
 BHARAT SARKAR	सीमा शुल्क प्रधानआयुक्त का कार्यालय (एन एस-1) OFFICE OF PR. COMMISSIONER OF CUSTOMS (NS-1) जवाहरलाल नेहरू कस्टम हाउस, न्हावा-शेवा JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA ताल -उरण, जिला- रायगढ़, महाराष्ट्र-400 707 TAL-URAN, DISTRICT- RAIGAD, MAHARASHTRA-400707	 INDIAN CUSTOMS
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F.No: IMP/APR/SCN/2/2025-Gr 2(G)-O/o Commr-CUS-NS-I

Date: 03.06.2025

DIN No.- 20250678NX000000F756

SCN No. :- 221/2025-26/Commr. / GR. II G/NS-I / CAC/JNCH

Subject: Show Cause Notice issued to M/s. Universal Impex, under Section 28(4) of the Customs Act, 1962 and Section 124 of the Act ibid for mis-use of Advance Licence Scheme - Customs Notification No. 18/2015 Cus. dated 01.04.2015 - non fulfilment of conditions of exemption notification resorting to misrepresentation by importer reg.

1.1 M/s. Universal Impex, (here-in-after referred to as "the importer") a proprietorship firm of Shri. Rajeev Ramesh Sachadev holder of IEC BOKPS8797B (**RUD I**) is having its registered premises at Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Pomanmori, Bhiwandi Road, Vasai Palghar, Maharashtra - 401208. The importer/noticee is registered under GST with GSTIN 27BOKPS8797B1Z7.

1.2 Intelligence developed by the Officers of Directorate of Revenue Intelligence, Mangalore Regional Unit, Mangalore (hereinafter referred to as 'DRI') indicated that M/s. Universal Impex, Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Pomanmori, Bhiwandi Road, Vasai Palghar, Maharashtra - 401208, holders of IEC No. BOKPS8797B have imported PVC Resins falling under CTH 39041090/ 39049010 availing benefit of concessional rate of duty provided under notification No. 018/ 2015 Cus. dated 01.04.2015 in pursuant to advance authorization scheme provided vide chapter 4 of Foreign Trade Policy 2015-2020. Intelligence gathered indicated that M/s. Universal Impex has not exported the manufactured goods using the imported inputs thereby they have violated the conditions prescribed in the advance authorisation and notification No. 018/2015 Cus. dated 01.04.2015 during the relevant period, thereby the importer has violated/ mis-used the provisions of advance authorisation scheme in order to procure the inputs duty free. Further it is also noticed that in 2022, as per GST portal and DGFT portal, the company name is changed to M/s. Nadiya Polymers and M/s. Nadia Polymers is operating from new premise situated at 6th Floor 24 Kailash Darshan Kennedy Bridge Road, Above IDBI Bank Nana Chowk, Mumbai, Maharashtra - 400007 (**RUD IA**).

1.3 The IEC details, Import and advance License details of M/s. Universal Impex are as under: -

IEC details.

IEC Code	Name of the importer	Address of the Importer	Phone number & E mail ID	Exporter Type	Name of the proprietor

BOKPS8797B w.e.f 06.11.2017	Universal Impex, Proprietorship	Unit No 37, Ground Floor, Shankheshwar Industrial Estate, Poman Mori, Bhiwandi Road, Vasai, Palghar	8104041677 universalimpex009@gmail.com	Merchant Cum Manufacturer Exporter	Rajeev R. Sachadev
BOKPS8797B w.e.f 18.06.2022	Nadiya Polymers Proprietorship	6 th Floor 24 Kailash Darshan Kennedy Bridge Road, Above IDBI Bank Nana Chowk, Mumbai, Maharashtra - 400007	7039972567 nadiyapolymers@gmail.com	Merchant Cum Manufacturer Exporter	Rajeev R. Sachadev

Import Details.

Sl. No.	Port of import	COO	Item Description	Quantity in Kgs	Assessable Value	Duty Forgone				
						BCD @ 10%	SCS @ 10%	ADD *	IGST	Total
1	INNSA1	AE	PVC Resin S65	247500	25937010	2593701	259370	0	5182215	8035286
2	INNSA1	AE	PVC Resin S65	247500	25937010	2593701	259370	0	5182215	8035286
3	INMUN1	CN	PVC Resin	130000	16253734	1625373	162537	1448380	3508204	6744496
4	INMUN1	CN	PVC Resin	130000	16253734	1625373	162537	1448380	3508204	6744496
			Total	755000	84381488	8438148	843814	2896760	17380838	29559564

Advance License details: -

Sl. No	License number	License code	BE No & Date	Debit quantity	Debit UQC	Debit value	Exempt Notn	Port of Import
1	311000097	3	2740670 12-02-21	247500	KGS	25937010	018/ 2015	INNSA1
2	311000051	3	2777121 15-02-21	247500	KGS	25937010	018/ 2015	INNSA1
3	311002656	3	4587081 06-07-21	130000	KGS	16253734	018/ 2015	INMUN1
4	311002656	3	4587084 06-07-21	130000	KGS	16253734	018/ 2015	INMUN1
	Total			755000	0	84381487		

2. SEARCH AND MAHAZAR

2.1 Based on the said intelligence, investigation was initiated by way of search of the office premises of M/s. Nadiya Polymers, 6th Floor, 24th Kailash Darshan, Kennedy Bridge, Above IDBI Bank, Nana Chowk, Mumbai 400007 and M/s. Universal Impex, Office No B-406, 4th floor, Merchants Centre, Plot No. 14D, Opp. Dana Bunder, Sector 19, Vashi, Navi Mumbai, Maharashtra - 400 703 on 13.12.2022 and at the factory premises of M/s. Universal Impex, Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Poman Mori, Bhiwandi Road, Vasai Palghar, Maharashtra - 40121108 and residential premises Shri. Rajeev R Sachdeva, situated at No.703, FAM society Room, Building No.12, Near Balaji Garden, Sector No.11, Navi Mumbai, Thane, Maharashtra - 400 709 on 14.12.2022 in the presence of independent witnesses and drawing of mahazar proceedings. The details of the mahazar proceedings at the above firms are as under: -

i) M/s. Nadiya Polymers, 6th Floor, 24th Kailash Darshan, Kennedy Bridge, Above IDBI Bank, Nana Chowk, Mumbai 400007

2.2 Based on the authorisation for search bearing DIN No. 202212DDZ20000948257 dated 13.12.2022 issued by the Deputy Director, Directorate of Revenue Intelligence, Mangalore Regional Unit, search was

conducted at the said premises on 13.12.2022 where a name plate bearing name "Nadiya Polymers" was seen on the glass door. On entering the said premises, one person who introduced himself as Mr. Prakash Sakharam Thombare who works as a peon in the said office premise was present and he informed that his educational qualification is tenth pass. On being asked Mr. Prakash Sakharam Thombare confirmed that Shri Rajeev Sachdev comes to the said office on a regular basis. On being asked to call Shri Rajeev Sachdev and confirm whether he is coming to the office, Mr. Prakash Sakharam Thombare called Shri Rajeev Sachdev and informed the officers that Shri Rajeev Sachdev would be coming to office in some time. As Shri Rajeev Sachdev did not turn up to the said office premise, the officers called him and asked about his arrival to the said office location to which he informed that he would be coming in thirty minutes, however, he did not turn up. The officers then began to conduct search proceedings, during the search proceedings, one person entered the said premises and introduced himself as Mr. Viral Mehta, Consultant and on being asked the officers explained him of the purpose of their visit. Shri Viral Mehta informed that he has taken on lease a part of the said office from Shri Rajeev Sachdev for running a consultancy named V360. He further informed that as the master cabin is leased by him, there are no corresponding files or other material in relation to M/s. Nadiya or M/s. Universal Impex. Upon enquiring by the officers, he further informed that both M/s. Universal Impex and M/s. Nadiya Polymers are looked after by Shri Rajeev Sachdev and he is no way related to both the firms and left the premises. During the search proceeding, the following files or documents pertaining to M/s. Universal Impex were recovered by the officers under mahazar (**RUD-II**).

SL.NO	HANDWRITTEN TITLE ON FILE	NO. OF PAGES
		From 01 to.
1	Universal GST yellow flat file	94
2	F.No. 03AA04011621AMR1 yellow flat file	131
3	Al Hawai Co. LLC green flat file	135
4	Universal impex IT file AY 2019-20 pink flat file	142
5	Universal Impex import blue colour flat file	20
6	Raju bhai KYC flat file	77
7	Universal Impex Kotak Mahindra Bank Statement	27
8	Universal Impex License (0311002656) green flat file	66
9	Bison Enterprises Bill of Lading orange flat file	98

2.3 Though the officers tried calling Shri Rajeev Sachdev on his mobile number 7039972567 during search on 13.12.2022 many times, he did not join the search proceedings. The screenshot of calls made to Shri. Rajeev Ramesh Sachadev on 13.1.2022 is enclosed as Relied upon documents (**RUD-VI**).

ii) M/s. Universal Impex, Office No B-406, 4th floor, Merchants Centre, Plot No. 14D, Opp. Dana Bunder, Sector 19, Vashi, Navi Mumbai, Maharashtra - 400 703.

2.4 Based on the search authorization bearing DIN No. 202212DDZ2000055205E dated 11.12.2022 issued by the Deputy Director, DRI, Mangalore Regional Unit, search was conducted at the above said premises on 13.12.2022. Upon reaching the said office located at the 4th floor the said office premise on whose door Universal Impex name plate was attached was found to be locked and a notice was found affixed on the office door mentioning that "if the office is closed kindly deliver the courier on the fifth-floor office No. B 516 between 11.30 am to 5.30 pm or kindly contact proprietor of Universal

Impex Mr. Rajeev Sachdev (Mob. No. 8104041677)". Then, the officers along with witnesses went to fifth floor and enquired at Room No. 516, which is found to be in the name of the firm Nexgenn Reality, who is said to be into property consultancy. It is informed by Shri. Rajendra Ramdas Rapelli, one of the proprietors of the firm who was present there that they had arranged the Room No. B 406 to Shri. Rajeev Sachdeva and provided the officers with a copy of the Rent Agreement dated 15.01.2022. It is also informed by Shri. Rajendra Ramdas Rapelli that the said Rajeev Sachdeva had asked them to collect any letter or courier which arrives in his name and that the same will be collected by him personally. The said Shri. Rajendra Ramdas Rapelli also informed that Shri. Rajeev Sachdeva used to come once in a while to his rented premises but they are not aware as to what activity he used to do there. On being asked Shri. Rajendra Ramdas Rapelli informed that he has not observed any manufacturing activity in the said premises and he has not observed any movement of persons or any type of goods to and from the said office except that Shri. Rajeev Sachdeva himself occupying the room once in a while. As there was no movement of goods to and from the said address it appeared that M/s. Universal Impex is not conducting any manufacturing activity at the said location and also since there was no person related to M/s. Universal Impex present at the premise and there was/ is no activity happening at the premise and as the said premise is closed/ locked, no search proceedings have taken place and accordingly a NIL Mahazar was drawn. (RUD-III).

iii) Factory premises of M/s. Universal Impex, Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Poman Mori, Bhiwandi Road, Vasai Palghar, Maharashtra - 40121108

2.5 Based on the search authorization bearing 202212DDZ2000000ABA1 dated 11.12.2022 issued by the Deputy Director, DRI, Mangalore Regional Unit, the officers visited the above said premises on 14.12.2022. Upon reaching the said premise, it was observed that the said location is an industrial estate where most of the sheds were found closed or appeared to be abandoned. On enquiry with the locals about the exact location of M/s. Universal Impex to which they replied that they never heard of any such company or firm present in the said premises. The officers further informed the said persons that as per the records available with them, there is a firm called M/s. Universal Impex located at Unit no. 37, Shankheshwar Industrial Estate, Pooman Mori, Vasai Paghar, Maharashtra. The said persons then replied that they have been working here since long time however, they never heard or came across any company or manufacturing unit named M/s. Universal Impex. Further, upon request of the officers the said persons took the officers to shed no. 37. No name board of M/s. Universal Impex or another board showing the existence of M/s. Universal Impex was present in the said premise. The said shed is one among many other sheds that are placed in a row. Shed no. 37 was found closed and appeared to be not in use for a long time. Further, on being asked if they have observed any movement of PVC Resin in the said premises to which the said persons replied in negative. The officers further enquired with the said persons if there is any person in relation to M/s. Universal Impex is known to them visiting the said premises to which they replied in negative. The officers further enquired the persons present in the said premise if there is any manufacturing activity in the said location for which they informed that they have not observed any manufacturing activity in the said location/ premises. As there was no movement of goods or persons to and from the said address it appeared that M/s. Universal Impex was not active at the said location and since there was no person related to M/s. Universal Impex present at the premise and there was no activity happening at the premise and as the said premise was closed, no search

proceedings have taken place. Accordingly, a mahazar was drawn (**RUD-IV**).

iv) Residential premises Shri. Rajeev R Sachdev, situated at No.703, FAM society Room, Building No.12, Near Balaji Garden, Sector No.11, Navi Mumbai, Thane, Maharashtra – 400 709 on 14.12.2022

2.6 Based on the authorisation dated 14.12.2022 issued by the Deputy Director, Directorate of Revenue Intelligence, Mangalore Regional Unit search was conducted at the said premises on 14.12.2022 at Flat No. 703 on whose door Rajeev R Sachdev name plate was attached. Mrs. Sheetal Sachdev was present at the said premises. The residence consisted of a hall, a kitchen, two washrooms and two bedrooms. During the search on verification of the papers/ documents found in the residence, it was found that none of the papers were relevant for the investigation. On being asked whether any storage devices are available in the house, Mrs. Sheetal Sachdev replied that they are not in a position to buy a laptop, that they do not have any vehicle also, that Sri Rajeev is employed with Shri Viral Mehta and works at an office in Nana Chowk on a monthly salary of Rs. 25000/- approx., that such employment is from last four years. On being asked, she further replied that Sri Rajeev called yesterday afternoon that he is going on business related trip to Kutch, that he carries travel kit along with; that he often goes to Kutch and she is not aware of any other place where he goes on business trip. She further stated that they lost Shri Rajeev Sachdev's father three years back; that they have a special son and such circumstances have led them to lead a life of struggle and Shri Rajeev Sachdev sustains the expenses with job work printing business of which she is actually the proprietor. She categorically informed that they have no idea of any business that is run by Shri Rajeev Sachdev. As no paper / documents relevant for investigation was found, a NIL mahazar was drawn (**RUD-V**).

2.7 As Shri Rajeev Ramesh Sachdev did not come during the searches conducted on 13.12.2022 and 14.12.2022, a summons was issued to him on 14.12.2022 (**RUD- VII**) for appearance on 27.12.2022 and the same was received by his wife Mrs. Sheetal Sachdev. Though Shri Rajeev Ramesh Sachdev, as per information provided by his wife during search of his residential premises on 14.12.2022, was not in Mumbai (has gone to Kutch), surprisingly it is noticed that vide his letter dated 15.12.2022 (next day itself) (**RUD-VIII**) he has raised certain objections for the searches carried out and seizure of certain documents under mahazar by the officers. This office vide e mail letter dated 1.02.2023 (**RUD-IX**) requested Shri Rajeev Ramesh Sachadev to appear at mutual convenient date to answer/ clarify the doubts/ questions that have arisen in the matter and also to state his objections in his statement and also furnished scanned copies of mahazar. As there was no response from Shri Rajeev Sachdev, a second summons was issued to him on 17.05.2023 (**RUD-X**) for appearance on 30.05.2023 for giving evidence and to produce the documents such as documents of duty payment, documents in support of his defence and any other documents relevant for investigation. Shri Rajeev Ramesh Sachdev vide his letter dated 23.05.2023 (received in this office on 5.6.2023) (**RUD-XI**) stated that he has met with an accident recently and that he is bed ridden for next 45 days and enclosed a medical certificate dated 26.05.2023 issued by a medical practitioner. He also stated that yet no reply has been sent to his letter dated 15.12.2022 by this office. He also stated that M/s. Universal Impex and himself have no transactions including financial transactions at Belagavi/ Karnataka thus there is no "cause of action" at Belagavi as far as M/s. Universal Impex is concerned and DRI Sub Regional Unit at Belagavi does not have all India Jurisdiction as per 2002 DRI related notification and this is a settled matter in the Court of Law in Gujarat. In view of the above he informed that he is not able to attend the summons dated

17.05.2023.

3. FOLLOW UP ACTION

3.1 Based on the documents seized, it was learnt that M/s. Universal Impex had an account bearing No.141428786 in M/s. Kotak Mahindra Bank at Kalher Branch, Thane, Maharashtra. This office vide letter dated 22.06.2023 requested M/s. Kotak Mahindra Bank to furnish the following: -

- KYC details of the above account holder
- Bank statement for the period from 1.4.2020 to 31.03.2021.
- The details of the deposits made (credited) in the said account for the above period (The name of the firm/ person depositing the amount, bank name, IFSC Code and account number and address of the branch from where the said amount has been deposited)

3.2 On analysis of the bank statement of M/s. Universal Impex maintained with M/s. Kotak Mahindra Bank (Furnished by the Bank) (**RUD-XII**) it is noticed that whenever the amount was paid to overseas supplier M/s. World FZ LLE, M/s. Universal Impex, immediately before making such payments, would receive RTGS/ NEFT from various traders/ firms (which was in Lakhs). On checking the E way bill of M/s. Universal Impex in the E way bill portal, there were no E Way bills raised from M/s. Universal Impex to the said firms/ traders who have transferred the money through RTGS/ NEFT though the amounts transferred was in lakhs (as E way bill is mandatory for every transaction involving Rs.50000/- and above). The relevant extract of the above bank statement substantiating the above point is as under: -

Date	Narration	Chq/ Ref No	Withdrawal (Dr)	Deposit (Cr)	Balance (Cr)
01-02-2021	OB			14187.28	14,187.28
04-02-2021	RTGS BDBLR5202102040 0001581 ADICON TRADING CO B	RTGSINW- 00 36316017		10,00,000.00	1,014,187.28
04-02-2021	RTGS BDBLR5202102040 0001590 ADICON TRADING CO B	RTGSINW- 00 36316044		10,00,000.00	2,014,187.28
04-02-2021	RTGS BDBLR5202102040 0001600 ADICON TRADING CO B	RTGSINW- 00 36316136		10,00,000.00	3,014,187.28
04-02-2021	RTGS BDBLR5202102040 0001607 ADICON TRADING CO B	RTGSINW- 00 36316167		10,00,000.00	4,014,187.28
04-02-2021	RTGS BDBLR5202102040 0001613 ADICON TRADING CO B	RTGSINW- 00 36316185		10,00,000.00	5,014,187.28
04-02-2021	RTGS YESBR5202102047 8118000 SANKALP TRADERS YES	RTGSINW- 00 36317498		50,00,000.00	10,014,187.28
08-02-2021	1435AIR210031816 CRE01 MS WORLD FZ LLE	TIP-8053ab89-889e-49	98,90,947.50		113,896.32
09-02-2021	RTGS ICICR42021020900 510327 ELITE TRADERS ICIC0	RTGSINW- 00 36440872		10,00,000.00	1,111,305.95
09-02-2021	RTGS ICICR42021020900 510490 ELITE TRADERS ICIC0	RTGSINW- 00 36441005		10,00,000.00	2,111,305.95
09-02-2021	RTGS ICICR42021020900 510565 ELITE TRADERS ICIC0	RTGSINW- 00 36441194		10,00,000.00	3,111,305.95
09-02-2021	RTGS ICICR42021020900 510653 ELITE TRADERS ICIC0	RTGSINW- 00 36441209		10,00,000.00	4,111,305.95

09-02-2021	RTGS YESBR520120297	RTGSINW-00	8245050 MAHAVEERA EN	36444107		27,65,986.00	7,877,291.95
09-02-2021	RTGS YESBR520120297	RTGSINW-00	8244851 MAHAVEERA EN	36444439		22,34,014.00	10,111,305.95
09-02-2021	TERPRIS						
09-02-2021	0655AIR210034137 CREO	TIP-d910ed23	98,84,846.44	-2a3a-4f		211,116.12	
10-02-2021	RTGS YESBR5201202107	RTGSINW-00	8284879 SANKALP TRAD	36483043		10,00,000.00	1,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-36	508236 ELITE TRADERS I	506068		10,00,000.00	2,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508307 ELITE TRADERS I	36506183		10,00,000.00	3,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508409 ELITE TRADERS I	36506328		10,00,000.00	4,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508530 ELITE TRADERS I	36506320		10,00,000.00	5,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508468 ELITE TRADERS I	36506352		10,00,000.00	6,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508674 ELITE TRADERS I	36506483		10,00,000.00	7,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508353 ELITE TRADERS I	36506242		10,00,000.00	8,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508740 ELITE TRADERS I	36506506		10,00,000.00	9,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508862 ELITE TRADERS I	36506567		10,00,000.00	10,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	508791 ELITE TRADERS I	36506602		10,00,000.00	11,205,700.85
11-02-2021	RTGS ICICR42012021100	RTGSINW-00	512320 ELITE TRADERS I	36510142		6,00,000.00	11,805,700.85
11-02-2021	Sent RTGS KKBKR520210	9/000200255	21100713440/ WINWI N	416	592,336.00		11,213,364.85
11-02-2021	0655AIR210036336 CREO	TIP-982f9261	01 MS WORLD FZ LLE	-23c3- 41	1,05,97,903.82		399,038.30
12-02-2021	RTGS ESFBR5201202125	RTGSINW-00	0974002MAHALAKSHMI E	36537374		12,00,000.00	1,596,320.68
12-02-2021	RTGS ESFBR5201202125	RTGSINW-00	0974030MAHALAKSHMI E	36537461		9,50,000.00	2,546,320.68
12-02-2021	RTGS VTKSR9201202121	RTGSINW-00	0000026 LUXMI TRADER	36538109		3,50,000.00	2,896,320.68
12-02-2021	RTGS ESFBR5201202125	RTGSINW-00	0974051 BALAJI TRADER	36538001		7,10,000.00	3,606,320.68
12-02-2021	RTGS VTKSR9201202121	RTGSINW-00	0974051 BALAJI TRADER	36538001		3,896,320.68	

0000028 AMBIKA ENTERPRISES	36538652				
RTGS ESFBRS202102125	RTGSINW-00	0974098 SIDDHNATH TR	36539022	16,50,000.00	5,546,320.68
RTGS ESFBRS202102125	RTGSINW-00	ADERS			
RTGS ESFBRS202102125	RTGSINW-00	ADERS			
RTGS ESFBRS202102125	RTGSINW-00	0974123 SIDDHNATH TR	36539301	14,00,000.00	6,946,320.68
RTGS ESFBRS202102125	RTGSINW-00	ADERS			
RTGS ESFBRS202102125	RTGSINW-00	0974153 BALAJI TRADER	36539705	4,50,000.00	7,396,320.68
RTGS ESFBRS202102125	RTGSINW-00	S ESFB			
RTGS ESFBRS202102125	RTGSINW-00	0974135 BALAJI TRADER	36539802	12,00,000.00	8,596,320.68
RTGS ESFBRS202102125	RTGSINW-00	S ESFB			
RTGS UTKSR9202102121	RTGSINW-00	0000035 SARASWATI TRA	36539974	5,50,000.00	9,146,320.68
RTGS UTKSR9202102121	RTGSINW-00	DING C			
RTGS UTKSR9202102121	RTGSINW-00	0000064 LUXMI TRADER	36542982	9,00,000.00	10,046,320.68
RTGS UTKSR9202102121	RTGSINW-00	S UTKSO			
RTGS UTKSR9202102121	RTGSINW-00	0000075 AMBIKA ENTERPRISES	36545228	8,00,000.00	10,846,320.68
RTGS UTKSR9202102121	RTGSINW-00	0000077 AMBIKA ENTERPRISES	36545420	3,00,000.00	11,146,320.68
NEFT UTKSN2104310071	NEFTINW-02	I LUXMI TRADERS UTKS	68457385	1,00,000.00	11,246,320.68
0655AIR210037207 CREO	TIP-188ad9c0-	01 MS WORLD FZ LLE	d185-4e	1,05,96,453.84	483,447.95
RTGS ICICR42021021500	RTGSINW-00	510182 ELITE TRADERS7	36578316	10,00,000.00	1,480,730.59
RTGS ICICR42021021500	RTGSINW-00	510342 ELITE TRADERS7	36578456	10,00,000.00	2,480,730.59
RTGS ICICR42021021500	RTGSINW-00	510249 ELITE TRADERS7	36578558	10,00,000.00	3,480,730.59
RTGS ICICR42021021500	RTGSINW-00	510412 ELITE TRADERS7	36578660	10,00,000.00	4,480,730.59
RTGS ICICR42021021500	RTGSINW-00	510644 ELITE TRADERS7	36578790	10,00,000.00	5,480,730.59
RTGS ICICR42021021500	RTGSINW-00	512713 ELITE TRADERS7	36580889	10,00,000.00	6,480,730.59
RTGS ICICR42021021500	RTGSINW-00	512862 ELITE TRADERS7	36580886	10,00,000.00	7,480,730.59
RTGS ICICR42021021500	RTGSINW-00	512794 ELITE TRADERS7	36580924	10,00,000.00	8,480,730.59
RTGS ICICR42021021500	RTGSINW-00	512977 ELITE TRADERS7	36581000	10,00,000.00	9,480,730.59
RTGS ICICR42021021500	RTGSINW-00	513055 ELITE TRADERS7	36581027	10,00,000.00	10,480,730.59
RTGS ICICR42021021500	RTGSINW-00	513195 ELITE TRADERS7	36581311	3,00,000.00	10,780,730.59

16-02-2021	0655AIR210038537 CREO 01 MS WORLD FZ LLE	TIP-4ae5cf89- 8971-4c	1,02,08,800.00		506,088.50
18-02-2021	Sent RTGS KKBKR520210 21800860262/SARVE SH WAR L	18/00020125 9442	2,70,552.00		31,888.92
22-02-2021	RTGS PUNBR5202102221 8830096 SHRI KRISHNA I NDUST	RTGSINW- 00 36777140		5,00,000.00	503,671.72
22-02-2021	Sent RTGS KKBKR520210 22200789207/SARVE SH WAR L	20/00020176 6143	351,286.00		152,385.72
23-02-2021	RTGS PUNBR5202102231 8877170 SHRI KRISHNA I NDUST	RTGSINW- 36 816972		5,00,000.00	576,425.72
23-02-2021	Sent RTGS KKBKR520210 22300658695/WINWI N M ARIT	22/00020192 5781	440,907.00		135,518.72
24-03-2021	Chrg: NEFT On 16-Mar-2 021 (Value Date: 22-MAR- 21)	TBMS-71397 4659	4.72		15,617.52

3.3 Hence, details of the depositors who have made RTGS/ NEFT transfer (Creditors) to M/s. Universal Impex, were sought for from M/s. Kotak Mahindra Bank along with KYC details and bank account details.

3.4 Based on the information obtained from M/s. Kotak Mahindra Bank, details of the depositors who have made RTGS/ NEFT transfer (Creditors) to M/s. Universal Impex, were sought for from their respective banks along with KYC details and bank account details. On perusal of the details furnished by the respective banks, it is noticed that in majority of the cases, the bank account has been opened by providing GSTIN Certificate for satisfying the KYC norms. The details of the traders/ firms who have made NEFT/ RTGS transfers is tabulated as under as on 31st March, 2021: -

Sl. No.	Name of the Trader	GSTIN	Present Status	Bank details	Amount Transferred (approx)	Commodity dealt as per E way bill / Regn.
				Name of the bank		
1	Naveen Kumar - Adicon Trading Co.	07CCBPK9456R2ZQ	Active	Bandhan Bank Ltd., East Patel Nagar, New Delhi	50 Lakhs	Ferrous Waste, Iron & Steel, Sugar
2	Bhawana Jain - Mahaveer Enterprises	07AJBPJ7118G1ZF	Active	Yes Bank, Punjabi bagh	50 Lakhs	Wheat, Meslin, Millet, Rice, Dries Leguminous Vegetables,
3	Harish Kumar - Ambica Enterprises	07FTAPK4194P1Z1	Cancelled suo - moto	Utkarsh Small Finance Bank, Varanasi, UP	13.9 Lakhs	Raisins, Pistachio in Shell, Walnut in shell - Chapter 8 - Glucagon D, Vim bar, Al Waste and Scrap
4	Venketesh - Luxmi Traders	07BVBPV5487R1ZF /	Suspended	Utkarsh Small Finance Bank, Varanasi, UP	13.5 Lakhs	Raisins, Pistachio Kernels, inshell Almonds- Chapter 8 - Vegetable Saps and Extracts - Chapter 13
5	Tahasin - Saraswti Trading Co.	07BGNPT5077L1Z1	Cancelled suo - moto	Utkarsh Small Finance Bank, Varanasi, UP	5.5 Lakhs	MACH3 RAZORCRT4, Dettol, Bourn Vita, Caustic soda, Acid Black, Organic Surface-active agent, Fixing Agent
	Tahasin -					

	Siddhnath Traders	07BGNPT5077L3ZG	Suspended		30.5 Lakhs	
6	Soniya Rajpal - Elite Traders	07CWXP2146D1Z5	Cancelled on Application of Taxpayer	ICICI Bank Ltd, Mumbai	259 Lakhs	Silicon Rubber scrap, Synthetic Rubber, plastic Granules
7	Gobind - Sankalp Traders	07CJWPG4301B2ZH	Cancelled on Application of Taxpayer	YES Bank Ltd, Delhi Kohat Enclave Branch, Pitampura	60 Lakhs	Granulated slag, semi finished products of iron and steel etc
		07CJWPG4301B3ZG	Cancelled suo - moto			
8	Harish Kumar - Mahalakshmi Enterprises	07FLAPK3865D1Z6	Cancelled suo - moto		21.5 Lakhs	Synthetic organic/ inorganic tanning substances, Finishing agents, Veneers etc

3.5 As can be seen from the above table, in many of the cases, the registration has been either cancelled or has been suspended except for entities mentioned at Sl.No.1 & 2. It is also seen that all of the entities listed in the table above are located in Delhi whereas M/s. Universal Impex is located in Mumbai and there are no E way bills for supplies, if any, made by M/s. Universal Impex to the entities listed in the Table above located at Delhi which is about approximately 1400 Kms away. Further it is also seen that the said entities are dealing with different commodities as per E way Bill data/ Registration details when compared with that of M/s. Universal Impex.

3.6 As per the bank statement of M/s. Universal Impex, the amounts received from the traders mentioned in the table at para 3.4 above have not been paid back to them by M/s. Universal Impex and also as per GST data M/s. Universal Impex, have not supplied any material/ goods to the above-mentioned traders which gives raise to suspicions as to what for and why the said amounts have been transferred.

3.7 As per the above table as the entities mentioned at Sl.No.1 and 2. i.e., Naveen Kumar -M/s. Adicon Trading Co, Plot No 18/4, Kh. No. 173, Shyam Vihar PH 1 Block E Dinpur, Najafgarh Delhi 110043, having GSTIN 07CCBPK9456R2ZQ and Bhawana Jain - Mahaveer Enterprises, G-2, First Floor, Lawrence Road, Indl Area, Delhi, 110035 having GSTIN 07AJBPJ7118G1ZF were being shown as active as per GST portal, the officers visited the above said premises on 21.11.2023 and the incident report of the said visit (**RUD - XIII**) is as under: -

i) M/s. Adicon Trading Prop: - Shri. Naveen Kumar, Plot No.18/4, Kh.No.173, Shyam Vihar, PH 1, Block E, Dinpur, Najafgarh, Delhi - 110043.

3.8 The said premises was found to be locked. It was seen that in the said premises, one firm by name "R S Enterprises, Manpower Supply, House Keeping, Horticulture" was housed and no sign of M/s. Adicon Trading, was found. On enquiry with the present person Shri. Rahul Khatri occupying the said premises over the phone number 9310447406 mentioned in the name board, it was learnt that he is in the said premises for the past 15 months and he is not aware of anything about M/s. Adicon Trading or about Naveen Kumar, Proprietor of M/s. Adicon Trading. The officers tried to contact the authorised person over the phone number 9717811624 mentioned in the GST registration details of M/s. Adicon Trading but the call could not be connected even after repeated attempts. Local enquiries also revealed that they are not aware of such

firm/ person operating/ operated from the said premises.

ii) M/s. Mahaveer Enterprises, Prop: - Bhavana Jain, G-2, First Floor, Lawrence Road, Industrial Area, Delhi – 110035.

3.9 In the said premises, it was seen that there were few small single rooms on the first floor of which few were occupied and few were abandoned/ locked. On enquiry with the persons who were present there, it was informed that they are not aware of M/s. Mahaveer Enterprises and asked the officers to meet Shri. Neeraj Jain, Owner of the said building whose office is located at the ground floor of the said premises. On meeting Shri. Neeraj Jain, who was available in his office situated at the ground floor of the said building, he informed that M/s. Mahaveer Enterprises was located in the First Floor of the said premises but vacated in the year 2020-21 and he has no further information about their whereabouts. He also furnished a hand written letter intimating the same in this regard. The officers, tried to contact the authorised person over the phone number 9821448523 mentioned in the GST registration details of M/s. Mahaveer Enterprises but the call could not be connected even after repeated attempts.

3.10 In view of the above, vide this office letters dated 08.12.2023, the jurisdictional GST authorities were requested to conduct necessary verification of the premises and to take appropriate action in the matter as per provisions of GST Act.

4. RECORDING OF STATEMENTS

4.1 As Shri. Rajeev Sachadev did not respond to the two-summons issued to him, the officers again searched his residential premises at Building No.12, Flat No.703, FAM CHS Limited, Sector 11, Kopar Khairane, Navi Mumbai, 400709 on 22.12.2023 and a NIL Mahazar (**RUD-XIV**) was drawn as no incriminating documents/ records were found. Shri. Rajeev Ramesh Sachadev was present during the search and as requested by him his statement was recorded on 22.12.2023 (**RUD-XVI**) after issue of summons (**RUD XV**) at his residence wherein interalia he has stated as under: -

- i. *that he had studied upto 12th std in English Medium; that he was into stationery printing like visiting cards, letter head, office stationery and packaging materials on job work basis i.e., getting the orders from the customers and getting the printing work done from the actual printers on job work and he used to retain certain margin for the same; that activity he has been carrying from his college days and still being continued; that he was also doing brokerage of Gum Arabic product along with his late father for some time; that he has two proprietary firms by name M/s. Universal Impex and M/s. Nadiya Polymers; that he has imported PVC Resins in both the said firms;*
- ii. *That M/s. Universal Impex was started in the year 2017 for import of PVC Resin; Its PAN No. was BOKPS8797B, IEC No. was BOKPS8797B and GSTIN 27BOKPS8797B1Z7; that Its office was located at B – 406, Merchant's Chamber, Plot No.14 D, Opp. Dana Bunder, Sector 19, Vashi, Navi Mumbai – 400703; that he had also rented a premises at Shed No.37, Ground Floor, Shankheswar Industrial Estate, Poman Mori, Bhiwandi Road, Vasai Palghar, Maharashtra – 4012108 for storage of imported PVC Resin, however he has not carried out any activity of either storage/ manufacture/ job work in the said premises; No Machinerries were also installed in the said premises; he has done high sea sales of PVC resin from 2017-18 to*

- 2020-21; During February, 2021 and July, 2021, he has imported 4 consignments of PVC resin in his firm M/s. Universal Impex under advance license with a condition of re export of manufactured goods using the said imported goods; however, he could not fulfil the said condition of manufacture and export and sold the imported PVC Resin in the open market; he has bank account in Kotak Mahindra bank, Kalher Branch, Thane, Maharashtra and account no. is 141428786; He used to look after all the bank transactions and have signed for all RTGS/ NEFT transactions/ cheques; He has looked after the entire affairs of the said firm including filing of Income Tax and GST returns/ raising of E Way Bill and all the OTP's related to the above returns comes to his mobile Number 7039972567; from October, 2021 onwards there are no sale/ purchase transactions in the said M/s. Universal Impex;
- iii. On being shown the mahazar's drawn at the following addresses on the dates mentioned against them by the officers of DRI in respect of his residential premises and premises of M/s. Universal Impexa. Residence at Flat No.703, Building No.12, FAM CHS Society, Near Balaji Garden, Sector No.11, Navi Mumbai, Thane, Maharashtra 400709 on 14.12.2022;
- b. M/s. Universal Impex, B - 406, Merchant's Chamber, Plot No.14 D, Opp. Dana Bunder, Sector 19, Vashi, Navi Mumbai - 400703 on 13.12.2022;
- c. M/s. Universal Impex, Shed No.37, Ground Floor, Shankheswar Industrial Estate, Poman Mori, Bhiwandi Road, Vasai Palghar, Maharashtra - 4012108 on 14.12.2022; he has stated that he has perused the above mahazar's and as a taken of having seen the same, he has put his dated signatures on the copies of the said Mahazars and he agreed with the contents of the same;
- iv. he has perused the copy of Mahazar drawn at the premises of M/s Nadiya Polymers, situated at 6th Floor, 24 Kailash Darshan, Kennedy Bridge, Above IDBI Bank, NANA Chowk, Mumbai - 400007, by the officers of DRI on 13.12.2022 and put his dated signature on the same as a token of having seen the same; that he agreed with the contents of the said Mahazar; that he would like to state that his said firm has stopped operating from the said premises from March, 2023;
- v. the documents pertaining to M/s. Universal Impex were found in the premises of M/s. Nadiya Polymers as the said premises was rented by him and also M/s. Universal Impex was his firm; as he has sublet a part of the said office to Shri. Viral Mehta, Proprietor of V 360 consultancy who shares his office, the files of M/s. Bison Enterprises recovered under Mahazar dated 13.12.2022 belongs to him; in this regard, he would confirm with Shri. Viral Mehta and revert back within 15 days; that he would produce copy of the sublet agreement for sharing office with Shri. Viral Mehta of V 360 Consultants within 15 days' time;
- vi. On being asked that when he already had a firm by name M/s. Universal Impex what was the necessity for opening another firm by name M/s. Nadiya Polymers he has stated that he has changed the name just like that without any specific reasons; however, all the credentials such as PAN Number, IEC No., GST No. remains the same;
- vii. M/s. Universal Impex have obtained advance authorisation licenses for import of PVC resin from DGFT Mumbai; the details of the advance authorisation obtained (from) by him are as under: -

Advance authorisation no. and date	Details of goods to be imported as per the advance authorisation	Description of goods to be exported under the advance authorisation
311000097 dated 11.12.2020	PVC Resin, Plasticizer, Stabilizer	PVC Flexible Sheet/ film
311000051 dated 07.12.2020	PVC Resin, Plasticizer, Stabilizer	PVC Flexible Sheet/ film
311002656 dated 19.03.2021	PVC Resin, Plasticizer, Stabilizer	PVC Flexible Sheet/ film

- viii. the file containing the above advance authorisation No. 311002656 had been taken by DRI officers during search of M/s. Nadiya Polymers premises on 13.12.2022 and presently he does not have copies of the remaining two authorisation, he will produce the same within 15 days' time;
- ix. On being asked to explain as to the details of imports effected by M/s Universal Impex, under the above Advance authorisations so far (and the procedure involved in it) he has stated that he has obtained the above-mentioned Advance authorisations in the name of M/s Universal Impex from DGFT Mumbai during the year 2020/2021 respectively, for import of PVC Resin for the purpose of manufacture and exporting of PVC Film. He has imported the said goods through Mundra port/ Nhava Sheva port during the year 2021 as detailed below: -

Sl. No.	Bill of entry no. and date	Description of the goods	Assessable value	Port of import
1	2740670 dated 12.02.2021	PVC RESIN S65	25937010	innsa1
2	2777121 dated 15.02.2021	PVC RESIN S65	25937010	innsa1
3	4587081 dated 06.07.2021	PVC RESIN	16253734	inmun1
4	4587084 dated 06.07.2021	PVC RESIN	16253734	inmun1
			84381487	

- x. It was observed from his import documents that in respect of his imports under BE No. 4587081 and 4587084 both dated 06.07.2021, he had imported the subject goods on High Sea Sales basis from M/s. A.G. Enterprises and It was also observed from the copy of High Seas agreement that it was signed by (i) Mr. Vijay Laxman More; (ii) Raghunath Narayan Bhoir; and (iii) Shri Arun Ganpat Awale; Hence on being asked to give details of these persons, he has stated that it was a fact that High Sea sales has happened with M/s. A.G. Enterprises in respect of the above-mentioned Bill of Entries; He knew Shri. Arun Ganapt Awale is the proprietor of M/s. A G Enterprises and Shri. Raghunath Narayan Bhoir who works as peon in his office; He was not aware about Vijay Laxman More; he was arranged by Shri. Viral Mehta, who shares his office;
- xi. On being asked that as per the advance authorisation detailed above, he was supposed to import PVC Resin, Plasticizer and Stabilizer and whether he has imported Plasticizer and Stabilizer, if so, give details thereof, he has stated that he has imported only PVC Resin; the Plasticizer and Stabilizer has not been imported by him;
- xii. On being asked about the procedure followed by him in obtaining the said Advance Authorisation he has stated that he have applied for the Advance Authorisation through a consultant Shri. Viral Mehta who shares office with him;
- xiii. M/s. Universal Impex is not having any manufacturing facility; No exports have been done by M/s. Universal Impex out of the said imported goods; the imported

goods have been cleared as such in the local market; that M/s. Universal Impex had not fulfilled export obligations in respect of the imports under the above advance authorisation;

- xiv. *On being asked whether there is any specific reason for import of PVC resin under advance authorisation he has stated that he thought of using the benefit of duty-free import of PVC resin and intended to manufacture and export the same;*
 - xv. *On being asked to provide a brief note on the manufacturing activities under taken in respect of imported PVC resin from the stage of import to final product manufacturing till export of the said goods for fulfilling export obligation under the above advance authorizations he has stated that no manufacturing activity has been taken in respect of the imported goods, as there was no manufacturing facility available in his registered premises; that he also stated that, he has not purchased any machinery for manufacture with regard to import of PVC Resin;*
 - xvi. *On being asked to provide the details of foreign exchange remittances for the above purchases, he has stated that the details were available in his bank account held with M/s. Kotak Mahindra Bank;*
 - xvii. *On being asked whether he has submitted any bank guarantee at the time of import, if so, please provide the details of bank guarantee submitted to the customs authorities at the time of import of PVC Resin under above advance authorisations he has stated that at present he didn't recollect the same, however he will revert back within 15 days;*
 - xviii. *On being asked as to for what purpose the imported goods have been utilized? Whether it has been used for the manufacture of export goods or has been cleared as such without any manufacturing he has stated that the imported goods have been cleared in the local market without utilising the same for manufacture of export goods; that the imported goods were not stored in any godown and on its import the said imported goods were cleared in the local market; that He didn't remember to whom the said imported goods were cleared locally, their address and other details; He also didn't know under which E way Bill, Invoices the said imported goods were cleared and Mode of payment received from the customers; He would produce the said details within 15 days' time;*
 - xix. *On being asked does he agree that the goods imported duty free by M/s. Universal Impex was diverted/ transferred in violation of conditions prescribed in Advance Authorization scheme he has stated that he agreed and actually, he had intended to export the goods but could not do it;*
 - xx. *He agreed that he has violated the condition that as per para 4.16 of foreign trade policy 2015-2020, "advance authorisation and/or material imported under Advance Authorisation shall be subject to 'actual user' condition; The same shall not be transferable even after completion of export obligation';*
 - xxi. *He has not maintained any separate account as per para 4.51 of foreign trade policy/ Hand book of procedures with regard to use of imported goods in the manufacture of goods intended for export as no manufacture of the said imported goods have taken place;*
 - xxii. *He was aware of the following conditions and he agreed that he has violated the following conditions; As stated earlier by him he has not exported any goods manufactured out of the said imported goods within the timeline prescribed as the said imported goods have been diverted by him in local market;*
- *Authorization Holder shall export/ supply the product as per the quantity and value specified in the Table at Sl. No. 1 within a period prescribed under paragraph 4.22 of the foreign trade policy 2015-2020.*

- The export obligation shall be fulfilled by the Authorization Holder as per the terms and conditions specified in the Foreign Trade Policy 2015-20 and the Hand Book of Procedures 2015-20 and other guidelines issued by the Director General of Foreign Trade from time to time. (As per which period of export obligation under advance authorization shall be 18 months from the date of issue of the authorization).
- Authorisation Holder shall deliver or cause to deliver to the Authorisation issuing Office, within 2 months from the date of expiry of the Export Obligation period stated above, documents as prescribed under paragraph 4.44 and 4.46 of Handbook of Procedures 2015-2020, as amended, from time to time, as evidence of fulfilment of export obligation imposed on this authorisation. In case of bonafide default, provisions of Paragraph 4.49 of the Handbook of Procedures 2015-2020 as amended, from time to time, shall apply. Failure to fulfil the export obligation in the manner as prescribed in the Hnadbook of Procedures 2015-20 shall attract penal proceedings under the provisions of Foreign Trade (Development Regulation) Act, 1992.
- The exempt goods imported against the authorization shall only be utilized in accordance with the provisions of paragraph 4.16 of the Foreign Trade Policy;
- Authorisation Holder shall abide by the instructions contained in Paragraph 4.21 of the Handbook of Procedures 2015-20, as the case may be, for maintenance of a true and proper account of consumption and utilization of inputs and furnish returns to the concerned Regional Authority.
- Authorisation holder shall comply with the provisions of paragraph 4.10 and paragraph 4.35 of the Handbook of Procedures 2015-2020, as amended from time to time, with regard to transfer of any material from one unit of the authorisation holder to any other unit of the authorisation holder included in the IEC or to the supporting manufacturer/jobber.

xxiii. On being asked to peruse the following conditions referred in the Notification No. 018/2015 -customs dated 01.04.2015 issued by the Government of India, Ministry of Finance, New Delhi regarding import of materials under advance authorisation and offer comments;

Conditions:

- i) that in respect of imports made before the discharge of export obligation in full, the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself, to use the imported materials in his factory or in the factory of his supporting manufacturer for the manufacture of dutiable goods...
- ii) that the importer produces evidence of discharge of export obligation to the satisfaction of the Deputy Commissioner or Assistant Commissioner of Customs, as the case may be, within a period of sixty days of the export of period allowed for fulfillment of export obligation;
- iii) that the said authorization shall not be transferred and the said materials shall not be transferred or sold; he has stated that he has perused the above notification and he agreed that he has not fulfilled the above conditions mentioned in the said Notification;
- (xxiv) He agreed that the goods imported duty free by Universal Impex was diverted/ transferred in violation of conditions prescribed in Advance Authorization scheme;
- (xxv) He could not attend for the summons dated 14.12.2022 as he was out of station (he had gone to Kutch) and he could not attend for the summons dated 17.05.2023 as he had a fracture in his right shoulder;

(xxvi) On perusal of his bank account held with M/s. Kotak Mahindra Ltd, it was seen that whenever he needs to make the payment to his overseas supplier, he has received money from certain persons/ firms whom he has not made any supplies as per E way Bill data, who were also found to be non-existing/ whose GST registrations were found to be cancelled/ suspended; On being asked to comment he has stated that Whenever, he needed finances for making payment to his overseas suppliers, he would orally request Shri. Viral Mehta who was sharing office with him and he would arrange for the same; He didn't know anything about the persons/ firms who had transferred money to his bank account; As no goods had been supplied to them by his firm, no E way Bills have been raised to them; In this regard he would get clarification from Shri. Viral Mehta and revert back within 15 days;

(xxvii) On being asked that from his bank accounts it was seen that he has not received any money with regard to sale of imported goods locally he has stated that as money has been arranged for making payments to overseas suppliers by Shri. Viral Mehta, the imported goods had been cleared on his instructions in the local market;

(xxviii) On being asked that he was not in the line of import and export, how did he get into this line that too specifically import of PVC Resins and how did he contact his overseas supplier who supplied PVC Resin, who arranged for shipment, Customs House Agent etc related to import of PVC resin he has stated that as stated by him earlier, he was in the printing line business and it was on the advice and complete guidance of Shri. Viral Mehta, who has only contacted the overseas supplier, arranged for shipment and CHA services, the business of M/s. Universal Impex has been conducted;

(xxix) He didn't have any movable or immovable asset in his name; However, the house he was presently residing i.e., Building No.12, Flat No.703, FAM CHS Limited, Sector 11, Kopar Khairane, Navi Mumbai, 400709 was in the name of his late father Shri. Ramesh Shyamji Sachdev, Mother Smt. Savithri Ramesh Sachdev and his wife Smt. Sheetal R Sachdev;

4.2 Shri. Rajeev Ramesh Sachadev vide his affidavit dated 27.12.2023 (**RUD - XVII**) retracted his statement given before the DRI officers on 22.12.2023. However, vide this office letter dated 02.01.2024 (**RUD XVIII**), he was informed by DD, DRI, MRU that his retraction statement is not valid and that his claim that he was coerced and subjected to threats in order to sign a certain pre typed statement prepared by the officers is baseless and not acceptable and that it appears that retraction of the statement is just an afterthought and allegation is being made with an intention to delay/ avoid submission of the documents/ information sought for in the matter. Further vide this office letter dated 12.01.2024 (**RUD-XIX**), he was asked by this office to submit the following documents pertaining to M/s. Universal Impex.

1. All documents submitted for DGFT for obtaining Advance Authorisation along with copies of Advance Authorisation.
2. All documents pertaining to import of M/s. Universal Impex such as purchase order placed on the supplier, Supplier Invoice, Advance Authorisation License utilised for import, Bill of Entry with all relevant documents etc.
3. All documents relating to export of goods in respect of M/s. Universal Impex including Shipping Bills, Export Invoices, Packing List of exported goods, Purchase orders placed by the overseas buyer.
4. All invoices / E way Bills for clearance of the imported goods issued by your firm.
5. Details of the bank guarantee submitted to Customs at the time of import of goods utilising Advance Authorisation.

6. Bank statement of M/s. Universal Impex held with M/s. Kotak Mahindra Bank till date.

7. Details of the persons/ firms (Their GST number, contact Number and Address, etc) who have transferred money to your account along with details of the goods sold by you to them, if any.

8. Details of the persons/ firms/ entities (Their GST number, contact Number and Address, etc) to whom the imported goods have been supplied by you.

4.3 Shri. Rajeev Ramesh Sachadev failed to submit the required documents as sought for vide this office letter dated 12.01.2024. Instead of submitting the documents called for and cooperating in the investigation, Shri. Rajeev R Sachadev vide his letter dated 14.01.2024 (**RUD XX**) has filed his reply reproduced as under: -

"First and for most I draw you'd attention to my retraction of my statement through my advocates. Your reference to my statement in your said letter is of no consequences. Rejection of my retraction by your respected DD is also of no consequence to me as I stand by my retraction and reasons there is.

I further draw your attention to my earlier correspondence and queries you have failed to reply till date with regards to your illegal investigation Without jurisdiction territorial as well as under customs act with regards to advance authorisation issued to my proprietary firm M/s Universal Impex by dgft Mumbai under FTP and governed by FTDR ACT under aige's of commerce ministry of India.

I once again request you to stop fishing in waters of not your jurisdiction and oblige.

You are further requested to return all my files and documents seized by you illegal immediately".

4.4 Further, Shri. Rajeev Ramesh Sachadev through his counsel Sabeena Mahadik forwarded writ petition bearing No.1331/2024 dated 29.01.2024 filed at the Bombay High Court (**RUD - XXI**) to set aside the investigation being carried out on the following grounds: -

(i) Investigating Officer does not have All India jurisdiction to investigate offences without territorial nexus - Has initiated investigation without jurisdiction - officer exercising jurisdiction in the State of Karnataka, does not have any powers or jurisdiction to investigate the matters beyond their jurisdiction i.e. in state of Maharashtra.

(ii) Entire matter falls under the FTDR Act, Foreign Trade Policy and the Customs Act has no jurisdiction until the said licenses are cancelled by the DGFT and bond given by the license holder to the President of India is invoked through a proper procedure.

(iii) DRI has no jurisdiction to act under section 108 of the Customs Act

(iv) DRI is not the "proper officer" under the Customs Act. thus, DRI no jurisdiction to initiate the investigation under the Customs Act

4.5 Investigating team has filed reply to Writ Petition No.1331/2024 dated 29.01.2024, the subject matter was pending for hearing. During the interval, the Hon'ble Supreme Court's reviewed its 2021 judgment in Canon India Private Limited [2021 (3) TMI 384] dated 09.03.2021 vide Review Petition No. 400/2021 dated 07.11.2024, upheld DRI's jurisdiction, the validity of Section 28(11) of the Customs Act, and Section 97 of the Finance Act, 2022. Therefore, the writ petition No.1331/2024 dated 29.01.2024 filed by Shri. Rajeev Ramesh Sachadev at Hon'ble Bombay High Court becomes moot.

5. SUMMONS ISSUED AND OTHER COMMUNICATIONS

5.1 As Shri. Rajeev Ramesh Sachadev had taken the name of Shri. Viral K Mehta in his statement dated 22.12.2023 as the person under whose guidance he has carried out his business and the one who has arranged for the finances and contacted overseas suppliers and CHA, he was issued summons dated 08.01.2024 (**RUD - XXII**) for appearance on 24.01.2024. However, vide his letter dated 12.01.2024 (**RUD - XXIII**) Shri. Viral Mehta has stated that being chronic heart patient has retracted travel and thus will not be possible to travel to Belagavi to attend the summons. He also stated that he does not recognise M/s. Universal Impex and M/s. Bison Enterprises and hence it is out of question being in possession of any documents and hence unable to help in the matter. He also stated that he does not recognise the DRI officer's jurisdiction under Section 108 of the Customs Act and DRI's all India Jurisdiction. In response, this office vide letter dated 16.01.2024 (**RUD - XXIV**) a fresh summons was issued for his appearance at Mumbai DRI office on 30.01.2024 considering his health condition. In response Shri. Viral K Mehta vide his letter dated 23.01.2024 (**RUD - XXV**) has stated that he decline to attend the summons on such date in Mumbai DRI Office as he is in the process of certain heart related investigation and may have to go through some procedure soon; that he is a heart patient with 5 stents and 6 angioplasty procedures in last 20 years and has been strictly advised not to take any kind of stress at all hence he will not be attending the said summons in Mumbai too. He reiterated that he does not recognise the 2 firms and has asked this office to provide specific input with evidence about his involvement with the said firms otherwise has requested not to bother him in the matter again. He also has stated that he does part time consultancy in Customs and DGFT matters and considering that he is well versed with customs act, laws and judgments has stated that he does not recognise DRI jurisdiction under customs act, DRI Officers as Proper Officers including amendments in the finance bill 2022 as these issues are subjudice in Hon'ble Supreme Court. Hence, he will not attend summons.

5.2 In view of the above, a summons dated 7.3.2024 (**RUD-XXVI**) for appearance on 21.03.2024 at DRI Office, Mumbai along with a letter dated 7.3.2024 (**RUD-XXVII**) intimating that, considering his health condition he is once again requested to appear at DRI Office Mumbai, on 21.03.2024, to answer/ clarify/ explain the questions/ doubts that have arisen in the matter of investigation initiated by this office against M/s. Universal Impex, Mumbai, a proprietorship firm of Shri. Rajeev Ramesh Sachadev, that if he has any genuine issue with the date, he can write back to this office on his available date and this office will consider such request. It was also stated in the said letter that further, necessary medical assistance, if required, will also be arranged at DRI Office, Mumbai and the officers of DRI, Belagavi are willing to come to DRI Office, Mumbai to record his statement, considering his health considerations on humanitarian ground. It was also informed that he is also allowed to bring any personal assistant with him while recording his statement to take care of his personal needs. In spite of the above considerations shown, Shri. Viral Mehta vide his letter dated 12.03.2024 (**RUD-XXVIII**) received in this office on 18.03.2024 has again stated that he does not recognise the companies/ firm this office was referring to and that he being a chronic heart patient with recent procedures cannot be stressed with irrelevant issues which do not concern him and he cannot help the department in the absence of disclosing of any specific evidence against him; that if department want to ask the questions through video conference then he will be ready after 30-45 days citing that he is on heavy medication and is absolutely in no position to take unnecessary stress of DRI due to his health condition; that authority of DRI, Sub regional Unit to issue summons under Section 108 is questionable; that he is sure that without

having concrete evidence he should not be bothered and if the department still wants then he has asked the department to contact him for video conference after 45 days.

5.3 Meanwhile summons dated 08.01.2024 was issued to the CHA's involved in import of the subject goods M/s. Purushotam Chatrabuj Thacker, Mumbai and M/s. O.K. Cargo Craft Pvt Ltd., Mumbai. The said summons was returned back from the postal authorities with a remark "Left". However, M/s. O.K. Cargo Craft Pvt. Limited responded to the e mail sent to them and submitted the documents pertaining to imports made by M/s. Universal Impex on 19.01.2024 by email (**RUD XXIX**). He also mentioned that Shri. Nitesh Bhanushali - Mob-90828 93699 is the person who introduced the firm M/s. Universal Impex to them and submitted copy of the Driving License of Shri. Nitesh Bhanushali and also stated that they have received documents from Nitesh Bhanushali (Email id-yashforwarding@gmail.com) for clearance.

5.4 Summons was sent to Shri. Nitesh Bhanushali who has introduced M/s. Universal Impex to M/s. O.K. Cargo Craft Pvt. Limited for appearance and to tender evidence. Shri. Nitesh Bhanushali vide his e mail dated 14.08.2024 (**RUD - XXX**) sent from nitesh.bhanushali097@gmail.com has stated that documents of both importer i.e., M/s. Universal Impex and M/s. Bison Enterprises has been received from Amar Kothari for the clearance work and he had only forward document to Sunil Joisher of M/s. OK Cargo for clearance.

5.5 Summons was issued to Shri. Amar Kothari of M/s. Kotak Forwarders, Mumbai Mob No.9594321234 for tendering evidence and submission of documents on 19.08.2024, however Shri. Amar Kothari vide his email dated 19.08.2024 (**RUD - XXXI**) has stated that he could not appear on 19.8.2024 as per summons issued as he is not having available proper documentation required by this office; that the said work was done previously 3-4 years back and he had received the documents by whatsapp and sometimes personally; that he is doing a job and he don't have his own office so he don't have a record of the same; that he had done this work as freelance; that he had got the work of this PVC import of M/s. Universal Impex and M/s. Bison enterprises both by importer Shri. Rajiv Sachdev proprietor of M/s. Universal Impex; they had met via one common friend near Rajiv Sachdev residence at Address 12, 704, FAM Society, Koparkhairne, Vashi, Navi Mumbai and Contact no. is 9136045687. Another summons dated 21.08.2024 was issued to him for appearance on 28.08.2024, however Shri. Amar Kothari vide his e mail dated 28.08.2024 requested for adjournment citing health issues.

5.6 Meanwhile, vide this office letter dated 3.3.2024, the Additional Director General of Foreign Trade, Mumbai (Local DGFT authority) was apprised about misuse of the Advance License by M/s. Universal Impex and also requested to take necessary action in the matter. Further as M/s. Universal Impex was still being shown as active as per GST portal, jurisdictional GST authorities, both centre and state, were apprised of the nonexistence of M/s. Universal Impex at the registered address at Unit No.37, Ground Floor, Shankeshwar Industrial estate, Poman Mori, Bhiwandi road, Vasai - 401208 and to conduct necessary verification of the said firm's premises and to take up appropriate action in the matter as per provisions of GST Act, 2017.

5.7 Statement of Shri. Amar Kothari was recorded on 07.11.2024 (**RUD - XXXII**) wherein inter alia he has stated as under: -

- (i) he could not attend to the summons earlier as he was not well and was hospitalized and operated for kidney stone and as per his request and keeping his health condition, he had requested to take his statement at Mulund where he resides;
- (ii) He was B Com graduate from Mumbai University;

- (iii) He was working in M/s. Kotak Forwarding Agency, 201, Koteswar Plaza, RHB Road, Mulund West, Mumbai 400080 as Customs Clerk since 2011;
- (iv) He was familiar with the procedures related to clearance of goods in customs; he does documentation and attend to assessment and clearance work at Nhava Sheva Customs Port;
- (v) He was in this filed for last 12 years;
- (vi) He held H card bearing no. 31/2019 issued by Bombay Customs;
- (vii) He was employed with M/s. Kotak Forwarding Agency;
- (viii) Whatever customs clearance work came to M/s.Kotak Forwarding, he has attended to the same and he has also done customs clearance work as freelancer;
- (ix) He has heard of firms by name M/s. Universal Impex and M/s. Bison Enterprises and he has done the customs clearance work related to their imports;
- (x) He has come in contact with M/s. Universal Impex and M/s. Bison Enterprises through his office docks (CFS) person Shri. Naveen Bhanushali who was residing in the same society where Shri. Rajeev Sachadev, proprietor of M/s. Universal Impex resides;
- (xi) He has interacted and met Shri. Rajeev Sachadev, proprietor of M/s. Universal Impex and collected all the documents pertaining to customs clearance work of both M/s. Universal Impex and M/s. Bison Enterprises from him; On being asked, Shri. Rajeev Sachadev has stated that M/s. Bison Enterprises is his sister concern firm and they also import same goods as imported by M/s. Universal Impex i.e., PVC Resin; He has not met any person from M/s. Bison Enterprises;
- (xii) He met Shri. Rajeev Sachadev in his society FAM society, Kopar Khairane and collected all documents from in there; he met him during 2021, he doesn't remember the exact dates;
- (xiii) Shri. Rajeev Sachadev gave copies of Bill of Lading, Invoice, Packing List, Country of Origin Certificate, License copy and KYC related documents and requested to file the Bill of Entry and get the goods cleared from Customs in respect of both M/s. Universal Impex and M/s. Bison Enterprises;
- (xiv) He has received the remuneration in cash from Shri. Rajeev Sachadev at his society; he doesn't remember the amount of remuneration paid by Shri. Rajeev Sachadeva;
- (xv) As this work was taken by him on freelance, he did the basic documentation and asked Shri. Nitesh Bhanushali, who was his friend to get the goods cleared from customs;
- (xvi) He had paid Rs.1000/- per container to Shri. Nitesh Bhanushali for the said work;
- (xvii) He knew Shri. Nitesh Bhanushali as he was his friend in customs for 6 years;
- (xviii) He knew M/s. Purushotam Chatrabuj Thacker, Mumbai and M/s. O.K. Cargo Craft Pvt Ltd., Mumbai; he has given the customs work to them through Shri. Nitesh Bhanushali as he has done this work on freelance and did not want his employer to know about his freelancing work;
- (xix) He could not attend to the summons earlier as he was not well and was hospitalized and operated for kidney stone and as per his request and keeping his health condition, he had requested to take his statement at Mulund where he reside;
- (xx) As he has done freelancing work and do not have own office, he has not maintained any records with him, hence he has not brought them with him, However, he will try to collect the same and courier it within 15 days;
- (xxi) He has collected the documents from Shri. Rajeev Sachadev for customs

clearance work of M/s. Universal Impex and M/s. Bison Enterprises in presence of his friend Shri. Navin Bhanushali;

(xxii) Other than Shri. Rajeev Sachadev, he has not met any other person on behalf of the above said firms in connection with above customs clearance work. He has only met and coordinated with Shri. Rajeev Sachadev and His Mobile Number was 8104041677 or 9136045687;

(xxiii) On being asked did he verify the credentials of the importer M/s. Universal Impex and M/s. Bison Enterprises like visiting their business premises etc before handling their customs clearance work, he has stated "No", as the work was taken based on the reference from a friend, he had not done the verification;

(xxiv) On being asked whether he was aware that the goods i.e., PVC resins were being imported under advance license authorisation with actual manufacture condition he has stated that initially when he met Shri. Rajeev Sachadev, he was not aware of the same, but on perusal of the documents submitted by him, he came to know about the same;

(xxv) He has not met Shri. Rajeev Sachadev for the last 2-3 years.

6. LEGAL PROVISIONS:

6.1 The Policy and Procedural aspects of Advance Authorisation Scheme have been elaborated under Chapter 4 of Foreign Trade Policy 2015-2020 and Handbook of Procedures 2015-2020 (hereinafter referred as FTP). The importer has availed the benefit of exemption extended by notification No. 018/2015-Customs, dated 01.04.2015, and did not pay any Customs duty on such input materials at the time of import and ***one of the important conditions referred in the said notification is that the goods imported under said authorization shall not be transferred and the said materials shall not be transferred or sold.*** Further, the relevant provisions of the law relating to import of goods in general, the policy and rules relating to imports, the liability of the goods to confiscation and the persons concerned to penalty for violation of import conditions have been elaborated under Customs Act, 1962 and the laws for the time being in force which are summarised below: -

I. Foreign Trade Policy 2015-2020 read with Foreign Trade Policy 2023:

2.01 Exports and Imports- 'Free', unless regulated

(a) Exports and Imports shall be 'Free' except when regulated by way of 'prohibition', 'restriction' or 'exclusive trading through STE..... The list of 'prohibited', 'restricted' items can be viewed by clicking on 'Downloads' at <http://dgft.gov.in>.

2.10 Actual User Condition

Goods which are importable freely without any 'Restriction' may be imported by any person. However, if such imports require an Authorisation, actual user alone may import such goods unless actual user condition is specifically dispensed with by DGFT.

4.03 Advance Authorisation

(a) Advance Authorisation is issued to allow duty free import of input, which is physically incorporated in export product (making normal allowance for wastage). In addition, fuel, oil, catalyst which is consumed/ utilized in the process of production of export product, may also be allowed.

(b) Advance Authorisation is issued for inputs in relation to resultant product, on the following basis:

- i. As per Standard Input Output Norms (SION) notified (available in Hand Book of Procedures); OR
- ii. On the basis of self-declaration as per paragraph 4.07 of Handbook of Procedures; OR
- iii. Applicant specific prior fixation of norm by the Norms Committee; OR
- iv. On the basis of Self Ratification Scheme in terms of Para 4.07A of Foreign Trade Policy.

4.12 Accounting of Input

- (i)
- (ii)
- (iii) At the time of discharge of export obligation (issue of EODC) or at the time of redemption, Regional Authority shall allow only those inputs which have been specifically indicated in the shipping bill together with quantity.
- (iv)

4.14 Details of Duties exempted:

Imports under Advance Authorisation are exempted from payment of Basic Customs Duty, Additional Customs Duty, Education Cess, Antidumping Duty, Countervailing Duty, Safeguard Duty, Transition Product Specific Safeguard Duty, wherever applicable.

4.16 Actual User Condition for Advance Authorisation

(i) Advance Authorisation and/ or material imported under Advance Authorisation shall be subject to 'Actual User' condition. The same shall not be transferable even after completion of export obligation. However, Authorisation holder will have option to dispose of product manufactured out of duty-free input once export obligation is completed.

4.22 Export Obligation Period and its Extension:

Period for fulfilment of export obligation and its extension under Advance Authorisation shall be as prescribed in Handbook of Procedures.

Definitions

9.22 "Export Obligation" means obligation to export product or products covered by Authorisation or permission in terms of quantity, value or both, as may be prescribed or specified by Regional or competent authority.

9.47 "Restricted" is a term indicating the import or export policy of an item, which can be imported into the country or exported outside, only after obtaining an Authorisation from the offices of DGFT.

II. Hand Book of Procedures 2015-20 read with Hand Book of Procedures 2023:

2.18 Validity of Authorisation/License for import/export

(b) export obligation period of an Authorisation must be valid on the date of export.

4.04 Advance Authorisation

Advance Authorization Applicant shall file application online in ANF 4A. Same form is applicable where Standard Input Output Norms (SION) have been notified or on the basis of adhoc norms or on self-declaration basis as per paragraph 4.07 of Hand Book of Procedures.

4.07 Self-Declared Authorizations where SION does not exist

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- i. Regional Authority may also issue Advance Authorisation where there is no SION/ valid Ad hoc Norms for an export product or where SION/ Ad hoc norms have been notified/ published but exporter intends to use additional inputs in the manufacturing process, based on self-declaration by applicant. Wastage so claimed shall be subject to wastage norms as decided by Norms Committee. The applicant shall submit an undertaking to abide by decision of Norms Committee. The provisions in this regard are given in paragraph 4.03 and 4.11 of FTP.
- ii. In case of revision/ rejection, applicant shall pay duty and interest as notified by DoR within thirty days from the date of hosting of Norms Committee decision on DGFT website.

4.21 Maintenance of Proper Accounts

Every Advance Authorisation holder shall maintain a true and proper account of consumption and utilization of duty free imported/ domestically procured inputs against each authorisation as prescribed in Appendix 4-I. This record in Appendix 4-I format, duly verified and certified by the jurisdictional Excise Authority, shall be submitted to the concerned Regional Authority at the time of filing application for redemption/ bond waiver. Regional Authority shall compare the details of Appendix 4-I, with that of the inputs allowed in the authorisation, before allowing redemption or bond waiver against individual authorization. Such records shall be preserved for a period of at least three years from the date of redemption.

4.35 Facility of Supporting Manufacturer/ Jobber/ co-licensee

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a) Imported material may be used in any unit of holder of Advance Authorisation subject to condition of paragraph 4.10 of this Handbook or jobber/ supporting manufacturer provided same is endorsed on authorisation by Regional Authority. If applicant desires to have name of any manufacturer or jobber added to authorisation, he may apply. Such endorsement shall be mandatory where prior import before export is a condition for availing Advance Authorisation scheme and authorisation holder desires to have material processed through any other manufacturer or jobber.

4.42 Export Obligation (EO) Period and its Extension:

- a) Period for fulfilment of export obligation under Advance Authorisation

shall be 18 months from the date of issue of authorisation. Period of EO fulfilment under an Advance Authorisation shall commence from date of issue of Authorisation, unless otherwise specified.

(e) Regional Authority may consider a request of Advance Authorisation holder for one extension of EO period upto six months from the date of expiry of EO period subject to payment of composition fee of 0.5% of the shortfall in EO. Authorisation holder will have to submit a self-declaration to RA stating that unutilised imported/ domestically procured inputs are available with the applicant.

(f) Request for further extension of six months after first extension can be considered by Regional Authority, provided Authorisation holder has fulfilled minimum 50% export obligation in quantity as well as in value, on pro-rata basis. This will be subject to payment of composition fee @ 0.5% per month on unfulfilled FOB value of export obligation. No further extension shall be allowed by Regional Authority. This provision shall also be applicable to Advance Authorisations issued during FTP 2009-2014. However, only two extensions of six months each as mentioned above can be allowed subject to payment of composition fee and under no circumstance Regional Authority shall allow any extension beyond 12 months from date of expiry of EO period. At the time of filing application for second EO extension, the Authorisation holder will have to submit a self-declaration to RA stating that unutilised imported/domestically procured inputs are available with the applicant.

4.44 Monitoring of Export Obligation

(a) Regional Authority, with whom undertaking is executed by Advance Authorisation holder, shall maintain a proper record in a master register indicating starting and closing dates of obligation period and other particulars to monitor EO. In addition, this information may be generated from Computer System and maintained in a book form.

(b) Within two months from the date of expiry of EO period, Authorisation holder shall file application online by linking details of shipping bills against the authorization.

(c) Exporters shall link all exports on line on DGFT system by linking file number/ authorisation number with the relevant shipping bill numbers/ bill of exports/ invoices in case of deemed exports on quarterly basis.

(d) In case of non-EDI shipping bills and supplies under deemed export, exporter shall file relevant details manually on the website of the DGFT within two months from the date of expiry of EO period. Copies of shipping bills shall be submitted to concerned Regional Authority for verification within two months from date of expiry of export obligation period.

(e) e-BRC shall be linked with these shipping bills within six months from the date of expiry of export obligation/ realisation or as per the time period prescribed for realization of foreign exchange by RBI. Regional Authority shall not take action for non-linking/ submission of e-BRC before expiry of said period, provided other documents substantiating fulfilment of EO have been furnished by the exporter

(f) In case Authorisation holder fails to complete EO or fails to submit relevant information/ documents, Regional Authority shall enforce condition of Authorisation and Undertaking and also initiate penal action as per law including refusal of further authorization to the defaulting exporter.

4.46 Fulfilment of Export Obligation

Authorisation holder shall file online application in ANF 4F to concerned Regional Authority and upload prescribed documents in support of fulfilment of EO.

4.51 Maintenance of Proper Accounts

Every Advance Authorisation holder shall maintain a true and proper account of consumption and utilisation of duty free imported/ domestically procured goods against each authorisation as prescribed in Appendix 4H or 4I, as applicable.

III. Condition Sheet in the advance authorisation No. 0311000097 dated 11.12.2020, 3011000051 dated 07.12.2020 and 0311002656 dated 19.03.2021 issued to M/s. Universal Impex by DGFT, Mumbai (relevant points only).

1. The authorisation holder shall export to or import from any country other than specified on the Authorisation or Paragraph 2.02 of the Hand Book of Procedures 2015-2020

2. Authorisation Holder shall export/supply the product(s) as per the quantity (ies) and value (s) specified in the Table at Serial no. 1 above within a period prescribed under Paragraph 4.22 of the Foreign Trade Policy 2015-2020

3. Foreign Exchange remittance against this Authorisation shall be governed by the instructions issued by the Reserve Bank of India from time to time.

4. The Export obligation shall be fulfilled by the authorisation holder as per the terms and conditions specified in the Foreign Trade Policy 2015-20 and the Handbook of Procedures 2015-20 and other guidelines issued by the DGFT from time to time.

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6. The exempt goods imported against this Authorisation shall only be utilised in accordance with the provisions of Paragraph 4.12 and 4.16 of the Foreign Trade Policy 2015-2020 and other provisions and the relevant Customs Notification {Customs Notification 18/2015 dated 1.4.15 (for physical exports)}

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7. Authorisation Holder shall abide by the instructions contained in Paragraph 4.21 of the Handbook of Procedures 2015-20, as the case may be, for maintenance of a true and proper account of the consumption and utilisation of inputs and furnish returns to the concerned Regional Authority as per the provisions of the foreign Trade Policy 2015-2202 and the procedure laid thereunder.

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13. Import and Export of items prohibited/ Restricted/ Reserved for State Trading Enterprises shall be governed by the provisions contained in Paragraph 4.18 of the Foreign Trade Policy 2015-2020

IV. Customs Notification No. 018/2015-Cus dated 01.04.2015

The Central Board of Excise and Customs (CBEC) issued customs notification

No. 018/2015-Cus dated 01.04.2015, to enable the Advance Licence (authorization) holders to clear the imported capital goods at concessional rate of duty. As per the said notification,

- i. materials imported into India against a valid advance authorization issued by the Regional Authority in terms of paragraph 4.03 of the Foreign Trade Policy from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 and from the whole of the additional duty, safeguard duty, etc.
- ii. that the said authorisation bears, -
 - (a) the name and address of the importer and the supporting manufacture in cases where the authorisation has been issued to a merchant exporter;
- iii. that in respect of imports made before the discharge of export obligation in full, the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself, to use the imported materials in his factory or in the factory of his supporting manufacturer for the manufacture of dutiable goods...
- iv. That the export obligation as specified in the said authorisation (both in value and quantity terms) is discharged within the period specified in the said authorisation or within such extended period as may be granted by the Regional Authority by exporting resultant products, manufactured in India which are specified in the said authorisation;
- v. that the importer produces evidence of discharge of export obligation to the satisfaction of the Deputy Commissioner or Assistant Commissioner of Customs, as the case may be, within a period of sixty days of the export of period allowed for fulfilment of export obligation.
- vi. that the said authorization shall not be transferred and the said materials shall not be transferred or sold.

V. Customs Act, 1962:

(i) 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 to the proper officer a bill of entry for home consumption or warehousing in the prescribed form:

Provided 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.

...

(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, relating to the imported goods.

(ii) As per Section 111(d) of Customs Act, 1962.

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, shall be liable to confiscation;

(iii) As per Section 111(o) of Customs Act, 1962.

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, shall be liable to confiscation;

(iv) Section 112 of Customs Act, 1962: As per section 112, any person

- a. who in relating 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, is liable for penal action under Section 112 (i) and (ii) of the Customs Act, 1962.

(v) Section 114A of Customs Act, 1962, 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:

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

(v) Section 143 of the Customs Act, 1962: Power to allow import or export on execution of bonds in certain cases. -

(1) Where this Act or any other law requires anything to be done before a person can import or export any goods or clear any goods from the control of officers of

customs and the ¹ [Assistant Commissioner of Customs or Deputy Commissioner of Customs] is satisfied that having regard to the circumstances of the case, such thing cannot be done before such import, export or clearance without detriment to that person, the ¹ [Assistant Commissioner of Customs or Deputy Commissioner of Customs] may, notwithstanding anything contained in this Act or such other law, grant leave for such import, export or clearance on the person executing a bond in such amount, with such surety or security and subject to such conditions as the ¹ [Assistant Commissioner of Customs or Deputy Commissioner of Customs] approves, for the doing of that thing within such time after the import, export or clearance as may be specified in the bond.

(2) If the thing is done within the time specified in the bond, the ¹ [Assistant Commissioner of Customs or Deputy Commissioner of Customs] shall cancel the bond as discharged in full and shall, on demand, deliver it, so cancelled, to the person who has executed or who is entitled to receive it; and in such a case that person shall not be liable to any penalty provided in this Act or, as the case may be, in such other law for the contravention of the provisions thereof relating to the doing of that thing.

(3) If the thing is not done within the time specified in the bond, the ¹ [Assistant Commissioner of Customs or Deputy Commissioner of Customs] shall, without prejudice to any other action that may be taken under this Act or any other law for the time being in force, be entitled to proceed upon the bond in accordance with law.

VI. The Integrated Goods and Services Tax Act, 2017

Section 5(1) Subject to the provisions of sub-section (2), there shall be levied a tax called the integrated goods and services tax on all inter-State supplies of goods or services or both, except on the supply of alcoholic liquor for human consumption, on the value determined under section 15 of the Central Goods and Services Tax Act and at such rates, not exceeding forty per cent, as may be notified by the Government on the recommendations of the Council and collected in such manner as may be prescribed and shall be paid by the taxable person:

Provided that the integrated tax on goods imported into India shall be levied and collected in accordance with the provisions of section 3 of the Customs Tariff Act, 1975 on the value as determined under the said Act at the point when duties of customs are levied on the said goods under section 12 of the Customs Act, 1962.

7. SCRUTINY AND ANALYSIS OF EVIDENCES:

7.1 From the data retrieved and documents recovered/ received during investigation, it is found that M/s. Universal Impex have obtained the following Advance Authorisations from DGFT, Mumbai in terms of the Foreign Trade Policy in force, under self-declaration basis, for duty free import of PVC Resin as per conditions of notification No. 018/2015-cus dated 01.04.2015 read with Foreign Trade Policy in force, with an obligation to export PVC flexible sheet/ film using the duty free imported materials. The details of the licenses, Qty and FOB value of imports, along with the details of the bonds executed at the customs port are tabulated in Table A and B as under.

Table A: -

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Registered Custom House	Registration Number	Registration Date	Notification	Bond Number	Bond Value	Exp OE Date	Quantity In Kgs	FOB Val IR
INNSA1	311002656	19-03-2021	018/ 2015	2001881779	110000000	19-09-2022	749626	86188087
INNSA1	311000097	11-12-2020	018/ 2015	2001814484	62500000	11-06-2022	450000	37277574
INNSA1	311000051	07-12-2020	018/ 2015	2001810412	35000000	07-06-2022	300000	32569584

Table B: -

Port of import	BE Number & Date	Item Description	CTH	Quantity In Kgs	Assessable Value	Duty Amt	Exempt Notn	LICENCE NUMBER
INNSA1	2740670 12-02-2021	PVC Resin S65	39041090	247500	25937010	5182215	018/2015	311000097
INNSA1	2777121 15-02-2021	PVC Resin S65	39041090	247500	25937010	5182215	018/2015	311000051
INMUN1	4587081 06-07-2021	PVC Resin	39049010	130000	16253734	3247496	018/2015	311002656
INMUN1	4587084 06-07-2021	PVC Resin	39041090	130000	16253734	3508205	018/2015	311002656
				755000	84381488	17120130		

A. Transfer and selling of materials imported under Advance Authorisation to Local Market

7.2 Advance Authorisations are issued by the Directorate General of Foreign Trade (DGFT) to importers for import of mainly various raw materials without payment of Customs Duty and the said export promotional scheme is governed by Chapter 4 of the Foreign Trade Policy (2015-20) and corresponding Chapter 4 of the Hand Book of Procedures (2015-20), Volume I & II. Para 4.03 of the Foreign Trade Policy allows duty free inputs which are to be physically incorporated in the export products.

7.3 M/s. Universal Impex had imported PVC Resin falling under Customs Tariff Heading 39041090/ 39049010 vide 4 bills of entry (2740670 dated 12-02-2021, 2777121 dt. 15-02-2021, 4587081 dt. 06-07-2021 and 4587084 dt. 06-07-2021) (**RUD XXXIII**) without payment of duty of Customs under advance authorisation numbers 0311000051 dated 07.12.2020, 0311000097 dated 11-12-2020 and 0311002656 dated 19.03.2021. The importer has availed benefit of exemption extended by notification No. 018/2015 dated 01.04.2015, as amended.

7.4 The advance authorisation no. 0311000051, 0311000097 and 0311002656 were issued on 07-12-2020, 11-12-2020 and 19-03-2021 (**RUD - XXXIV**) respectively and they were valid for 18 months i.e., up to 07.06.2022, 11.06.2022 and 19.09.2022 respectively, i.e., they should have exported the entire quantity specified in the said advance authorisations on or before the above-mentioned dates (within the original export obligation period). However, the firm failed to fulfil the export obligation within the dates mentioned as above.

7.5 As per para 4.16 of Foreign Trade Policy, Actual User Condition for Advance Authorisation, Advance Authorisation and/ or material imported under Advance Authorisation shall be subject to 'Actual User' condition. The same shall not be transferable even after completion of export obligation. However, Authorisation holder will have option to dispose of product manufactured out of duty-free input once export obligation is completed.

7.6 As per Condition Sheet of advance authorization, relating to transfer of materials:

1. Authorisation Holder shall export/ supply the product(s) as per the quantity (ies) and value(s) specified in the Table at Serial 1 above within a period prescribed under Paragraph 4.22 of the Foreign Trade Policy 2015-2020.

6. The exempt goods imported against the authorisation shall only be utilised in accordance with the provisions of paragraph 4.12 and paragraph 4.16 of the Foreign Trade Policy 2015-2020 and other provisions and the relevant Customs Notification [Customs Notification No. 18/2015 dated 1.4.15 (for physical exports), as the case may be as amended from time to time;

15. All conditions of the Foreign Trade Policy 2015-2020 and the Handbook of Procedures 2015-2020 and the ITC (HS) Classification Book as amended shall be applicable unless specifically dispensed with against this Authorisation.

7.7 As per Notfn. No. 018/2015 – Cus. dated 01.04.2015: (x) that the said authorization shall not be transferred and the said materials shall not be transferred or sold.

7.8 In his statement dated 22.12.2023, Shri. Rajeew Sachadev proprietor of M/s. Universal Impex answering a specific question has stated as under

Q.14: Please provide the details of exports done by M/s. Universal Impex, out of the imported goods.

Ans: No exports have been done by M/s. Universal Impex out of the said imported goods. The imported goods have been cleared as such in the local market.

Q 15: Whether M/s. Universal Impex fulfilled export obligations in respect of their imports under the above advance authorisation? If so, please give the details.

Ans: As stated by me earlier, M/s. Universal Impex have not fulfilled export obligations in respect of the imports under the above advance authorisation.

Q.15: Is there any specific reason for import of PVC resin under advance authorisation?

Ans: I thought of using the benefit of duty-free import of PVC resin and intended to manufacture and export the same.

Q. 16: Please provide a brief note on the manufacturing activities under taken in respect of imported PVC resin from the stage of import to final product manufacturing till export of the said goods for fulfilling export obligation under the above advance authorizations.

Ans: No manufacturing activity has been taken in respect of the imported goods, as there was no manufacturing facility available in our registered premises. I also state that, I have not purchased any machinery for manufacture with regard to import of PVC Resin.

Q. 17: Please provide the details of foreign exchange remittances for the above purchases.

Ans: The details are available in my bank account held with M/s. Kotak Mahindra Bank mentioned above.

Q 18: Whether you have submitted any bank guarantee at the time of import, if so, please provide the details of bank guarantee submitted to the customs authorities at the time of import of PVC Resin under above advance authorisations.

Ans: At present I do not recollect the same, however I will revert back to you within 15 days.

Q. 19: For what purpose the imported goods have been utilized. Whether it has been used for the manufacture of export goods or has been cleared as such without any manufacturing. Pl give details.

Ans: The imported goods have been cleared in the local market without utilising the same for manufacture of export goods. The imported goods were not stored in any godown and on its import the said imported goods were cleared in the local market. I don't remember to whom the said imported goods were cleared locally, their address and other details. I also don't know under which E way Bill, Invoices the said imported goods were cleared and Mode of payment received from the customers. I will produce the said details within 15 days' time.

Q. 20: Do you agree that the goods imported duty free by M/s. Universal Impex was diverted/ transferred in violation of conditions prescribed in Advance Authorization scheme.

Ans: - Yes. I agree. Actually, I had intended to export the goods but could not do it.

Q.21: As per para 4.16 of foreign trade policy 2015-2020, "advance authorisation and /or material imported under Advance Authorisation shall be subject to 'actual user' condition. The same shall not be transferable even after completion of export obligation'. However, you have violated the said conditions. Pl comment.

Ans: Yes, I agree that the above condition has been violated.

Q. 22: As per para 4.51 of foreign trade policy/ Hand book of procedures separate account has to be maintained with regard to use of imported goods in the manufacture of goods intended for export. Whether you have maintained such accounts.

Ans: No. I have not maintained any separate account as no manufacture of the said imported goods have taken place.

Q. 23: Are you aware that the following conditions have been prescribed in the condition sheet of the said authorisation. If so, please offer your comments.

Condition Sheet:

(i) Authorization Holder shall export/supply the product as per the quantity and value specified in the Table at Sl. No. 1 within a period prescribed under paragraph 4.22 of the foreign trade policy 2015-2020.

(ii) The export obligation shall be fulfilled by the Authorization Holder as per the terms and conditions specified in the Foreign Trade Policy 2015-20 and the Hand Book of Procedures 2015-20 and other guidelines issued by the Director General of Foreign Trade from time to time. (As per which period of export obligation under advance authorization shall be 18 months from the date of issue of the authorization).

(iii) Authorisation Holder shall deliver or cause to deliver to the Authorisation issuing Office, within 2 months from the date of expiry of the Export Obligation period stated above, documents as prescribed under paragraph 4.44 and 4.46 of Handbook of Procedures 2015-2020, as amended, from time to time, as evidence of fulfilment of export obligation imposed on this authorisation. In case of bonafide default, provisions of Paragraph 4.49 of the Handbook of Procedures 2015-2020 as amended, from time to time, shall apply. Failure to fulfil the export obligation in the manner as prescribed in the Handbook of Procedures 2015-20 shall attract penal proceedings under the provisions of Foreign Trade (Development

Regulation) Act, 1992.

(iv) The exempt goods imported against the authorization shall only be utilized in accordance with the provisions of paragraph 4.16 of the Foreign Trade Policy;

(v) Authorisation Holder shall abide by the instructions contained in Paragraph 4.21 of the Handbook of Procedures 2015-20, as the case may be, for maintenance of a true and proper account of consumption and utilization of inputs and furnish returns to the concerned Regional Authority.

(vi) Authorisation holder shall comply with the provisions of paragraph 4.10 and paragraph 4.35 of the Handbook of Procedures 2015-2020, as amended from time to time, with regard to transfer of any material from one unit of the authorisation holder to any other unit of the authorisation holder included in the IEC or to the supporting manufacturer/jobber.

Ans: Yes. I am aware of the above conditions and I agree that I have violated the above conditions. As stated earlier by me I have not exported any goods manufactured out of the said imported goods within the timeline prescribed as the said imported goods have been diverted by me in local market.

Q. 24: Now please peruse the following conditions referred in the Notification No. 018/2015 -customs dated 01.04.2015 issued by the Government of India, Ministry of Finance, New Delhi regarding import of materials under advance authorisation and offer your comments.

Conditions:

(i) that in respect of imports made before the discharge of export obligation in full, the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself, to use the imported materials in his factory or in the factory of his supporting manufacturer for the manufacture of dutiable goods...

(ii) that the importer produces evidence of discharge of export obligation to the satisfaction of the Deputy Commissioner or Assistant Commissioner of Customs, as the case may be, within a period of sixty days of the export of period allowed for fulfilment of export obligation.

(iii) that the said authorization shall not be transferred and the said materials shall not be transferred or sold.

Ans: I have perused the above notification and I agree that I have not fulfilled the above conditions mentioned in the said Notification.

Q. 25: Do you agree that the goods imported duty free by Universal Impex was diverted/ transferred in violation of conditions prescribed in Advance Authorization scheme.

Ans: Yes. I agree.

7.9 Neither the policy nor the customs notification nor the conditions attached to the advance authorisation allow diversion of the duty-free materials as such unless export obligation in respect of the subject advance authorisation under which such goods were imported duty free, have been fulfilled to the satisfaction of the Customs and DGFT authorities. However, in the instant case, the duty-free imported material i.e., PVC Resin has been fraudulently diverted to local market thereby the importer has failed to fulfil the actual user condition mentioned in the advance license and also failed to export the intended finished product i.e., PVC flexible film/ sheet, thus violated the conditions stipulated in the Notification 018/2015 -customs dated 01.04.2015 and advance

authorisations issued to them.

7.10 On perusal of the GST returns filed, as per GST portal and also as per the documents recovered during search of the premises of M/s. Nadiya Polymers as mentioned in the mahazar dated 13.12.2022, it is seen that they have filed NIL GSTR 3B returns indicating no transactions have taken place for the period from 2019-20 to 2022-23. The imported goods have not also been found in the registered premises (as M/s. Universal Impex was not found to be operating/ existing for the registered premises) implying fraudulent diversion of imported goods and non-adherence to "Actual User Condition" specified in the advance license.

7.11 As per E way Bill portal, No E way bills have been raised for clearance of imported duty free raw materials or finished goods from the registered premises implying fraudulent diversion of imported goods (in the absence of manufacturing premises and facility for manufacture). Further, as per bank statements, even though there are NIL GSTR 3B returns, the importer has received money from various local entities which is used for making payments to their overseas supplier even though there are no clearances to the entities who have made the payments to the importer.

7.12 On scrutiny of some of the transactions from where the money has been received to the importers bank account and linking them to the GSTIN, it was noticed that the entities which have made the payments are found to be non-existent/ have closed their operations as per GST portal indicating that the entire exercise has been done to facilitate clandestine diversion of imported duty-free raw material in the local market resulting in misuse of the advance authorisation scheme.

7.13 From the bank account of M/s. Universal Impex it is also seen that there are no receipts from overseas entities so as to corroborate that the same can be attributed to the non-exports of manufactured goods by M/s. Universal Impex. Further there are no outward E way bills from M/s. Universal Impex to any of the ports for export of the finished goods manufactured by them and also there are no Export Shipping Bills for having exported the goods manufactured out of the imported goods in order to satisfy the conditions prescribed in the Notification No.18/2015 Cus dated 1.4.2015. In the absence of the E way bills for transport of goods to the port for export, Shipping Bill for export and non-receipt of amounts from the foreign buyers, it is clearly evident that the goods imported by M/s. Universal Impex claiming exemption from Customs Duty with a condition to re-export finished goods i.e., manufactured PVC Flexible sheet/ film using the said imported goods i.e., PVC Resin have been diverted locally. Thus M/s. Universal Impex have misused the exemption provided under Notification No.18/2015 Cus dated 1.4.2015 and hence are liable for payment of appropriate Customs duties and IGST along with applicable interest and also liable for imposition of penalty under Customs Act, 1962 and IGST Act, 2017

7.14 It is evident from the above facts that there was clear violation of the conditions of the Advance Authorization, Hand book of Procedures, Customs notification and Foreign Trade Policy by M/s. Universal Impex, hence it appears that they are liable to pay the entire duty foregone amount/ duty saved amount in their import using advance authorisation No. 0311000051, 0311000097 and 0311002656 under the above mentioned 4 Bills of Entry along with interest as per the extant legal provisions.

B. Issue of non-fulfilment of export obligation:

7.15 Para 4.42 of the Hand Book of Procedures (2015-20), requires an importer to fulfil export obligation under an Advance Authorisation within a period of 18 months from the date of issue of Authorisation, unless and until they were given opportunity by the Directorate General of Foreign Trade for extended time

for such fulfilment of export obligation. Also, the Hand book Procedures and para (ix) of the notification No.018/2015- Cus, makes it mandatory on the part of the authorisation holder to submit requisite evidence in support of discharge of export obligation in accordance with the law within a period of sixty days from the date of expiry of export obligation.

7.16 In his statement dated 22.12.2023, Shri. Rajeev Ramesh Sachadev had accepted following facts;

(i) M/s. Universal Impex is not having any manufacturing facility and he has not purchased any machinery for manufacture with regard to import of PVC Resin.

(ii) No exports have been done by M/s. Universal Impex out of the imported goods and the imported goods have been cleared as such in the local market without utilising the same for manufacture of export goods. The imported goods were not stored in any godown and on its import the said imported goods were cleared in the local market.

(iii) M/s. Universal Impex have not fulfilled export obligations in respect of the imports under the advance authorisation

7.17 And also, as per bank statement, no foreign inward remittances have been received by M/s. Universal Impex, indicating there is no exports have taken place. Further, verification of the customs data indicated no exports have taken place, thus violating the export obligation conditions put forth in the advance licenses.

7.18 It appears that in view of the discussions in earlier paras, the importers have failed to fulfil the conditions specified therein and as such also they are not eligible for the benefit of duty exemption provided by the said advance authorisation issued by the DGFT. It also appears that they have violated the "Actual User" condition and have diverted the imported goods.

7.19 Section 143 of the Customs Act, 1962, provides for execution of Bonds under certain circumstances where this Act or such other law, grant leave for import, export or clearance of goods on the person executing a bond subject to conditions as approved by the competent authority. In case of exemption that requires fulfilment of post-import conditions over a period of time, law makes such execution of Bond mandatory which makes the importer/exporter duty bound to pay amount of duty benefit availed with appropriate interest, in case of failure on the part of the importer/exporter to comply with such conditions. Further, as per condition (iv) of the customs notification No. 018/2015-Cus dated 01.04.2015, in respect of imports made before the discharge of export obligation in full, the importer at the time of clearance of the imported materials executes a bond with such surety or security and in such form and for such sum as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, binding himself, to pay on demand an amount equal to the duty leviable, but for the exemption contained therein, on the imported materials in respect of which the conditions specified in this notification are not complied with, together with interest at the rate of fifteen percent per annum from the date of clearance of the said materials.

7.20 As the importers failed to comply with the conditions stipulated, it appears that the above Bonds executed for the differential duty by M/s. Universal Impex, in respect of the imports of goods covered under 4 Bills of Entry be enforced against the differential duty payable by them.

7.21 The importer also undertook to comply with the conditions of the notification as well as the provisions of Foreign Trade Policy, as amended from time to time. It appears that they failed to observe such conditions and even

after such failure, did not pay the amount of Customs duty and interest in terms of the conditions of the Policy, notification as well as the bond executed by them. As a result, they are liable to pay the entire duty forgone/duty saved amount of Rs. 2,95,59,563/-

7.22 Condition (ix) of the Notification No. 018/2015 -customs dated 01.04.2015, required an importer to produce evidence of discharge of export obligation to the satisfaction of the Customs authority within a period of sixty day of the expiry of period allowed for fulfilment of export obligation. Failure to do that led to outright violation of the conditions of the notification read with Policy in force rendering goods, so imported, duty free, liable for confiscation under section 111(d) and 111 (o) of the Customs Act, 1962.

7.23 The importers by their deliberate act/ commission/ omission have contravened various provisions of the Foreign Trade Policy read with Hand Book of Procedures. Also, the importer grossly failed to comply with the pre and post import conditions of the notification and imported goods duty free by availing benefit of the same. This has led to contravention of the provisions of the notification No. 18/2015 dated 01.04.2015, which appears to have rendered the goods liable to confiscation under Section 111(d) and 111(o) of the Customs Act, 1962.

7.24 The importer has executed the Bonds bearing Numbers 2001881779, 2001814484 dt.11/12/2022 and 2001810412 dated 7.12.2022 (**RUD XXXV**) with Nhavasheva Customs binding themselves that in the event of failure to fulfil the export obligation and thereupon default in payment of Customs duties and applicable interest mentioned in the bonds as mentioned above which needs to be enforced as per Section 143(3) of the Customs Act, 1962. Further, importer has not executed the Bank Guarantee as the importer has availed exemption as per para (d) of circular 58/2004 dated 21.10.2004.

8. SUPPRESSION OF FACTS: -

8.1 In the instant case, M/s. Universal Impex had imported PVC resin under Advance Authorisation Licenses without payment of duties of Customs with an actual user condition and re-export of the final product. Whereas from the facts mentioned above, M/s. Universal Impex had no facility to manufacture the resultant product i.e., PVC Flexible Sheet/ Film and they have not carried any manufacturing activity and have diverted the imported goods to the local market without adhering to the actual use conditions imposed on the said firm while importing the PVC resin duty free under advance authorisation scheme. Further *M/s. Universal Impex have not fulfilled export obligations in respect of the imports under the advance authorisation.* These facts have been clearly admitted by Shri. Rajeev Ramesh Sachadev in his statement dated on 22.12.2023. Thus M/s. Universal Impex have suppressed the above fact of non-fulfilment of actual user condition and fulfilment of export obligation cast on them by diversion of duty-free imported goods to the local market from the department.

8.2 Further, the importer has changed their company name to M/s. Nadiya Polymers operating from address 6th Floor 24 Kailash Darshan Kennedy Bridge Road, Above IDBI Bank Nana Chowk, Mumbai, Maharashtra - 400007 with the same PAN and GSTIN. When asked about reason for the same proprietor Shri. Rajiv Sachdeva has not given any valid reason, it appears Shri. Rajiv Sachdeva deliberately changed the company name to mislead authorities. Further, it was observed by the Officers during the investigation that other address M/s. Universal Impex, Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Pom Vasai - 401208 was not operational and people in the vicinity had neither heard of M/s. Universal Impex nor seen any movement of PVC resin or any

manufacturing activity.

8.3 The importer initially abstained himself from the investigation by not appearing for several summons/ letters issued to him for more than one year and finally when he was traced, during recording of his statement even though he promised to furnish all the documents have so far not furnished any of the documents sought for in connection with import of raw materials and its usage. Further the said documents were not available during the search of the office premises or his residential premises indicating that the documents have been purposefully hidden from the department by the importer, who is actively involved in import and fraudulent diversion of imported raw materials. Further the importer did not provide answers to all the crucial questions posed to him during recording of his statement, which were relevant to the ongoing investigation. During the recording of statement, it appeared that the importer did not divulge the information he had, was evasive and was not able to give simple answers as to whom the said imported goods were cleared, under which E way Bill, Invoices the said imported goods were cleared and Mode of payment received from the customers, how he contacted the overseas supplier who supplied PVC Resin, who arranged for shipment, Customs House Agent etc. The importer instead of cooperating with the department by furnishing the documents called for and paying the applicable duties has approached the Hon'ble Court of Mumbai by filing writ petition with an intention to delay/ derail the investigation being conducted by the department.

8.4 With the introduction of self-assessment under the Customs Act, more faith is bestowed on the importer, as the practice of routine assessment, concurrent audit and examination has been dispensed with. As a part of self-assessment by the importer, it was duty of the importer to present correct facts and declare to the Customs authority about their inability to fulfil export obligation and also, they should have volunteered to pay duty, the moment statutory 60 days from the expiry of the EO period was over. However, contrary to this, they availed benefit of the subject notification for the subject goods but did not comply with the conditions laid down in the exemption notification. It appears that only because of the vigilance and detailed scrutiny of the documents by the officers of DRI the leakage of revenue could come to light. The importer has not come forward on his own to pay such duty voluntarily. It appears that the said duty evasion would have remained undetected due to suppression of facts by the importer, but for the intervention of DRI.

8.5 Until the investigation was taken up DRI, Mangalore, the importers M/s. Universal Impex did not even come forth to pay the Customs duty in respect of impugned Advance authorisation. It is evident that it was within the knowledge of the importers that they failed to comply with the conditions of Notification No. 18/2015-Cus dated 01.04.2015, as amended, but still they did not disclose the same to the Customs authority and did not pay the duty saved on these goods at the time of import. M/s. Universal Impex grossly failed to comply with the legal provisions laid down under the notification and the Policy and suppressed the fact of such failure by not submitting the documents before the Customs authority. This clearly indicates their malafide intent of evading duty of Customs.

8.6 On being asked by this office, M/s. Kotak Mahindra Bank submitted the account details of M/s. Universal Impex having account Number 1414128786 for further period from 1.4.2021 to 23.03.2024 vide their email dated 23.03.2024 (**RUD - XXXVI**). On perusal of the said statement, it is seen that they have adopted the same modus as adopted by them in the earlier period i.e., whenever they wanted to make payments to their overseas supplier, they have received money from unrelated parties to whom M/s. Universal Impex have not

supplied any material. Further it is also observed that there are no inward remittances towards exports made by them confirming that the imported PVC resin has been diverted in the local market in violation of the conditions of the advance licence issued by DGFT and Notification no.18/2015.

8.7 In view of the above facts accepted by him, his statement that he thought of using the benefit of duty-free import of PVC resin and intended to manufacture and export the same is not bonafide, far from truth and an afterthought and does not match with the sequence of events.

9. CONFISCATION OF GOODS AND PENALTY

9.1 Whereas it appears that M/s. Universal Impex have failed to comply with the conditions of the notification wherein they availed the benefit of duty-free import under Advance Authorization scheme under notification Nos. 18/2015-Cus dated 01.04.2015. The non-fulfilment of the conditions laid out in the Foreign Trade Policy 2015-2020, the Handbook of procedures 2015-2020, Notification No 18/2015-Cus dated 01.04.2015 and also the conditions prescribed in the Advance Authorisation issued by the competent Regional Authority of the DGFT itself is detailed in above paras has led to contravention of the provisions incorporated therein. Both para 4.44 of the Hand Book of Procedures (2015-20), Volume -I, as well as Condition No. (ix) of the notification No. 18/2015 -Cus dated 01.04.2015, as amended, have made it mandatory on the part of the importer to discharge their export liability within the stipulated period. Therefore, it appears that due to the non-fulfilment of conditions and contravention of the provisions prescribed for the purpose of duty exemption, the goods imported i.e., 7,55,000 Kgs of PVC Resin valued at Rs.8,43,81,488/- imported by M/s Universal Impex by utilising the advance authorisation numbers 0311000051 dated 07.12.2020, 0311000097 dated 11-12-2020 and 0311002656 dated 19.03.2021 under 4 bills of entry 2740670 dated 12-02-2021, 2777121 dt. 15-02-2021, 4587081 dt. 06-07-2021 and 4587084 dt. 06-07-2021, are liable to confiscation under Section 111(o) of the Customs Act, 1962. Section 112 of the Customs Act, 1962 stipulates that where "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, harboring, 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 also be liable to pay a penalty so determined.

9.2 Whereas it appears that M/s Universal Impex, the manufacturer exporter in this case, have diverted entire quantity of imported PVC resin to local market. Para 4.16 and 4.22 of HTP, para 4.42 of Hand book procedures, conditions laid down in the conditions sheet attached to the advance authorisations issued to them and Customs notification No. 018/2015 - customs dated 01.04.2015 all clearly states that the goods imported under advance authorisation shall not be transferred or sold unless it is mentioned in the said advance authorisation, which clearly violates the actual user condition prescribed under the advance authorisation scheme. From the above it appears that M/s Universal Impex intentionally and knowingly concerned itself in improper importation of goods and violated conditions prescribed in the advance authorisations. Consequent to the duty evasion as detailed above, M/s Universal Impex have rendered the goods imported duty free liable for confiscation under 111(o) of the Customs Act, 1962. Further, M/s Universal

Impex appears liable for penalty under Section 112/ Section 114A of the Customs Act, 1962, in relation to the said goods.

9.3 Thus, in view of the conditions of the notifications and bonds executed, M/s. Universal Impex was duty bound to pay back the duty saved amount on imports as they violated various conditions of notifications. However, they have not come forward to pay back the duty and also, they could not fulfil the export obligation fully. Therefore, the duty saved is recoverable from M/s. Universal Impex along with interest in terms of notification number 18/2015-Cus. dated 01.04.2015 read with Section 143(3) of Customs Act, 1962.

10. ROLE PLAYED BY SHRI. RAJEEV RAMESH SACHADEV, PROPRIETOR M/S. UNIVERSAL IMPEX IN DUTY EVASION:

10.1 Shri. Rajeev Ramesh Sachadev, proprietor M/s. Universal Impex: From the voluntary submissions in statement dated 22.12.2023 of Shri. Rajeev Ramesh Sachadev proprietor M/s. Universal Impex, recorded under Section 108 of the Customs Act, 1962 and other evidences/ documents recovered during the investigations, it is noticed that

- He is into the business of stationery printing like visiting cards, letter head, office stationery and packaging materials on job work basis i.e., getting the orders from the customers and getting the printing work done from the actual printers on job work and I used to retain certain margin for the same
- He has changed the name of firm M/s. Universal Impex to M/s Nadiya Polymers just like that without any specific reasons. However, all the credentials such as PAN Number, IEC No., GST No. remains the same.
- As stated by Shri. Rajeev Ramesh Sachadev he has applied for the Advance Authorisation through a consultant Shri. Viral Mehta who shares office with him
- No manufacturing activity has been taken in respect of the imported goods, as there was no manufacturing facility available in M/s. Universal Impex registered premises. He has not purchased any machinery for manufacture with regard to import of PVC Resin
- The imported goods have been cleared in the local market without utilising the same for manufacture of export goods. The imported goods are not stored in any godown and on its import the said imported goods are cleared in the local market. He doesn't remember to whom the said imported goods are cleared locally, their address and other details.
- No exports have been done by M/s. Universal Impex out of the said imported goods. M/s. Universal Impex have not fulfilled export obligations in respect of the imports under the above advance authorisation.
- Conditions of para 4.16 of foreign trade policy 2015-2020, para 4.51 of foreign trade policy/ Hand book of procedures, Condition Sheet of Advance

authorisation, Notification No. 018/2015 -customs dated 01.04.2015 are violated.

- As stated by Shri. Rajeev Ramesh Sachadev on the advice and complete guidance of Shri. Viral Mehta, he has imported the goods under advance authorization and the business of M/s. Universal Impex has been conducted. Shri. Viral Mehta has contacted the overseas supplier, arranged for shipment and CHA services, but Shri. Rajeev Ramesh Sachadev has not produced any document in this effect as stated by him in his statement.
- He has only coordinated in person with Shri. Amar Kothari of M/s. Kotak Forwarders by submitting the requisite documents for customs clearance and making payments to him for the customs clearance of the imported goods.

10.2 From the above, it appears that Shri. Rajeev Ramesh Sachadev, proprietor of M/s. Universal Impex, is responsible for the import of 'PVC resin' under the advance authorization scheme. He is aware of the procedures related to import under concessional rate of duty under the advance authorization scheme. He knows they have not fulfilled the export obligation as stipulated in the advance authorisation read with relevant notification and foreign trade policy. He was aware of the transfer and selling of goods in local market. Further, Shri. Rajeev Ramesh Sachadev directly dealing with the imports for his firm who is well aware of the procedures related to Advance Authorisation, has not made any sincere efforts to ascertain the status of non-fulfilment of export obligation to DGFT and has taken the stand that he has acted as per the direction of Shri. Viral Mehta, consultant, does not auger well for the position he holds. At no point of time, did he made any effort to bring to the notice of the concerned authorities about their inability to fulfil the export obligation and take necessary corrective measures towards payment of duties. His deliberate actions in omitting to abide by the provisions of the Foreign Trade Policy read with Hand Book of Procedures, with an intent to evade the customs duties resulted loss of govt revenue due to non-payment of Customs duties. Therefore, it appears, Shri Rajeev Ramesh Sachadev, proprietor of M/s. Universal Impex and the person involved in the decision taking in their firm, during the period under consideration is liable for penal action under Section 112 or Section 114A of the Customs Act for rendering the imported goods liable for confiscation under Section 111 (d) and 111(o) of Customs Act, 1962.

11. Quantification of the Duties Involved.

11.1 As per the B/E's obtained during search and submitted by CHA and Customs portal data, M/s. Universal Impex have imported PVC resin under the following 4 Bills of Entry and the details of assessable value and duties involved, Year of import and port of import mentioned in the said 4 Bills of Entry (**RUD - XXXIII**) is as under.

Sl. No.	Port of import	COO	Item Description	Quantity in Kgs	Assessable Value	DUTY PAYABLE				
						BCD @ 10%	SCS @ 10%	ADD *	IGST	Total
1	INNSA1	AE	PVC Resin S65	247500	25937010	2593701	259370	0	5182215	8035286
2	INNSA1	AE	PVC Resin S65	247500	25937010	2593701	259370	0	5182215	8035286
			Total	495000	51874020	5187402	518740	0	10364430	16070572
3	INMUN1	CN	PVC Resin	130000	16253734	1625373	162537	1448380	3508204	6744496
4	INMUN1	CN	PVC Resin	130000	16253734	1625373	162537	1448380	3508204	6744496
			Total	260000	32507468	3250746	325074	2896760	7016408	13488992
			Grand Total	755000	84381488	8438148	843814	2896760	17380838	29559564

Anti-Dumping Duty @\$147.96 per MT as per Notfn.No.32/2019 Customs (ADD) dated 10.08.2019.

11.2 As can be seen from the table above, M/s. Universal Impex during the period 2020-21 have imported from Nhavasheva Port, Mumbai and the total duties involved works out to Rs.1,60,70,572/- whereas during the period 2021-22, they have imported from Mundra Port and the total duties involved works out to Rs.1,34,88,992/-. As can be seen from the table above, the total duty involved in all the 4 B/E's is Rs. 2,95,59,564/-. As can be seen from the table above, in respect of the imports at Mundra Port, duty calculation has been done considering the Anti-Dumping Duty @\$147.96 per MT at the \$ rates mentioned in the Bills of Entry as per Notification No.32/ 2019 Customs (ADD) dated 10.08.2019 and the same have been considered while demanding the total duties of customs.

12. Summary of the Investigation:

12.1 From the facts and discussions herein above, it appears that: -

(i) M/s. Universal Impex have obtained the Advance Authorisations from DGFT, Mumbai in terms of the Foreign Trade Policy in force, under self-declaration basis, for duty free import of PVC Resin as per conditions of notification No. 018/2015-cus dated 01.04.2015 read with Foreign Trade Policy in force, with an obligation to export PVC flexible sheet/ film using the duty-free imported materials with actual user condition.

(ii) M/s. Universal Impex had imported PVC Resin falling under Customs Tariff Heading 39041090/ 39049010 vide 4 bills of entry without payment of duty of Customs under advance authorisation license.

(iii) The advance authorisations issued to M/s. Universal Impex were valid for 18 months from the date of issue. However, M/s. Universal Impex have failed to fulfil the export obligation within the prescribed time limit, hence, it appears that the importers are liable to pay the entire duty foregone amount/ duty saved amount in their import using advance authorisations.

(iv) The factory address of M/s. Universal Impex, at Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Pom Vasai - 401208 was not operational and people in the vicinity had neither heard of M/s. Universal Impex nor seen any movement of PVC resin or any manufacturing activity.

(v) Neither the policy nor the customs notification nor the conditions attached to the advance authorisation allow diversion of the duty-free materials as such unless export obligation in respect of the subject advance authorisation under which such goods were imported duty free, have been fulfilled to the satisfaction of the Customs and DGFT authorities. However in the instant case, the duty free imported material i.e., PVC Resin has been fraudulently diverted to local market thereby the importer have failed to fulfil the actual user condition mentioned in the advance license and also failed to export the intended finished product i.e., PVC flexible film/ sheet, thus violated the conditions stipulated in the Notification 018/2015 - customs dated 01.04.2015, Para 4.16 and 4.22 of the Foreign Trade Policy, para 4.42 of Handbook of Procedure and the conditions prescribed in the advance authorisation.

(vi) Condition (viii) of the notification No. 018/2015 -customs dated 01.04.2015, as amended, require an importer to discharge the export obligation as specified in the Authorisation both in terms of value and quantity within the specified period as

specified in the Authorisation or within the extended period as may be granted by the Regional Authority of DGFT by exporting resultant products manufactured out of the duty-free materials imported.

(vii) Condition (ix) of the Notification No. 018/2015 -customs dated 01.04.2015, required an importer to produce evidence of discharge of export obligation to the satisfaction of the Customs authority within a period of sixty day of the expiry of period allowed for fulfilment of export obligation. Failure to that led to outright violation of the conditions of the notification read with Policy in force rendering goods, so imported, duty free, liable for confiscation under section 111 (o) of the Customs Act, 1962.

(viii) Such non-payment of duty of Customs, interest on the said amount of duty not paid becomes payable from the said importers under the conditions of Bond executed at the port of import at the time of clearance of imported goods under the said notification.

(ix) Thus, the importers by their deliberate actions in omitting to abide by the provisions of the Foreign Trade Policy read with Hand Book of Procedures have grossly failed to comply with the pre and post import conditions of the notification and imported goods duty free by availing undue benefit of the same. This has led to contravention of the provisions of the notification No. 18/2015 dated 01.04.2015, which appears to have rendered the goods liable to confiscation under Section 111(o) of the Customs Act, 1962. Further, these acts appear to have made M/s. Universal Impex liable for penalty under Section 112(a)/ 112(b) or Section 114A of the Customs Act, 1962.

13. It appears from the above discussion that consequent to duty evasion as detailed above, M/s. Universal Impex, Prop Shri. Rajeev Ramesh Sachadev appeared to have rendered these goods cleared at Nhava Sheva Port/ Mundra port, liable for confiscation. For all their acts of omission and commission it appears that they have rendered,

- i. the imported goods i.e., 7,55,000 kgs of imported PVC Resin liable for confiscation under Section 111(d) and 111(o) of the Customs Act 1962;
- ii. rendered themselves liable to pay a total differential Customs duty of Rs. 2,95,59,563/- (Rupees Two crores Ninety-Five lakhs Fifty-Nine thousand Five hundred and Sixty-Three Only) on the goods imported by them (including the Anti-dumping duty as detailed in para 11.1 and 11.2 above), appear liable to be recovered from them in terms of bonds bearing Number 2001881779, 2001814484 and 2001810412 (pertaining to Advance Authorisations bearing Numbers 311002656 dated 19.03.2021, 311000097 dated 11.12.2020 and 311000051 dated 07.12.2020 respectively) executed by them under Section 143(3) of the Customs Act, 1962 read with Section 5(1) of the IGST Act;
- iii. rendered themselves liable to pay interest, at the appropriate rate, on the differential duty as above, in terms of bond executed by them Section 143(3) of the Customs Act, 1962;
- iv. rendered themselves liable for Penalty under Section 112(a)/ 112(b) or Section 114A of the Customs Act, 1962, for rendering the goods imported by them liable for confiscation under Section 111(d) and Section 111(o) of the Customs Act, 1962.
- v. rendered themselves liable to enforce the Bonds executed by them, against the consignments imported duty free under Advance Authorisations in terms of

Notification No. 18/2015-Customs dated 01.04.2015 read with Section 143(3) of the Customs Act, 1962.

14. In view of the above, M/s. Universal Impex (IEC BOKPS8797B), a proprietary firm of Shri. Rajeev Ramesh Sachadev, having their registered address at Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Pomanmori, Bhiwandi Road, Vasai Palghar, Maharashtra - 401208 having office at # 24,6th Floor, Kailash Darshan, Kennedy Bridge Road, Above IDBI Bank Nana Chowk, Mumbai, Maharashtra - 400007 having permanent residential address at No.703, FAM society Room, Building No.12, Near Balaji Garden, Sector No.11, Navi Mumbai, Thane, Maharashtra - 400 709, 709 is hereby called upon to show cause to the Principal Commissioner/Commissioner of Customs, NS-I, JNCH, Nhava Sheva Tal: Uran, District: Raigad, Maharashtra-400707 within 30 days from the date of receipt of this Show Cause Notice as to why:

(i) the goods i.e., 495000 kgs of imported PVC Resin valued at Rs. 51874020/- imported in the name of M/s. Universal Impex by utilising the advance authorisation No. {311000097} dated 11-12-2020 and {311000051} dated 07-12-2020 under 2 bills of entry i.e., 2740670 dated 12-02-2021 and 2777121 dated 15-02-2021 through Nhava Sheva Port should not be held liable for confiscation under Section 111(d) and 111(o) of the Customs Act, 1962, for being imported under the exemption notification No. 18/2015-cus dated 01.04.2015, without observing various conditions laid down under the said notification as well as for contraventions of the provisions of the Foreign Trade Policy (2015-2020) read with the Hand Book of Procedures 2015-2020;

(ii) the goods i.e., 260000 Kgs of imported PVC Resin valued at Rs. 32507468/- imported in the name of M/s. Universal Impex, by utilising the advance authorisation No. {311002656} dated 19-03-2021 under 2 bills of entry i.e., 4587081 dated 06-07-2021 and 4587084 dated 06-07-2021 through Mundra Port should not be held liable for confiscation under Section 111(d) and 111(o) of the Customs Act, 1962, for being imported under the exemption notification No. 18/2015-cus dated 01.04.2015, without observing various conditions laid down under the said notification as well as for contraventions of the provisions of the Foreign Trade Policy (2015-2020) read with the Hand Book of Procedures 2015-2020;

(iii) duty concession availed by them, under 4 bills of entry as detailed above should not be denied and total Customs duty of Rs. 2,95,59,564/- (Rupees Two crores ninety five lakhs fifty nine thousand five hundred and sixty four only), forgone/ saved on the said imports, should not be demanded and recovered from them along with applicable interest, in terms of conditions specified in the Notification No. 18/2015 -Cus dated 01.04.2015 and relevant paras of Foreign Trade Policy 2015-2020 and Hand Book of Procedures 2015-2020, the conditions specified in the advance authorisation license issued to them and in terms of the bond furnished by them read with Section 143(3) of the Customs Act, 1962

(iv) the Bonds executed by them, against the consignments imported duty free under Advance Authorisations should not be enforced in terms of Notification No. 18/2015-Customs dated 01.04.2015 read with Section 143(3) of Customs Act, 1962;

(v) penalty should not be imposed on them under Section 112(a)/ 112(b) or or

Section 114A of the Customs Act, 1962 of the Customs Act, 1962, for improper importation of goods availing exemption of notification and without observance of the conditions set out in the notification as elaborated above resulting in non-payment of duty, which rendered the goods liable to confiscation under Section 111(d) and 111(o) of the Customs Act, 1962.

15. The notice(s) is/are required to submit reply in writing to the Adjudicating Authority, as above, within 30 days from the date of receipt of this notice. In their written reply, the notice(s) may also state as to whether they would like to be heard in person. In case, no reply is received within the time limit stipulated above or any further time which may be granted to them by the Adjudicating Authority and/or if they fail to appear for personal hearing, when the case is posted for the same, the case will be decided ex-parte on the basis of evidence on record and without any further reference to the noticee(s).

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

17. The Department reserves its rights to amend the show cause notice in case new facts emerge at a later stage. This show cause notice is issued without prejudice to any other action that may be taken against the notice or any other person under the Customs Act, 1962 or any other law for the time being in force.

Digitally signed by
Yashodhan Arvind Wanage
Date: 03-06-2025
16:04:07

(Yashodhan Arvind Wanage)
Pr. Commissioner of Customs,
NS-I, JNCH, Nhava Sheva

Enclosures:-

1. Annexure-A : List of relied upon documents

To:

1. M/s Rajiv Sachadev No.703 (M/s. Universal Impex ,IEC BOKPS8797B),
FAM society Room, Building No.12,
Near Balaji Garden, Sector No.11,
Navi Mumbai, Thane, Maharashtra – 400 709

2. M/s. Universal Impex
6th Floor, 24th Kailash Darshan, Kennedy Bridge Road
Above IDBI Bank Nana Chowk,
Mumbai, Maharashtra – 400007.

3. M/s. Universal Impex, Office No B-406,
4th floor, Merchants Centre, Plot No. 14D,
Opp. Dana Bunder, Sector 19, Vashi,

Navi Mumbai, Maharashtra – 400 703.

Copy to:

1. The Commissioner of Customs, NS-I, JNCH.
2. Deputy Commissioner of Customs, CAC, JNCH.
3. Notice Board
4. Office Copy.

Annexure- A
Relied Upon Documents (RUD's)

Sl. No.	Description of the document	RUD No.
1	I E C BOKPS8797B of M/s. Universal Impex, a proprietorship firm of Shri. Rajeev Ramesh Sachadev	RUD – I
1A	As per GST portal and DGFT portal, the company name is changed to M/s. Nadiya Polymers and M/s. Nadia Polymers and is operating from new premise situated at 6 th Floor 24 Kailash Darshan Kennedy Bridge Road, Above IDBI Bank Nana Chowk, Mumbai, Maharashtra – 400007	RUD – 1A
2	<u>Mahazar drawn at M/s. Nadiya Polymers, 6th Floor, 24th Kailash Darshan, Kennedy Bridge, Above IDBI Bank, Nana Chowk, Mumbai 400007 on 13.12.2022.</u>	RUD – II
3	Mahazar drawn at M/s. Universal Impex, Office No B-406, 4th floor, Merchants Centre, Plot No. 14D, Opp. Dana Bunder, Sector 19, Vashi, Navi Mumbai, Maharashtra – 400 703 on 13.12.2022.	RUD – III
4	Mahazar drawn at Factory premises of M/s. Universal Impex, Unit No. 37, Ground floor, Shankheshwar Industrial Estate, Poman Mori, Bhiwandi Road, Vasai Palghar, Maharashtra – 40121108 on 14.12.2022.	RUD – IV
5	Mahazar drawn at the residential premises Shri. Rajeev R Sachdev, situated at No.703, FAM society Room, Building No.12, Near Balaji Garden, Sector No.11, Navi Mumbai, Thane, Maharashtra – 400 709 on 14.12.2022	RUD – V
6	The screenshot of calls made to Shri. Rajeev Ramesh Sachadev on 13.12.2022 by Senior Intelligence officer	RUD – VI
7	Summons dated 14.12.2022 issued to Shri Rajeev Ramesh Sachdev by DRI	RUD – VII
8	Letter dated 15.12.2022 of Shri Rajeev Ramesh Sachdev	RUD – VIII
9	This office vide e mail letter dated 1.02.2023 to Shri Rajeev Ramesh Sachadev	RUD – IX
10	Summons dated 17.05.2023 to Shri Rajeev Ramesh Sachdev	RUD – X
11	Letter dated 23.05.2023 of Shri Rajeev Ramesh Sachdev	RUD – XI