


Govt. of India Ministry of Finance Department of Revenue		Phone: 079- 27544630 Fax: 079- 27542343 E-mail: cus-ahmd-guj@nic.in
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOMS HOUSE, NEAR ALL INDIA RADIO, NAVRANGPURA, AHMEDABAD-380009.		

SHOW CAUSE NOTICE

M/s M.V. Enterprise, 50, Variya, Plot 20/F, Ghogha Road, Dregn Sheri, Bhavnagar-364001 (hereinafter referred to as "the said exporter") and holding IEC No. FNEPM8224C and GSTIN No.24FNEPM8224CIZ7 through their Customs House Agent [CHA] viz. M/s. TICC Container Line (I) Pvt. Ltd., 102-105, Anand Milan Complex, Opp. Jain Derasar, Navrangpura, Ahmedabad-380009 (hereinafter referred to as "the said CHA") filed following 2 Free Shipping Bills alongwith Tax Invoice, Packing List and Chartered Engineers Certificate for Export Value Declaration with ICD Khodiyar (Customs Station) for export of "PARTS OF SHIP ENGINE (OLD AND USED CYLINDER HEAD N21 AND OLD AND USED CYLINDER HEAD M220)" to M/s Alpha Trade Import Export, Carre sans Bonne Maison, Sadikona, SemKpodji, Tiamionpodiji, Benin Republic Benin by classifying the same under Customs Tariff Heading No. 84099990. The details of Shipping bills and other relevant documents are as per details given below.

Shipping Bill No & date	CE Certificate No & Date	Description of goods	Unit /Boxes	Net/Gross weight in Kgs	Value as per Tax Invoice in Rs.	Value As per CE Certificate in Rs.	Amount of IGST in Rs.
1387729 13/02/20	D1/Y20/257 13/02/20	Parts of ship engine (old and used cylinder head N21)	2	660/800	1775340	1800000	497095
1387727 13/02/20	D1/Y20/258 13/02/20	Parts of Ship engine (old & used cylinder head M220)	2	630/750	1761250	1750000	493150

2/- Whereas during the course of assessment in the case of Shipping Bills tabulated at Para 01 above filed by the said exporter, it appears that the goods meant to be exported were overvalued though the said exporter had furnished Chartered Engineer's Certificate dated 13.02.2020 issued by M/s. DNV Engineers, Bhavnagar for both the Shipping Bills. The said exporter has declared their cargo for export under Free Shipping Bills without availing DBK or MEIS. The said exporter was claiming input tax credit of Central Goods &

Service Tax and /or State Goods & Service Tax to avail undue refund of Integrated Goods & Service Tax with an intention to defraud exchequer.

3/- Whereas during the course of assessment in the case of Shipping Bills, tabulated at Para 1 above, filed by the said exporter, it appears that the goods meant to be exported were highly overvalued therefore Empanelled Government Valuer, Shri Bhaskar Bhatt was appointed for examination & valuation of the said cargos and his reports dated 05.03.2020 are summarized as under.

Shipping Bill No & date	Description of goods	Units/boxes	Value declared by the importer in Rs	Value certified by the valuer In Rs	Remarks
1387729 13-02-20	Parts of ship engine (old and used cylinder head N21)	2	1775340	3,80,000	The actual dimension of the head was not matching to the standard dimension of N21 type of cylinder head.
1387727 13-02-20	Parts of Ship engine (old & used cylinder head M220)	2	1761250	4,14,000	The actual dimension of the head was not matching to the standard dimension of M220 type of cylinder head

4/- Whereas it appears that examination of the goods declared as Parts of Ship (Old & Used) lying at ICD, Khodiyar to be exported by the said exporter under 2 Shipping Bills tabulated at Para 01 supra was conducted by Shri B.G.Bhatt, Empanelled Government Valuer; that during the inspection and after looking to the quality and condition of the goods it appeared that the said goods appeared to be overvalued in contravention of the provisions of the Customs Act, 1962; Shri B.G.Bhatt, Chartered Engineer also stated in his report dated 05.03.2020 that the goods so declared in the relevant export documents were not matching with the standard dimension of the goods. Thus, it appears that there was also mis-declaration so far as description of the goods is concerned in respect of each of the Shipping bills.

5/- The above facts were communicated to the said exporter vide letter F.No. VIII/48-11/2020 dated 09.03.2020 and asked to clarify but no response received from the said exporter.

6/- In the course of further investigation a statement of Shri Maulik Kanubhai Shah, Deputy Manager (Customs Clearance and Marketing) of Customs House Agent viz. M/s TICC, was recorded under Section 108 of the Customs Act, 1962 before the Superintendent of Customs, ICD Khodiyar on 07.03.2020 wherein he *inter-alia* stated that as a Deputy Manager he mainly supervises the work assigned to his juniors at various Customs locations and