short payment of applicable customs duties. Thus, it appears that the importer intentionally suppressed the facts of exact nature of goods i.e. they are parts of the Ballast instead declared the parts as full Ballast thereby resorting to misclassification of goods.

14.3. Therefore, it appears that, M/S. GIPL, have resorted to wilful suppression and misstatement of facts as well as contravention of statutory provisions of the Customs Act, 1962 and rules made there under as detailed above with intent to evade payment of Customs Duties and accordingly the extended period of limitation under proviso to Subsection (4) of Section 28 of the Customs Act, 1962 appears invokable in this case for demanding short paid Customs duties along with recovery of interest at applicable rates in terms of Section 28AA of the Customs Act, 1962. Consequently, it appears that M/S. GIPL are liable to penalty under Section 112 of the Customs Act, 1962.

15. Based on the discussions supra, it appears that the impugned goods are misclassified under CTI: 8504 1020/8504 1090 instead of correct CTI: 8504 9090. With regard to the Goods under HSN: 8504 9090, the importer is eligible to claim concession of BCD vide Sl. No. 13A of Notification No.57/2017-Cus and BCD@10% (as amended vide Notn.No.03/2021-Cus dtd.1.2.2021) is liable to be paid by the importer. The total duty worked out to Rs. 90,33,263/- for the period from December 2020 to August, 2025, as per the worksheets, Bill of Entry-wise in Annexure-B1 and Port-wise consolidated in Annexure-B2. The same is liable for demand under the provisions of Section 28(4) of the Customs Act, 1962.

16. It appears that M/s GIPL had mis-declared the goods imported viz. 'Cathode HV Transformer, Collector HV Transformer and CLR Assy (Oil Cooled)', in contravention of the provisions of Section 111(m) and 111(o) of the Customs Act, 1962. Hence, impugned goods appear liable for confiscation. M/s GIPL also appears to be liable for imposition of penalty under Section 112 and /or 114A of the Customs Act, 1962.

17. Circular No.17/2011-Customs dated 08.04.2011 issued by Ministry of Finance, Department of Revenue, Central board of Excise & Customs vide F.No.450/26/2011-Cus.IV, Section 17 of the Customs Act, 1962 provides for self-assessment of duty by the importer by filing

a Bill of Entry in the electronic form. The importer at the time of self-assessment is required to ensure that he declares the correct description of the goods, **classification**, applicable rate of duty, value, benefit of exemption Notifications claimed, if any, in respect of the imported goods **while presenting the Bill of Entry**. It is seen that the importer has resorted to incorrect self-assessment, by mis-classifying the goods imported, thereby violated provisions of Section 17 of the Customs Act, 1962.

18. Further, as per Section 46(4) and 46(4A) of the Customs Act, 1962, the importer is required to furnish a declaration as to the truth of the contents of Bill of entry and shall ensure accuracy and completeness of information, authenticity and validity of documents submitted. The importer is required to declare the full accurate details relating to the goods description, quantity, duties payable etc.

19. Thus from paragraphs 14 and 15 above, it appears that M/s GIPL has contravened the provisions of Section 17, Section 46(4) and 46(4A) of the Customs Act, 1962 in respect of goods covered under Bills of Entry detailed in Annexure-B to this notice, by not furnishing true and correct particulars of imported goods during assessment. Further, it appears M/s GIPL had mis-declared the imported goods resulting in short payment of Customs duties payable on the subject goods, rendering the goods being liable to confiscation under Section 111(m). Hence, it appears that M/s GIPL is liable for penalty under **112(a) and / or 114A** of the Customs Act, 1962.

20. In view of the foregoing facts, documentary evidences on record, statement recorded during the investigation and legal provisions, it appears that M/s GIPL have mis-declared the imported goods viz. 'Cathode HV Transformer, Collector HV Transformer and CLR Assy (Oil Cooled)' under CTI: 8504 1020/8504 1090 instead of correct CTI:8504 9090. With regard to the Goods under HSN: 8504 9090, the importer is eligible to claim concession of BCD vide SI. No. 13A of Notification No.57/2017-Cus and BCD@10% (as amended vide Notn.No.03/2021-Cus did. 1.2.2021) is liable to be paid by the importer. The total duty liable to be paid by the importer is Rs. 90,33,263/- (differential BCD@2.5%, SWS@10% on BCD and IGST @ 18%) for the period from December 2020 to August 2025. The same is liable for demand under the provisions of Section 28(4) of the Customs Act, 1962.

21. Therefore, **M/s Genvolt India Pvt Ltd. (IEC: 517539144)**, having its registered office at **3rd Floor, 417, S.No. 104/3, Sharayu Harmony, Pune Bangalore Highway, Near Balewadi, Baner, Pune, Maharashtra – 411045** is hereby required to Show Cause to the **Commissioner Of Customs, Nhava Sheva-V, Jawaharlal Nehru Customs House, Nhava Sheva, Tal:Uran, Dist.- Raigad, Maharashtra-400707** within 30 (Thirty) days of the receipt of Notice as to why: -

- a) The classification of the impugned goods viz. 'Cathode HV Transformer, Collector HV Transformer and CLR Assy (Oil Cooled)' under CTI: 8504 1020 /8504 1090 should not be rejected and reclassified under CTI:8504 9090;
- b) An amount of Rs. 90,33,263/-, as detailed in the above paras, should not be demanded and recovered from them **under Section 28(4) of the Customs Act, 1962**;

- c) Interest should not be demanded and recovered from them, on the amount demanded at (b) above, **under Section 28AA of the Customs Act, 1962**;
- d) The goods valued at Rs. 27,83,74,828/- imported as detailed above should not be held liable for confiscation **under Section 111(m) and Section 111(o) of the Customs Act, 1962**;
- e) Penalty should not be imposed on them **under Section 112(a) of the Customs Act, 1962**, for not furnishing true and correct particulars of imported goods during assessment by way of mis-declaration of the imported resulting in short payment of Customs duties;
- f) Penalty should not be imposed on them **under Section 114A of the Customs Act, 1962**, for collusion or wilful mis-statement or suppression of facts with regard to mis-declaration of the imported goods resulting in short payment of customs duties.

22. The Noticees should state in their written reply to this notice as to whether they desire to be heard in person. If no cause is shown against the action proposed to be taken within 30 days from the date of receipt of this notice or having shown cause, they do not appear before the adjudicating authority when the case is posted for personal hearing, the case will be adjudicated, ex-parte based on the evidences available on record.

23. This notice is issued without prejudice to any other action that may be initiated under the Customs Act, 1962 or any other Act for the time being in force in India.

24. The department reserves its right to add, alter, amend, modify or supplement this notice at any time on the basis of any evidence, material fact which may come to the notice of the Department after the issuance of this notice.

25. Reliance for issuance of this notice is based on the documents listed in Annexures enclosed to this notice. It may be noted that all the documents enclosed to this Show Cause Notice are an integral part of this Show Cause Notice.

Anil Ramteke
19/12/15
(Anil Ramteke)

Commissioner of Customs
NS-V, JNCH, Nhava Sheva

Encl: Annexure A – Relied Upon Documents;
Annexure-B – Work sheets, BOE-wise and Port-wise

To,

M/s Genvolt India Pvt Ltd. (IEC: 517539144), having its registered office at 3rd Floor, 417, S.No. 104/3, Sharayu Harmony, Pune Bangalore Highway, Near Balewadi, Baner, Pune, Maharashtra – 411045

speed post

Em-726636685IN.

Copy to

1. The Additional Director General, DRI, Hyderabad Zonal Unit, H.No.10-2-289/57/1 &2, Suryavanshi Residency, II Cross Road, Shanthinagar, Masab Tank, Hyderabad – 500028 .
2. CAC
3. Notice Board
4. EDI
5. File copy/Office copy.

ANNEXURE-A: List of Relied Upon Documents

Annexure	Description
A1	Letter to M/s. GIPL dated 26.03.2025 seeking their response
A2	Letter received from the importer Ref: GenIndia/DRI/V1.0 dtd.28.03.2025
A3	Summons-1 u/s 108 of the Customs Act, 1962 dtd.07.05.2025
A4	Statement of Shri Sandeep Gupta, Director, M/s GIPL recorded on 15.05.2025
A5	Clarification received from importer on CLR Assy through mail dtd.16.06.2025
A6	Summons-2 u/s 108 of the Customs Act, 1962 dtd.13.08.2025
A7	Statement of Shri Sandeep Gupta, Director, M/s GIPL recorded on 22.08.2025
A8	Technical Explanation of Cathode/Collector HV Transformer and CLR Assy by the Chartered Engineer dtd.08.09.2025
B1	Work Sheet of impugned goods, Bill of Entry Wise, imported by M/s GIPL
B2	Work Sheet containing the differential duties payable by the importer viz. M/s GIPL