



सीमा शुल्ककार्यालय का आयुक्त के (निवारक), सीमा शुल्क भवन,
जामनगर- राजकोट हाइवे, विक्टोरिया ब्रिज के पास,
जामनगर) गुजरात – (361 001)

Office of the Commissioner of Customs (Preventive),
'Seema Shulk Bhavan', Jamnagar – Rajkot Highway,
Near Victoria Bridge, Jamnagar (Gujarat) – 361 001
Email: commr-custjmr@nic.in; adj-custjmr@nic.in

DIN – 20251171MM0000999BFB

1. फ़ाइल क्रमांक/ File Number F. No. CUS/3244/2023-Adjn
2. मूल आदेश क्रमांक/
Order-in-Original No. 14/Additional Commissioner/ 2025-26
3. द्वारा पारित/ passed by एन .सृजन कुमार/ N. Srujan Kumar
अपर आयुक्त/ Additional Commissioner,
सीमा शुल्क, निवारक/Customs (Preventive)
जामनगर/ Jamnagar.
4. Date of Order /आदेश दिनांक 27.11.2025
Date of issue / आदेश जारी किया 27.11.2025
5. कारण बताओ नोटिस क्रमांक
एवं दिनांक ADC-09/2023-24 dated 21.12.2023
Show Cause Notice Number
& Date
6. नोटिसी का नाम/
Name of Noticee M/s. Kotak Petroleum LLP,
2nd Floor, Standard House,
Opp. Hotel Celebration,
Indira Marg,
Jamnagar 361 001.
& Others

01. इस आदेश की मूल प्रति संबन्धित व्यक्ति को निशुल्क प्रदान की जाती है।

The original copy of this order is provided free of cost to the person concerned.

02. इस मूल आदेश से व्यथित कोई भी व्यक्ति सीमा शुल्क अधिनियम, धारा की 1962 128A)(1)a सीमा शुल्क नियम (अपील), 1982 के नियम 3 के साथ पठित, के प्रावधानों के तहत, इस आदेश की प्राप्ति की तारीख से 60 दिन के भीतर फॉर्म सीए-1 में निम्नलिखित पते पर अपील दायर कर सकता है। फॉर्म सीए-1 में अपील का प्रपत्र, दो प्रतियों में दायर किया जाएगा और उसके साथ इस आदेश की समान संख्या में प्रतियाँ संलग्न की जाएंगी जिसके विरुद्ध अपील की गई है। कम से कम से जिनमें) प्रमाणित प्रति हो



	आयुक्त (अपील) मंजिल वी 7, मृदुल टावर, टाइम्स ऑफ इंडिया के पीछे, आश्रम रोड, अहमदाबाद - 380 009	
	Any Person aggrieved by this Order-In-Original may file an appeal in Form CA-1, within sixty days from the date of receipt of this order, under the provisions of Section 128 of the Customs Act, 1962, read with Rule 3 of the Customs (Appeals) Rules, 1982 before the Commissioner (Appeals) at the above mentioned address. The form of appeal in Form No. CA.-1 shall be filed in duplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be a certified copy).	
03.	अपील पर 5/- रुपये का कोर्ट फीस स्टाम्प लगा होना चाहिए। जैसा कि भारतीय स्टाम्प अधिनियम, 1989 के तहत प्रदान किया गया है, या राज्य विधान द्वारा संशोधित किया जा सकता है, जबकि इस अपील के साथ संलग्न आदेश की प्रति पर रुपये 0.50)पचास पैसे केवल (का कोर्ट फीस स्टाम्प होना चाहिए। जैसा कि न्यायालय शुल्क अधिनियम, 1870 की अनुसूची -I, मद 6 के तहत निर्धारित किया गया है।	
	The appeal should bear the Court Fee Stamp of Rs. 5/- as provided under the Indian Stamp Act, 1989, modified as may be, by the State Legislation, whereas the copy of the order attached with this appeal should bear a Court Fee Stamp of Rs. 0.50 (Fifty paise only) as prescribed under Schedule - I, Item 6 of the Court Fees Act, 1870.	
04.	अपीलीय ज्ञापन के साथ शुल्क भुगतान /जुर्माना /अर्थ दंड का सबूत भी संलग्न करे अन्यथा सीमा शुल्क अधिनियम, 1962 की धारा 128 के प्रावधानों का अनुपालन ना होने के कारण अपील को खारिज किया जा सकता है।	
	Proof of payment of duty / fine / penalty should also be attached with the appeal memo, failing to which appeal is liable for rejection for non-compliance of the provisions of Section 128 of the Customs Act, 1962.	
05.	अपील प्रस्तुत करते समय यह सुनिश्चित करे की सीमा शुल्क अपील)) नियम, 1982 नियम (प्रोसीजर) प्रक्रिया सिस्टेट और, है। हुआ पालन पूरा का नियमो सभी के 1982	
	While submitting the Appeal, the Customs (Appeals) Rules, 1982, and the CESTAT (Procedure) Rules, 1982, should be adhered to in all respects.	
06.	इस आदेश के खिलाफ आयुक्त (अपील), सीमा शुल्क, उत्पाद शुल्क और सेवा कर अपीलीय न्यायाधिकरण के समक्ष मांग की गई शुल्क के 7.5% के भुगतान पर होगी, जहां शुल्क या शुल्क और जुर्माना विवाद में है, या जुर्माना विवाद में है, या जुर्माना जहां जुर्माना है अकेले विवाद में है।	
	An appeal, against this order shall lie before the Commissioner (Appeals), on payment of 7.5% of the duty demanded, where duty or duty and penalty are in dispute, or penalty are in dispute, or penalty, where penalty alone is in dispute.	



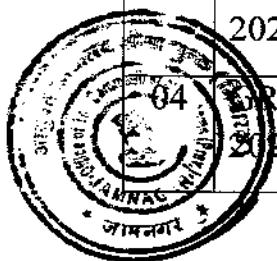
BRIEF FACTS OF THE CASE

Intelligence was gathered that one vessel namely M.T. Global Rani (IMO No. 9136113, Flag - Cook Islands) has arrived at Pipavav Port carrying 3828.879 Metric Tonnes (MTS) of Bitumen Grade VG30 (in bulk) by mis-declaring the port of loading and the Country of origin. M/s. Kotak Petroleum LLP, 2nd Floor, Standard House, Opp. Hotel Celebration, Indira Marg, Jamnagar - 361 001 (hereinafter referred to as **“the importer”**) had imported the said cargo of Bitumen at the port of Pipavav vide following Bills of Entries, wherein they had mis-declared the port of loading as Khor Fakkan and country of origin as Iraq.

Sr. No.	B/E No.	B/E Dated	Qty in MTs	Assessable Value in Rs.
01	7120175	18.01.2022	1,000.000	2,96,31,075/-
02	7120564	18.01.2022	500.000	1,48,15,536/-
03	7120174	18.01.2022	900.000	2,66,67,966/-
04	7120562	18.01.2022	800.000	2,37,04,859/-
05	7120173	18.01.2022	628.879	1,86,34,360/-
		TOTAL	3,828.879	11,34,53,796/-

2. M/s Preetika Shipping Agency Private Limited (hereinafter referred to as **“the agent”**), the shipping agent of the Vessel had filed IGM No. 2301697 dated 17.01.2022 indicating the Port of shipment as Khor Fakkan and Country of Origin as Iraq. However, intelligence suggested that the actual port of loading was Bandar Abbas, Iran and Country of Origin (COO) was Iran, which was mis-declared as Iraq in the documents filed before Customs authorities at Pipavav Port. Further, it appeared that the below mentioned Bills of Lading and IGM filed by M/s Preetika Shipping Agency Pvt. Ltd., showing Port of Loading as Khor Fakkan were on the basis of forged documents as apparently no export of Bitumen took place from Iraq.

Sr. No.	Bill of Lading No.	Bill of Lading Date	Shipper	Consignee	Shipper's description of goods	Quantity (In MTs)
01	GR-01/2022	14.01.2022	K Infra Middle East FZE, Saif Office Q-1-113/A PO Box 9444 Sarjah	M/s. Kotak Petroleum LLP, 2 nd Floor, Standard House, Indira Gandhi Marg, Jamnagar	Bitumen Grade VG30 (In Bulk)	1,000.000
02	GR-01/2022(A)					500.000
03	GR-01/2022(B)					900.000
04	GR-01/2022(C)					800.000



05	GR-01/ 2022(D)		UAE			628.879
TOTAL						3,828.879

STATEMENT AND ENQUIRY:

3. Accordingly, an investigation was initiated by the officers of DRI, Regional Unit, Jamnagar. As per the arrival documents submitted by the Master of the Vessel through its shipping agent, M/s Preetika Shipping Agency Pvt. Ltd. with the Custom House, Pipavav, it appeared that the vessel had not visited any port in Iran in its last 10 port calls whereas the intelligence suggested otherwise.

4. Therefore, the officers boarded the vessel and made specific enquiries regarding visits to any Iranian Ports with the Master of the Vessel and examined corresponding Log Books related to the vessel. During the rummaging of the vessel, the officers found the following documents evidencing loading of the cargo under dispute i.e. 3828.879 MTs of Bitumen in the port of Shahid Rajee, Bandar Abbas, Iran.

- a) Health Certificate dated 13.01.2022 issued by Islamic Republic of Iran, Ministry of Health and Medical Education to the vessel MT Global Rani.
- b) Sanitary Certificate dated 31.12.2021 issued by Islamic Republic of Iran, Ministry of Health.
- c) Statement of vessel clearance dated 13.01.2022 issued to MT Global Rani by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajae Port B. Abbas".
- d) Process Verbal of Vessels Clearance Arrival dated 31.12.2021 issued by "I.R of Iran Customs Administration".
- e) Vessel Clearance upon departure dated 13.01.2021 issued by "Iran B.Abbas Islamic Republic of Iran Custom" and
- f) Port Clearance Certificate "Marine Affairs No. RAJA 140004211" dated 30.12.2021 issued to MT Global Rani by Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran.

During the course of inquiry, the Master of the Vessel admitted that the vessel had been to Iran and that the said goods were loaded from Bandar Abbas, Iran and not from Khor Fakkan as declared in the documents submitted by the shipping agent to the Pipavav Customs authorities.

Statement of Master of the vessel:

5. Statements of the Master of the Vessel M.T. Global Rani (Voyage 01/22), Shri Barabas Stephen, were recorded under the provisions of Section 108 of the Customs Act, 1962, on 20.01.2022 and 21.01.2022 wherein he inter-alia stated that:



- He had taken over the charge of Vessel M.T. Global Rani on 20.07.2021 from Sohar port, Oman.
- He was not given any specific written assignment to take charge of any particular vessel, but he had to work as per the instructions of the employer company, M/s. Global Tankers Pvt. Ltd. He received all the instructions and orders from Captain Ramakant Mishra (Mobile No.+971505518509), designated Person offshore, M/s. Global Tankers Pvt. Ltd. and that the owner of M/s. Global Tankers Pvt. Ltd., was Shri Jugwinder Singh Brar.
- Shri Ramakant Mishra and Shri Midhun (Mobile No. +971561772887) both of M/s. Global Tankers Pvt. Ltd based at Dubai used to instruct him regarding movement of the goods and the mode of communication was usually phone call / satellite phone.
- Being captain of the vessel, MT Global Rani, he acted as commanding officer in relation to various voyages as per the instructions of M/s. Global Tankers Pvt. Ltd. He was instructed to join the vessel, MT Global Rani which is owned by M/s. Global Ace Shipping Line, LLC, Panama.
- The current voyage number of the vessel MT Global Rani is 001/22.
- The following documents found by the officers during the rummaging of the vessel on 20.01.2022, pertained to their vessel and were issued by Iranian authorities:
 - a) Health Certificate dated 13.01.2022 issued by Islamic Republic of Iran, Ministry of Health and Medical Education to the vessel MT Global Rani.
 - b) Sanitary Certificate dated 31.12.2021 issued by Islamic Republic of Iran, Ministry of Health.
 - c) Statement of vessel clearance dated 13.01.2022 issued to MT Global Rani by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajaee Port B.Abbas".
 - d) Process Verbal of Vessels Clearance Arrival dated 31.12.2021 issued by "I.R of Iran Customs Administration".
 - e) Statement of Vessel Clearance upon departure dated 13.01.2021 issued by "Iran B,Abbas Islamic Republic of Iran Custom" and
 - f) Port Clearance Certificate "Marine Affairs No. RAJA 140004211" dated 30.12.2021 issued to MT Global Rani by Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran.
- The goods i.e., 3828.879 MTs of Bitumen grade VG30 imported at Pipavav were not loaded from Khor Fakkan and its origin was also not Khor Fakkan, UAE; that the goods were of Iranian origin and loaded from Bandar Abbas only and the origin and load port of the Bitumen imported at Pipavav were mis-declared.
They went from Khor Fakkan to Bandar Abbas on 30.12.2021 and anchored there for 11 days. Thereafter, they loaded Bitumen from



Bandar Abbas and left for Khor Fakkan on 13.01.2021. In the night of 13.01.2021, they reached Khor Fakkan.

- On 13.01.2022, he reached Khor Fakkan with Bitumen loaded from Bandar Abbas, Iran. He had not loaded or unloaded any goods at Khor Fakkan and they were at the anchorage of Khor Fakkan port.
- Port clearance at Khor Fakkan was arranged by the shipping agent, M/s. Gulf Navigation. Bills of Lading were also prepared by them. M/s. Gulf Navigation arranged these documents as per the instructions of the company personnel Shri Midhun, who is looking after the operations of M/s. Global Tankers Pvt. Ltd.
- He was shown the above Bills of Lading all dated 14.01.2022 and he admitted that as per the instructions of his employer company, he signed all the Bills of Lading dated 14.01.2022 prepared by the Shipping Agent, M/s. Gulf Navigation.
- With regard to the vessel's logbook, the voyage / location of the vessel in the month of January-2022 (up to 13.01.2022) as "From Khor Fakkan, UAE" and "Towards" (i.e., destination) was left blank. He informed that as per the instructions of their employer company, the trip to Iran was not recorded in the logbook so as to hide their visit to Iran port.
- He followed the instructions, mis-declared the load port and country of origin as per the instructions of M/s. Global Tankers Pvt. Ltd as his salary was already delayed by two to three months. If he didn't follow the instructions of the company, they would not pay the due salary. Therefore, he obeyed the orders of his employer company in order to get his due salary. He had not been paid any incentive for such mis-declaration.
- Shri Midhun / Mithun and Captain Sufiyan Khan, both from M/s. Global Tankers Pvt. Ltd. came on board the vessel MT Golden Rani in the morning of 14.01.2022 at Khor Fakkan Anchorage. Shri Midhun and Shri Sufiyan Khan told him that all the documents and evidences pertaining to the vessel's call at the port of Bandar Abbas, Iran may be destroyed as it will create problems in India. Therefore, he destroyed all the documents given by Iranian authorities. However, during the course of rummaging, the DRI officers found copies of these documents.
- Shri Midhun / Mithun and Shri Sufiyan also told that if required, it is to be declared before the Indian authorities that the bitumen imported at Pipavav were ship to ship transferred from MT Global Crest at Khor Fakkan and MT Global Crest is also controlled by M/s Global Tankers Pvt. Ltd.
- Shri Midhun had sent the documents i.e., Bills of Lading showing load port as Khor Fakkan and other documents to hide the load port and country of origin of the goods; that the documents i.e., ullage reports, statement of facts, survey reports of ship to ship transfer of the goods at Khor Fakkan were all fake; that there was no ship to ship transfer of bitumen at Khor Fakkan. The goods i.e., Bitumen imported at Pipavav were loaded from Bandar Abbas only.



- Shri Midhun had instructed not to make any voyage entry to / from Bandar Abbas as the vessel had to visit Pipavav. Therefore, in order to hide origin of the goods and load port, entry pertaining to voyage to Bandar Abbas was not made; that as per the instructions received from the company through Shri Midhun, he instructed the Chief Officer to make false entries in the logbook.
- After arranging the documents, they left Khor Fakkan on 14.01.2021 and proceeded to Pipavav.

Statement of Chief Officer of the vessel:

6. Statement of Shri Don Bosco Dominic Pradeep, Chief Officer of vessel MT Global Rani (Mobile No. 9629726814) was recorded on 21.01.2022 under Section 108 of the Customs Act, 1962 wherein he, *inter-alia*, stated that:

- that Chief Officer's logbook was written by him as per the instructions of Shri Barnabas Stephen, Master of the vessel MT Global Rani. In the log book, he had mentioned cargo operations i.e., Ship-to-Ship Transfer at Khor Fakkan anchorage, UAE on 13/14.01.2022. Actually, there was no cargo operation or Ship-to-Ship Transfer at Khor Fakkan anchorage. The goods i.e., Bitumen which had been imported at Pipavav were loaded from Bandar Abbas, Iran;
- that he did not have any document i.e., any Ship-to-Ship transfer check list, hourly loading data and other document or information pertaining to the said Ship-to-Ship transfer as no such Ship-to-Ship transfer took place at Khor Fakkan Port anchorage on 14.01.2022 and no vessel came alongside at Khor Fakkan anchorage. Hence, no cargo was loaded / unloaded or transferred at Khor Fakkan Port.

Statement of new Chief Officer of the vessel:

7. Statement of Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of vessel, MT Global Rani (Mobile No. 8805662700 & 91195427514) was recorded on 21.01.2022 under Section 108 of the Customs Act, 1962 wherein he, *inter-alia*, stated that:

- that he had worked in MT Global Peace, which is managed & controlled by M/s. Global Tankers Pvt. Ltd. Thereafter, he joined MT Global Genesis of the same company, on 28.12.2021; he was transferred to another vessel MT Global Rani as per the contract dated 13.01.2022;
- that he had taken over the charge of the Vessel MT Global Rani as Chief Officer on 14.01.2021 at Sohar port. On 14.01.2022, he was handed over the work / charge of the Chief Officer by Shri Don Bosco Dominic Pradeep; that he had to work as per the instructions of the Master of the vessel. During his tenure as the Chief Officer of MT Global Rani, he had written Chief Officer's Logbook as per the directions & instructions of Shri Barnabas Stephen, Master of vessel MT Global Rani;



- that after joining the vessel, he had not seen or supervised any Ship-to-Ship transfer to / from MT Global Rani and the vessel went from Khor Fakkan to Sohar where they took bunker and after receiving bunker moved straight to Pipavav, India;
- that at Khor Fakkan anchorage, Shri Mithun / Midhun (Mobile No. 0097156177287) and Captain Sufiyan Khan (Mobile No. 00971545838107), both from M/s. Global Tankers Pvt. Ltd. had visited the vessel;
- that Shri Mithun, Operations Manager had told that he will send the documents by email, which were to be given to Customs authorities and surveyor. The documents came by email which included Bills of Lading, On board quantity (ROB) survey prior, surveyor's ullage report;
- that Shri Midhun had instructed him to show these documents to Indian Customs and to state that the bitumen was loaded at Khor Fakkan Anchorage by Ship-to-Ship transfer;
- that he submitted the copies of the following documents which were received from Shri Mithun / Midhun on WhatsApp :

1. Ullage Report – Arrival dated 14.01.2022 issued by M/s. Megane Marine Services. (Prior loading)
2. Ullage Report – Departure dated 14.01.2022 issued by M/s. Megane Marine Services. (After loading).
3. Statement of Facts dated 14.01.2022 issued by M/s. Megane Marine Services.
4. Vessel's Statement of Facts dated 14.01.2022 issued by vessel.
5. Vessel's Experience Factor dated 14.01.2022 issued by M/s. Megane Marine Services.
6. ROB & OBQ report dated 14.01.2022 of the vessel.
7. Ullage Report dated 13.01.2022 of the vessel.
8. Vessel Experience Factor dated 14.01.2022 of the vessel.

7.1 From the scrutiny of these documents, it appeared that these were prepared and forged to manipulate and hide the fact that the vessel MT Global Rani had been to Bandar Abbas, Iran. It also appeared that these fictitious documents had been prepared with a malafide intention to mislead the Indian Customs Authorities in respect of the Port of loading and country of origin of the goods.

8. It appeared that the following Bills of Entry/Import General Manifest (IGM) were filed in the name of M/s. Kotak Petroleum LLP, Jamnagar for clearance of the said imported Bitumen Grade VG30.

BE No.	BE Dated	Qty in MTs	Assessable Value in Rs.	Bill of Lading No.	BL dated
7120175	18.01.2022	1,000.000	2,96,31,075/-	GR-01/2022	14.01.2022
7120174	18.01.2022	500.000	1,48,15,536/-	GR-01/2022 (A)	14.01.2022
7120174	18.01.2022	900.000	2,66,67,966/-	GR-01/2022	14.01.2022

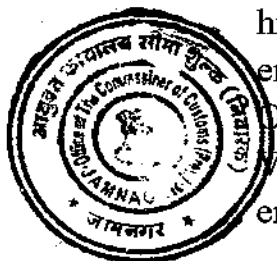


				(B)	
7120562	18.01.2022	800.000	2,37,04,859/-	GR-01/2022 (C)	14.01.2022
7120173	18.01.2022	628.879	1,86,34,360/-	GR-01/2022 (D)	14.01.2022
TOTAL		3,828.879	11,34,53,796/-		

Statement of the Importer, M/s. Kotak Petroleum LLP, Jamnagar:

9. Statement of Shri Hemal Kaniyalal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar (Mobile – 9824277277) the importer was recorded on 21.01.2022 under Section 108 of the Customs Act, 1962 wherein he, *inter-alia*, stated that:

- M/s. Kotak Petroleum LLP started import of Bitumen in the year 2018 through their sister firm M/s. Kotak Asphalt LLP, Jamnagar. Thereafter, in the month of Oct/Nov-2021, they started import of Bitumen through M/s. Kotak Petro Chem Pvt Ltd, Jamnagar. Initially they purchased the goods from M/s. Synergy Petrochem FZC, UAE.
- Due to problems in processing payment to M/s. Synergy Petrochem FZC, UAE directly, they created a firm viz. M/s. K Infra Middle East FZE, UAE in the year 2020 and placed their known person, Shri Kishan Chandrakant Vaya (contact No. +971505379892) in the said firm; that they started purchase of Bitumen from M/s. K. Infra Middle East FZE, UAE, who in turn procured the goods from M/s. Synergy Petrochem FZC, UAE; that they had imported their last three consignments through their firm M/s. Kotak Petroleum LLP, Jamnagar by following the said modus.
- They were informed by the supplier viz. M/s. Synergy Petrochem FZC, UAE that the country of the origin of the goods was Iraq & the goods were being transhipped at Khor Fakkan, UAE. M/s. Synergy Petrochem FZC, UAE were also providing them the Port Clearance of Khor Fakkan port.
- On being asked regarding a pdf file was found in his mobile phone which he had sent from his one number to another, wherein certain documents dated 05.10.2021, such as Statement of Facts, Sample(s) Receipt, Distribution of Samples, Shore Tank(s) Calculation Report, etc. have been issued by M/s. Atlas Inspection Servides Kish (Ltd) at Bandar Abbas Port, Iran in respect of vessel MT Global Rani, he stated that he had received the said document from M/s. Black Gold, a refinery in Iran. They had sent him the said document to inform me about the specification of their cargo.
- On being asked regarding the certificate dated 21.06.2021 that was issued by him wherein it was certified that Shri Kishan Chandrakant Vaya had been employed with M/s. Kotak Petro Chem Pvt Ltd from 1st May 2009 to 15th October 2013 as Procurement Manager, he said that Shri Kishan Chandrakant Vaya worked with M/s. Kotak Petro Chem Pvt Ltd, Jamnagar as a full time employee to which he stated that said certificate was issued by them to



Mashreq Bank, Dubai, UAE to certify that Shri Kishan Chandrakant Vaya was having some experience in the business, as the same was required to open a bank account; that the said certificate was bogus; that the certificate was issued just to open an account in the name of M/s. K. Infra Middle East FZE, UAE with the said bank.

- On being shown mail dated 15.02.2021 sent from their email address kmkotak@kotakgroups.com to Bharat.S.Sharma@ril.com wherein they stated that "*we regularly import from IRAN. Billing & delivery through UAE. We are normally importing from (1) JEY OIL, Pasargad & Black Gold-Iran. Billing will be always from UAE Only.*", he stated that he had sent the said mail for getting source approval so that he could supply the Bitumen to the contractors of RIL and claimed that his contention in the said mail was incorrect and the same was sent as a marketing strategy just to obtain source approval.
- On being shown an email from his email account resumed during the course of search of his office premises, wherein many of the Iranian suppliers offered Bitumen of Iran origin, he stated that those suppliers had met him during various conferences of Bitumen traders/suppliers held at various places and for marketing their product; that they were sending promotional mails, but M/s. Kotak Petroleum LLP never purchased any goods from Iran.

Statement of Marketing Manager of M/s. Kotak Petroleum LLP, Jamnagar:

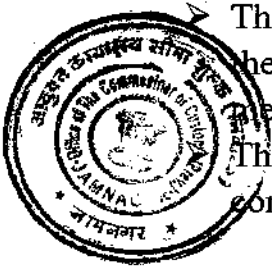
10. Statement of Shri Prashant Jayantbhai Ghatalia, Marketing Manager of M/s. Kotak Petroleum LLP, Jamnagar (Mobile – 9824277277) was recorded on 21.01.2022 under Section 108 of the Customs Act, 1962 wherein he, *inter-alia*, stated that:

- Shri Hemal Kotak handed over the import documents such as invoice, Bill of Lading, Country of Origin Certificate etc. to him and he sent the same to the CHA;
- All the decisions related to import-export & other Customs matter was being taken by Shri Hemal Kotak only.

Statement of the Shipping Agent, M/s. Preetika Shipping Agency Pvt. Limited, Mumbai:

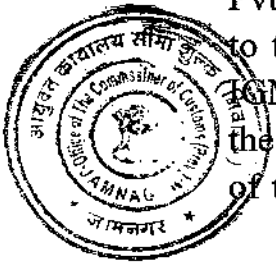
11. Statement of Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai (Mobile – 9821013166) was recorded on 27.01.2022 under Section 108 of the Customs Act, 1962 wherein he, *inter-alia*, stated that:

- Their basic work was providing service of inward and outward clearance of the vessels, berthing and un-berthing of vessels, Sign-on /Sign-off of crew members and supply of provisions to vessels as and when required;
- They primarily provided services to M/s. Prime Tankers LLC, UAE, who is commercial managers of vessels of M/s. Global Ace Shipping INC. They had



been dealing with several vessels of M/s. Prime Tankers LLC, UAE namely MT Global Rani, MT Global Queen, MT Global Lady, MT Global King, MT Global Chahat, MT Global Everest, MT Global Asphalt and MT Sea Princess;

- They were providing services to the vessels owned by M/s. Global Ace Shipping INC, Panama and its subsidiary companies i.e., M/s. Global Tankers Pvt. Ltd. M/s. Prime Tankers LLC, Dubai is Commercial Managing Company of M/s. Global Ace Shipping INC. He was in regular touch with Ms. Lidya Adriana, Operations Manager of M/s. Prime Tankers LLC, Dubai and got the information regarding arrival of vessels and also collected ship's documents on office e-mail id. Sometimes he received information on telephone/Whatsapp from her phone No. +971527247196;
- On being asked regarding seizure of 3828.879 MTs Bitumen grade VG30 at Pipavav port, he stated that M/s. Preetika Shipping received appointment letter for agency work of MT Global Rani voyage 001/22 at Pipavav Port. Accordingly, they submitted IGM No. 2301697 dated 17.01.2022 at Custom House, Pipavav. Later on, they received message that country of origin of imported goods i.e., Bitumen grade VG30 was mis-declared and hence, the vessel MT Global Rani and 3828.879 MTs Bitumen grade VG30 were seized at Pipavav on 22.01.2022;
- He was shown the statement dated 20.01.2022 of Shri Barnabas Stephen, Captain of the vessel MT Global Rani wherein he categorically admitted that the vessel MT Global Rani Voyage 001/22 had never entered into the Khor Fakkan port and the said goods i.e., Bitumen was loaded from Bandar Abbas Port, Iran. He stated that from the statement dated 20.01.2022, it appeared that the country of origin was Iran and not Iraq as mentioned in the Bills of Lading; that they have filed the IGM 2301697 dated 17.01.2022 on the basis of documents provided by M/s. Prime Tankers LLC, UAE on email dated 17.01.2022;
- He admitted that the goods were loaded from Iran and not from Khor Fakkan, as mentioned in the Bills of Lading No. GR-01/2022, GR-01/2022(A), GR-01/2022(B), GR-01/2022(C), GR-01/2022(D) all dated 14.01.2022. He stated that these Bills of Lading certificate were received by them from M/s. Prime Tankers LLC, UAE. Further, from the statement of Shri Barnabas Stephen, it appeared that the said Bills of Lading were not genuine, and goods were loaded from Bandar Abbas port, Iran and not from Khor Fakkan.
- He was also asked about the arrival of the vessel MT Global Rani at Mumbai port, during September 2020, for discharging of Bitumen loaded from Basrah port, Iraq wherein, during the course of investigation, it was revealed that the Bitumen was loaded from Bandar Abbas Port, Iran and not loaded from Basrah, Iraq as declared in the documents submitted to the Customs authorities. Further, it was also revealed that M/s. Preetika Shipping Agency Pvt. Limited was the shipping agent who had filed IGM and other documents to the Customs, Mumbai at the relevant time. He agreed that they had filed IGM for the subject vessel at Customs, Mumbai and he was also aware that the vessel was seized by the Customs for mis-declaration for country of origin of the imported goods i.e., Bitumen grade VG30. Further, the subject matter



had gone to Court and the Court had provisionally released the vessel on Bank guarantee of Rs. 25,00,000/- and personal bond of Rs.12,74,00,000/-.

- With regard to expulsion of the vessel MT Global Rani from Mumbai port on security reason and the ban on the vessel to enter any Indian port for a period of one year by the DG Shipping vide Expulsion order No. 01/2021 dated 06.01.2021, he stated that they were aware of expulsion of order banning the vessel running in India for one year and the instant voyage was its first voyage to India after its ban.

Statement of Shri Kishan Chandrakant Vaya, proprietor of M/s. K Infra Middle East FZE, UAE:

12. Statement of Shri Kishan Chandrakant Vaya, proprietor of M/s. K Infra Middle East FZE, UAE (Mobile – +971505379892) was recorded on 30.05.2022 under Section 108 of the Customs Act, 1962 wherein he, *inter-alia*, stated that:

- that M/s. K Infra Middle East FZE, situated at Saif Zone, Sharjah, UAE was established by him during November 2020 and he was proprietor of M/s. K Infra Middle East FZE, UAE, he had started business transaction of M/s. K Infra Middle East FZE during September 2021.
- On being asked about supplier of the goods, he stated that M/s. Synergy Petrochem FZE, UAE and M/s. Sloop International, UAE were supplier of the goods which he exported.
- On being asked about buyers of goods in India, he stated that M/s. Nexxus Petrochem, Mundra and M/s. Kotak Petroleum LLP, Jamnagar were their buyers at India.
- On being asked about relationship with M/s. Kotak Petroleum LLP, Jamnagar, he replied that Shri Kanubhai Kotak (father of Hemal Kotak) and his father Shri Chandrakant Amrutlal Vaya were known to each other.
- On being shown copy of whatsapp chat provided by Shri Hemal Kotak with Shri Kishanbhai Vaya Dubai, he confirmed the genuineness and agreed with the contents of that whatsapp chat.
- On being asked whether he knew Shri Jugwinder Singh Brar (Mobile +971552171115) of M/s. Global Tankers Pvt. Ltd. and M/s. Prime Tankers LLC, Dubai, UAE, he stated that he met Shri Jugwinder Singh Brar, two or three times in Dubai in relation to export/import work of Bitumen.
- On being asked which type of documents were received by them from M/s. Prime Tankers LLC, Dubai, UAE for supply of Bitumen to India, he stated that he had received contract between M/s. K Infra Middle East FZE and M/s. Synergy Petrochem FZE, Bill of Lading, certificate of origin, Cargo Manifest Packing List, Quality certificate and quantity certificate from M/s. Synergy Petrochem FZE by hand delivery.
- On being asked for written contract/agreement with M/s. Synergy Petrochem FZE, UAE for export/import work, he stated that he had transaction based contract for supply of Bitumen from M/s. Synergy Petrochem FZE, UAE for export to India.



- On being asked about payment of bill amount to M/s. Synergy Petrochem FZE, UAE for supply of Bitumen, he stated that he paid the amount by cheque to M/s. Synergy Petrochem FZE, UAE for supply of Bitumen.
- On being asked about payment received from M/s. Kotak Petroleum LLP, Jamnagar for export of Bitumen to India, he stated that he had received bill amount through Bank transfer from M/s. Kotak Petroleum LLP.
- On being shown the statement dated 20.01.2022 and 21.02.2022 of Shri Barnabas Stephen, Captain of MT Global Rani (IMO No. 9136113) recorded under Section 108 of the Customs Act, 1962, he agreed that the country of origin in respect of imported goods i.e., Bitumen Grade VG30 was misdeclared.
- On being asked whether he had received any benefits for mis-declaring the country of origin in respect of supply of Bitumen by vessel MT Global Rani, he stated that he didn't receive any benefit for mis-declaring the country of origin for supply of Bitumen by vessel MT Global Rani to India.

Statement of Custom House Agent – M/s. Velji P. & Sons, Jamnagar:

13. Statement of Shri Ashwinbhai B. Sindhav, Partner of M/s. Velji P. & Sons, Jamnagar was recorded on 11.02.2022 under Section 108 of the Customs Act, 1962 wherein he, *inter-alia*, stated that:

- On being asked whether he knew Shri Hemal Kotak of M/s. Kotak Petroleum LLP and whether he had any business relation with him, he stated that Shri Hemal Kotak had contacted him on telephone for CHA work for clearance of Bitumen at Pipavav port. In response, vide e-mail dated 29.04.2021, he had submitted their quotation for clearance of import of Bitumen Cargo at Pipavav port and he had provided copy of Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022 for clearance of total quantity of 3828.879 MTs of Bitumen grade VG30 at Pipavav port.
- On being asked about previous clearance made by them for M/s. Kotak Petroleum LLP, M/s. Kotak Asphalt LLP, filed by M/s. Velji P. & Sons at Pipavav, he stated that they had filed total 18 Bills of Entry for M/s. Kotak Petroleum LLP, Jamnagar and 39 Bills of entries in respect of M/s. Kotak Asphalt LLP, Jamnagar at Pipavav port w.e.f. 01.04.2020 till date.
- On being asked about the charges received for providing CHA service at Pipavav for bulk cargo, he stated that according to their quotation dated 29.04.2021, they received Rs. 15/- PMT for clearance of Bitumen, Rs. 3,000/- for Ex-bond B/E and Rs. 60,000/- for misc. work from M/s. Kotak Petroleum LLP, Jamnagar. The amount was directly credited into their bank account from M/s. Kotak Petroleum LLP.
- On being shown the statement dated 20.01.2022 of Shri Barnabas Stephen, Master of vessel MT Global Rani recorded under Section 108 of the Customs Act, 1962 and Bills of lading for import of Bitumen at Pipavav, he stated that these Bills of Lading certificate were received by them from M/s. Kotak Petroleum LLP, Jamnagar and from the statement of Shri Barnabas Stephen, it



appeared that the said Bills of Lading were not genuine and goods were loaded from Bandar Abbas port, Iran instead of Khor Fakkan, Iraq.

- On being asked whether he knew that the Bitumen Grade VG30 imported by M/s. Kotak Petroleum LLP, Jamnagar was of Iran origin and not of Iraq origin as mentioned in the Bills of Entry, he stated that only from the statement dated 20.01.2022 of Shri Barnabas Stephen, Master of vessel MY Global Rani recorded under Section 108 of the Customs Act, 1962, he came to know that the said Bitumen grade VG30 were loaded from Bandar Abbas port, Iran instead of Khor Fakkan, Iraq as mentioned in the Bills of Lading.

Statement of Shri Jugwinder Singh Brar of M/s. Global Tankers Pvt. Ltd.:

14. Shri Jugwinder Singh Brar was issued various Summons dated 14.07.2022, 27.07.2022 and 14.08.2022 to appear in the office of DRI, Regional Unit, Jamnagar to give his voluntary statement under Section 108 of the Customs Act, 1962. However, he forwarded reply through email dated 23.08.2022 from email id ops@gloryintl.net and stated that he was residing in Dubai since 1996, and his age was 61 years. He was suffering from heart problem and therefore necessary medications and treatments were also going on and that it was medically not advisable to travel abroad and the same might have adverse effect on his health and due to medical reasons, it was not convenient for him to travel and requested to allow to appear through virtual mode.

14.1. He further informed that he was the Director of (1) M/s. Great Eastern Investment INC. (2) M/s. Nadiya Shipping Lines INC. (3) Najdiah Shipping INC and (4) Asbong Shipping Lines INC, and having its operation in different countries, such as U.K. / U.S.A. / South Africa / Angola / Luanda etc. The business operations were handled by various professionals and employees of his company at different level and departments situated in different countries. Therefore, if any information was required in the impugned investigation, then his authorized person shall visit DRI office to tender all the information.

Second statement of Shri Hemal Kotak, Partner of M/s. Kotak Petroleum LLP:

15. Second statement of Shri Hemal Kaniyalal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar was recorded on 15.03.2023 under Section 108 of the Customs Act, 1962 wherein he, inter-alia, stated that:

- that initially they purchased the goods i.e., Bitumen from M/s. Synergy Petrochem FZC, UAE directly and due to some problem in processing payment with supplier, M/s. Synergy Petrochem FZC, they started purchasing goods from a new firm M/s. K Infra Middle East FZE, UAE stationed at Dubai which is owned by Shri Kishan C. Vaya who was known to them. He further stated that in his earlier statement dated 21.01.2022, he wrongly mentioned that M/s. K Infra Middle East FZE, UAE was created by them.



- On being asked about the bogus employment certificate to Shri Chandrakant Vaya, he stated that he had issued the above certificate for opening a new bank account for M/s. K. Infra Middle East FZE, UAE at Dubai.
- When he was shown the statement dated 20.01.2022 and 21.02.2022 of Shri Barnabas Stephen, Captain of MT Global Rani (IMO No. 9136113) recorded under Section 108 of the Customs Act, 1962, he agreed that the imported Bitumen was loaded from Iran and not from Iraq as mentioned in the Bill of Lading and also agreed that there was no ship-to-ship transfer at Khor Fakkan.
- When he was shown details of following Bills of Entry all dated 06.09.2021 for import of Bitumen per vessel MT Global Genesis and filed by M/s. Kotak Asphalt LLP, Lalpur (IEC – 2409005411) at Pipavav port, he stated that the said Bills of Entry were filed by their other firm, M/s. Kotak Asphalt LLP, Village Nana Lakhiya, Taluko Lalpur through CHA M/s. Velji P. & Sons, Pipavav and the country of origin was shown as Iraq.

Sr. No.	Bills of Entry No.	Quantity in MTs
01	5328733	600.000
02	5328845	500.000
03	5328926	700.000
04	5329249	750.000
05	5330739	374.676
06	5329932	850.000
	TOTAL	3,774.676

- On being showing Bill of Lading No. BNDPSQ/BTM/18-21 dated 27.08.2021 recovered from a Whatsapp chat between him and Prime tankers Captain Brar in respect of 3774.676 MTs of Bitumen per vessel MT Global Genesis with shipper shown as M/s. RDR Energy on behalf of Jey Oil, PO Box 66 Postal Code 114, Bousher Street, Muscat Oman and notify address as M/s. Synergy Petrochem FZE, Sharjah, UAE wherein the port of loading was mentioned as Bandar Abbas, Iran, he agreed that the country of origin was mis-declared as Iraq instead of Iran in respect of 3774.676 MTs of Bitumen imported per vessel MT Global Genesis imported by his other firm, M/s. Kotak Asphalt LLP, Lalpur. He further said that he had received the above documents from Captain Brar on whatsapp on 24.09.2021.
- On being asked as to why the country of origin in respect of imported 3774.676 MTs of Bitumen was declared as Iraq in Bills of Entry whereas the actual country of origin was Iran, he stated that he came to know that the Country of Origin of imported 3774.676 MTs of Bitumen was Iran only on receipt of the documents from Captain Brar on 24.09.2021 on whatsapp.
- On being asked about a person named Farjam Behrouzi found in his contacts, he stated that Farjam Behrouzi was a consultant of Bitumen in Iran and he had met him in Bitumen conference at Dubai/Mumbai and that they had never dealt with him.



- On being shown the printout of some abstract of whatsapp chat between him and Farjam Behrouzi wherein he was requesting the following things from Farjam:

"Can we get bulk bitumen from Iran?"

"How many companies from Iran having storage facility at BA (Bandar Abbas)"

"What is the current price of drum bitumen in Iran?"

"We need 3500 MT Bitumen...CFR Kandla with Irani line"

"It's from Pasargad"

he stated that he had discussed with him supply of Bitumen from Farjam, but he had never dealt with him and never purchased any goods from him.

- On being asked about a person named Homayon stored as 'Siapham iran Homayon' in his mobile, he stated that Homayon was an Executive of Siapham company having Bitumen refinery at Iran; that he had met him in Bitumen conference at Dubai/Mumbai and they had never dealt with him.
- On being shown the printout of some extracts of his whatsapp chat with Siapham Iran Homayon retrieved from his mobile wherein for his enquiring about price for 60/70 and VG 30, Homayon replied, "\$268 for bulk and \$312 for drum fob B.Abbas", he informed that he had discussed with him for supply of Bitumen from them, but they had never dealt with Homayon and never purchased any goods from him.
- On being asked about a person named Navid Tavangar Ranjbar stored as 'Navid Tavangar Ranjbar Iran Ref Thanga' in his mobile, he stated that Navid Tavangar Ranjbar was an Executive of M/s. Cetus Company, Iran and that he had met him in Bitumen conference at Dubai/Mumbai.
- On being shown the printout of some extracts of his whatsapp chat with Navid Tavangar Ranjbar retrieved from his mobile wherein he had requested for bulk and packed Bitumen from Iran, he stated that he had discussed with Navid about supply of Bitumen from him, but they had never dealt with Navid and never purchased any goods from him.
- On being asked about a person named Tina stored as 'Shipping Line Iran - tina' in his mobile, he stated that she was an Executive of Shipping Line at Iran and that he had met her in Bitumen conference at Dubai/Mumbai.
- On being shown the printout of some extracts of his whatsapp chat with Tina for the period 14.11.2021 to 24.11.2021 retrieved from his mobile wherein he had enquired about cargo loading at Bandar Abbas, he agreed that they had bought 25 containers of Bitumen from M/s. Greenwood General Trading FZE, UAE vide Bill of Entry No. 7621529 dated 23.02.2022 filed at Kandla and the goods were loaded from the port of Bandar Abbas, Iran.
- On being shown the printout of some extracts of his whatsapp chat with Kishan C. Vaya retrieved from his mobile wherein he was instructing him, first not to mention the country of origin in the commercial invoice and later to mention country of origin as Iraq, he stated that Kishan had newly started company and being known to their family, he had advised based on the confirmation from supplier.
- On being shown the printout of some extracts of his whatsapp chat with Captain Jugwinder Brar of M/s. Prime Tankers retrieved from his mobile



wherein it was clearly seen that he had been buying Bitumen from him loaded at the port of Bandar Abbas, he admitted that he had imported Bitumen from Iran through Captain Brar. But their contract with Captain Brar was to supply Bitumen from "non sanctioned country."

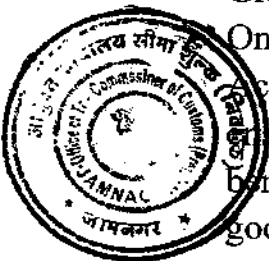
- On being asked that from the whatsapp chats and the documents found from his mobile as discussed above, it was clear that they were importing Bitumen from Iran since 2018, he admitted that they were importing Bitumen from Iran in the past. He also claimed that he was also importing Bitumen from Iraq and UAE.
- He was shown the following documents recovered from the vessel, MT Global Rani during the course of rummaging of the vessel on 20.01.2022 carrying the 3828.879 MTs of Bitumen imported by them vide Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022.

1. Health Certificate dated 13.01.2022 issued by Islamic Republic of Iran, Ministry of Health and Medical Education to the vessel MT Global Rani.
2. Sanitary Certificate dated 31.12.2021 issued by Islamic Republic of Iran, Ministry of Health
3. Statement of vessel clearance dated 13.01.2022 issued to MT Global Rani by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajae Port Abbas"
4. Process Verbal of Vessels Clearance Arrival dated 31.12.2021 issued by "I.R. of Iran Customs Administration".
5. Statement of Vessel Clearance upon departure dated 13.01.2021 issued by "Iran B, Abbas Islamic Republic of Iran Custom" and
6. Port Clearance Certificate "Marine Affairs No. RAJA140004211" dated 30.12.2021 issued to MT Global Rani by Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran

He stated that from above documents, it was clear that the goods i.e., 3828.879 MTs of Bitumen grade VG30 imported by them vide Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022 were loaded from Bandar Abbas, Iran and not from the Iraq or through ship-to-ship transfer at Khor Fakkan.

- On being asked as to whether the country of origin was mis-declared as Iraq instead of Iran in IGM and Bills of Entry in respect of 3828.879 MTs of Bitumen grade VG30 imported by their firm, he agreed that the country of origin was mis-declared as Iraq instead of Iran in IGM and Bills of Entry in respect of imported 3828.879 MTs of Bitumen grade VG30 per vessel MT Global Rani.

On being shown the provisions of section 17 and section 46 of the Customs Act, 1962 according to which, it was the responsibility of the importer to ensure that he declares the correct details, applicable rate of duty, value, benefit or exemption notification claimed, if any, in respect of the imported goods while presenting Bill of Entry of to the Customs Authorities and they



had mis-declared the Country of Origin in their imports as discussed above and they had violated the provisions of Customs Act, 1962, he admitted that they had violated the provisions of Customs Act, 1962 by mis-declaring the country of origin as Iraq.

CONTRAVENTION AND CHARGES:

Wilful mis-statement and mis-declaration:

16. From the foregoing paras, it appeared that the Importer have mis-declared and mis-stated the Country of Origin of the imported goods as Iraq instead of Iran in the documents submitted viz. IGM, Bills of Entry etc. to the Customs authority.

16.1 Vide Finance Act, 2011, "Self-Assessment" has been introduced w.e.f. from 08.04.2011 under the Customs Act, 1962. Section 17 of the said Act provides for self-assessment of duty on import and export goods by the importer or exporter himself by filing a Bill of Entry or Shipping Bill as the case may be, in the electronic form, as per Section 46 or 50 respectively. Thus, under self-assessment, it is the responsibility of the importer or exporter to ensure that he declares the correct classification, applicable rate of duty, value, benefit or exemption notification claimed, if any and other details in respect of the imported/exported goods while presenting Bill of Entry or Shipping Bill. In the present case, it appeared that the Importer and the Shipping Agent had deliberately and knowingly contravened the above said provisions with a malafide intention to hoodwink the Customs authorities in respect of the Country of Origin and Port of Loading of the imported goods.

16.2 Since the Importer have violated the provisions of Section 17, 46 and 50 of the Customs Act, 1962 which was their duty to comply, but for which no express penalty is elsewhere provided for such contravention or failure. Therefore, they shall also be liable to penalty under Section 117 of Customs Act, 1962.

16.3 From the statement of Shri Hemal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar dated 15.03.2023, it appeared that he was very well aware that the Bitumen grade VG 30 imported per vessel MT Global Rani at Pipavav port were loaded from Bandar Abbas, Iran and not from the Khor Fakkan or Iraq as shown in the IGM and Bills of Entry. The documentary and the digital evidences retrieved from the Importer as discussed above clearly establish the fact that the said goods were loaded from Bandar Abbas on the vessel MT Global Rani before its voyage to Pipavav.

16.4 It also appeared from the statement dated 15.03.2023 of Shri Hemal Kotak, that the importer was regularly importing Bitumen from Iran by mis-declaring the country of origin in the past as well.

16.5 Thus, it appeared that the Importer had contravened the provisions of the Customs Act, 1962, mis-declared the Country of Origin and Port of Loading of the imported goods in their Bills of Entry and IGM. By no stretch of imagination, such mis-declaration and misstatement can be regarded as without the Importer's will and intention, especially in the presence of such compelling evidences. By these acts of



omission and commission, the Importer had rendered themselves liable to penalty under **Section 112(a) & 112(b)** of the Customs Act, 1962.

16.6 Whereas, from the foregoing paras, it also appeared that the Importer had intentionally and wilfully made declarations, statements, documents etc., which are false and incorrect in nature. This act of mis-declaration by the Importer during the transaction of their business has made them liable for penalty under **Section 114AA** too.

16.7 As per Section 30(2) of the Customs Act, 1962, the shipping agent on behalf of the person-in-charge of the Vessel shall make a true and correct declaration with regard to the IGM. However, in the instant case, the shipping agent M/s. Preetika Shipping Agency Pvt. Ltd. failed to make correct information in the IGM and submitted false information regarding Country of Origin, Last port of calls etc. even after knowing that the same vessel i.e., MT Global Rani was involved in repeated offence of mis-declaration of Country of Origin.

16.8 Thus, the shipping agent has contravened the above said provisions, mis-declared the Country of Origin of imported Bitumen and last port of calls in their IGM, which clearly indicates that it is not due to lack of knowledge or unintentional mistake but a wilful "decision" about wrong declaration which led to wrongful information to the Customs authorities. Therefore, the Shipping Agent have rendered themselves liable for penalty under **Section 114AA** of the Customs Act, 1962.

Improper Import:

17. From the inquiry conducted, as discussed in the foregoing paras, it appeared that the Importer by way of wilful mis-statement, mis-declaration and suppression of facts with regards to the Country of Origin of imported goods as Iraq instead of Iran has imported 3828.879 MTs of Bitumen Grade VG30 at Pipavav port. Therefore, it appeared that the Importer had indulged in fraudulent import of goods by mis-declaring the Country of Origin of goods so imported, which squarely falls within the ambit of 'illegal import' as defined **Section 11A (a)** of the Customs Act, 1962 in as much as the same was done in contravention of various provisions of the Act, *ibid*.

17.1 Since the goods i.e., 3828.879 MTs of Bitumen Grade VG30 were imported by M/s. Kotak Petroleum LLP, Jamnagar illegally by mis-declaring the Country of Origin at Pipavav port, the above said goods are liable to be confiscated under **Section 111(m)** of the Customs Act, 1962.

17.2 Similarly, the goods imported in the past vide 23 Bills of Entry during the year 2021 i.e., 13903.32 MTs of Bitumen Grade VG30 / VG40 totally valued at Rs.46,27,54,527/- by M/s. Kotak Petroleum LLP, Jamnagar illegally by mis-declaring the Country of Origin are also liable to be confiscated under **Section 111(m)** of the Customs Act, 1962.



17.3 By the acts of omission and commission, the Importer have rendered themselves liable for penalty under Section 112(a) & 112(b) of the Customs Act, 1962.

Forgery of Documents:

18. During the course of investigation, it was revealed that the imported goods were loaded from the port of Bandar Abbas, Iran whereas, the documents submitted to the Customs authorities vide the said Bills of Entry and IGM show the Country of Origin as Iraq.

18.1 Shri Barnabas Stephen, Master of the vessel MT Global Rani in his statement dated 20.01.2022 & 21.01.2022 clearly admitted that the imported goods i.e., 3828.879 MTs of Bitumen grade VG30 imported at Pipavav were of Iranian origin and were loaded from Bandar Abbas only and that the origin and load port of the Bitumen imported at Pipavav was mis-declared on the directions of his employer firm, M/s. Global Tankers Pvt. Ltd. He also admitted to have manipulated the logbook, voyage certificate of the vessel on their directions. He further said that the fake documents submitted to the Customs authorities were arranged by the Shipping Agent, M/s. Gulf Navigation.

18.2 Thus, it appeared that, the entire syndicate had actively manipulated the documents like logbook, voyage location of the vessel and created fake/fictitious documents like Arrival documents, Port clearance, Country of Origin certificate etc., as discussed above to hoodwink the Customs authorities.

Habitual Offence:

19. From the investigation conducted so far, it appeared that the Importer, Shipping Agent and Shipping Line including the vessel MT Global Rani were involved in regular import of Iranian origin Bitumen from Bandar Abbas into India by habitually mis-declaring the Country of Origin and Port of Loading as Iraq, UAE etc., in the Customs documents on the strength of forged documents like invoice, port clearance certificate etc.

19.1 In one of their emails, the Importer themselves are claiming that they were regularly importing Bitumen from Iran with the billing & delivery through UAE and that they were normally importing from Jey Oil, Pasargad & Black Gold which are prominent refineries located in Iran. The documents retrieved from the mobile phone of the Importer shows that the Importer had imported several consignments of Bitumen from Iran through UAE in the past. The Whatsapp chats retrieved from the Importer's mobile phone shows that the Importer had been dealing profusely with Iranian traders for the import of Bitumen. In his statement dated 15.03.2023, the Importer has admitted that they had imported many consignments of Bitumen from

to India by mis-declaring the Country of Origin of goods.
During the course of investigation, it is revealed that the fleet of vessels managed by M/s. Global Tankers / M/s. Prime Tankers LLP, Dubai were regularly



used as transport of the Iranian origin Bitumen to Indian ports where the Country of Origin and Port of Loading of the goods are mis-declared in the Customs documents. In one of such events in the past the instant vessel, MT Global Rani arrived at Mumbai port during September 2020 and the same was seized by the Customs for mis-declaration of Country of Origin as Iraq instead of Bandar Abbas Port, Iran. The Hon'ble High Court of Mumbai in W.P.(L) 5118 of 2020 in the said case of M/s. Global Ace Shipping Lines Inc. V/s. the Principal Commissioner of Customs (Import-I) had observed that the vessel MT Global Rani had been repeatedly engaging in carrying Iranian origin bitumen into India and that was its fourth attempt when it was seized at Mumbai. Subsequently, the DG Shipping vide Expulsion order No. 01/2021 dated 06.01.2021 had banned the vessel MY Global Rani to enter in India for one year. It is pertinent to mention here that the Shipping Agent in the said case was M/s. Preetika Shipping Agency Pvt. Ltd. who happens to be the Shipping Agent in the instant case.

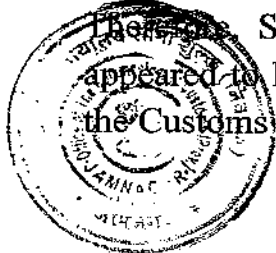
19.3 Therefore, it appeared that the both the Shipping Line and the Shipping Agent are habitually involved in such mis-declaration in blatant disregard to the law of the land despite being penalised every now and then. These acts and omissions have not only rendered the vessel liable for confiscation but also rendered those two liable for penal actions under the provisions of Customs Act, 1962 as well as other Maritime laws in force.

PERSONAL PENALTY:

20. From the investigations carried out and brought out here-in-above, it appeared that the imported goods do not correspond in respect of the country of origin and port of loading with the entry made under the provisions of Section 46 and 46 (4A) of the Customs Act, 1962. The importer i.e., M/s. Kotak Petroleum LLP, Jamnagar has failed to ascertain the correctness of the import documents filed before the Customs authorities and intentionally made use of false documents in transaction of their business. Therefore, it appeared that the subject importer is liable for penal action under various provisions of the Customs Act, 1962 as discussed above.

21. Shri Hemal Kanaiyalal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar is the one who was looking after the day-to-day activities of the firm, M/s. Kotak Petroleum LLP and responsible for all the activities related to the import and documentation with the Customs by the firm. In his statement dated 21.01.2022 and 15.03.2023, he admitted that they were regularly importing Iranian origin Bitumen into India by mis-declaring the country of origin and port of loading. The evidences retrieved during the course of investigation from the Importer clearly show that 3828.879 MTS of Bitumen Grade VG30 imported by the said Importer was loaded at the port of Bandar Abbas. Shri Hemal Kotak also admitted that he was aware that the said consignment was loaded from the port of Bandar Abbas. Nevertheless, it appeared that he had intentionally made use of false documents with the Customs authorities to hide the fact and show different country of origin and port of loading.

Shri Hemal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar appeared to have rendered himself liable for penal action under Section 114AA of the Customs Act, 1962.



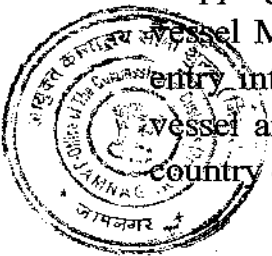
21.1 Further, Shri Hemal Kanaiyalal Kotak was very well aware of the fact that the goods imported illegally by mis-declaring the Country of Origin and Port of Loading are liable to be confiscated under **Section 111(m)** of the Customs Act, 1962. He was also regularly importing Bitumen in the name of the importer from Iran by misdeclaring the country of origin in the past as well. By the acts of omission and commission, Shri Hemal Kotak appeared to have rendered himself liable for penalty under **Section 112(a) & 112(b)** of the Customs Act, 1962.

21.2 Being the responsible person looking after the import/export activities of M/s. Kotak Petroleum LLP, Shri Hemal Kotak had violated the provisions of Section 17, 46 and 50 of the Customs Act, 1962 which was his duty to comply, but for which no express penalty is elsewhere provided for such contravention or failure. Therefore, he also appeared to be liable to penalty under **Section 117** of Customs Act, 1962.

22. Further, Shri Hemal Kotak in his voluntary statements dated 21.01.2022 and 15.03.2023 admitted that they had created a proprietorship firm, M/s. K Infra Middle East FZE in the name of his acquaintance, **Shri Kishan Chandrakant Vaya** in Dubai in order to route the payment to the supplier of Bitumen in UAE. It is also on the face of the records that Shri Hemal Kotak has given a fake employment certificate to Shri Kishan in order to open a bank account in Dubai for creating the said proprietorship firm. It is also evident from the whatsapp chats between the two that Shri Kishan is manipulating the invoices on the directions of Shri Hemal Kotak. These acts of omission and commission by Shri Kishan Chandrakant Vaya abetted the importer in the illegal import of Bitumen by misdeclaring the Country of Origin and the Port of Loading and thereby appeared to have rendered Shri Kishan Chandrakant Vaya liable to penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962

23. M/s. Preetika Shipping Agency Pvt. Ltd., being the Shipping Agent, was responsible for making truthful declaration before the Customs authorities while filing the Import General Manifest (IGM) on arrival of the vessel but has aided, abetted and connived with M/s. Prime Tankers LLC., Dubai and made & used false, fabricated and bogus Bills of Lading mentioned above for the supply of Bitumen Grade VG30, showing the port of loading as Khor Fakkan. Further, Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Ltd., in his statement dated 27.01.2022 admitted that the vessel MT Global Rani was seized earlier by the Mumbai Customs under Section 115 of the Customs Act, 1962 for misdeclaring the port of loading and country of origin of goods i.e., Bitumen as Iraq.

23.1 During the investigation, it was found that the goods were loaded from Bandar Abbas, Iran and that the Master of the vessel had manipulated the ports of call to hide the fact. Show Cause Notice dated 28.08.2021 was issued to the importer and the Shipping Agent, M/s. Preetika Shipping Agency Private Limited. Further, DG Shipping vide Expulsion order No. 01/2021 dated 06.01.2021 had expelled the vessel MT Global Rani from Mumbai port on security reason and also banned its entry into any Indian port for a period of one year. Hence, it is clear that both the vessel and the Shipping Agent have a track record of habitually mis-declaring the country of origin as Iraq instead of Iran in respect of imported goods i.e., Bitumen.



23.2 In fact it is the moral duty of the shipping agent to verify the facts of the vessel and ensure that no provisions of the law are violated. But the Shipping Agent never sought any clarification from the cargo managing company from where the documents were received by them i.e., M/s. Prime Tankers LLC, Dubai. Rather, he intentionally with an ulterior motive went hand in glove with the Shipping Line and did not bring the actual facts about the manipulation of documents to the knowledge of Customs authorities at Pipavav.

23.3 Further, as per Section 30(2) of the Customs Act, 1962, the shipping agent on behalf of the person-in-charge of the Vessel shall make a true and correct declaration with regard to the IGM. However, in the instant case, the shipping agent, M/s. Preetika Shipping Agency Pvt. Ltd. failed to make correct information in the IGM and submitted false information regarding Country of Origin, Last port of calls etc., even after knowing that the same vessel i.e., MT Global Rani has involved in repeatedly offence of mis-declaration of Country of Origin.

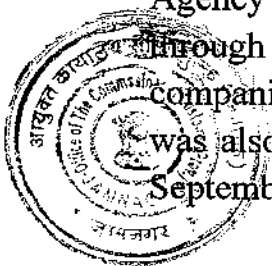
23.4 Thus, the shipping agent appeared to have contravened the above said provisions, mis-declared the Country of Origin of imported Bitumen and last port of calls in their IGM, which clearly indicates that it is not due to lack of knowledge or unintentional mistake but a wilful "decision" about wrong declaration which led to wrongful information to the Customs authority.

23.5 By these acts of omission and commission, the Shipping Agent, M/s. Preetika Shipping Agency Pvt. Ltd. appeared to have rendered themselves liable to be penalized under **Section 114AA** of the Customs Act, 1962 for knowingly and intentionally making use of false documents.

23.6 The Shipping Agent was very well aware of the fact that the goods imported illegally by mis-declaring the Country of Origin and Port of Loading are liable to be confiscated under Section 111(m) of the Customs Act, 1962. By the acts of omission and commission, M/s. Preetika Shipping Agency Pvt. Ltd. appeared to have rendered themselves liable for penalty under **Section 112(a) & 112(b)** of the Customs Act, 1962.

24. **Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Ltd.**, in his statement dated 27.01.2022 stated that M/s. Preetika Shipping Agency Pvt. Ltd. had been providing services to the vessels owned by M/s. Global Ace Shipping INC, Panama and its subsidiary companies i.e., M/s. Global Tankers Pvt. Ltd / M/s. Prime Tankers LLC, Dubai. Further, he was in regular touch with Ms. Lidya Adriana, Operations Manager of M/s. Prime Tankers LLC, Dubai and got the information regarding arrival of vessels and also collected ship's documents on office e-mail id. Sometimes he used to receive information on telephone/Whatsapp from her phone No. +971527247196.

24.1 Thus, he appeared to be the responsible person in M/s. Preetika Shipping Agency Pvt. Ltd. looking after the activities related to the import of Bitumen through the fleet of M/s. Global Ace Shipping INC, Panama and its subsidiary companies i.e., M/s. Global Tankers Pvt. Ltd / M/s. Prime Tankers LLC, Dubai. He was also aware that earlier vessel MT Global Rani was arrived at Mumbai during September 2020. They had filed IGM for that trip at Customs, Mumbai and the



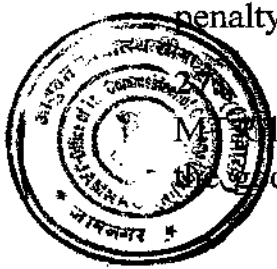
vessel was seized by the Customs for mis-declaration for country of origin of the imported goods i.e., Bitumen grade VG30. The Hon'ble Court in the subject case had observed that the vessel MT Global Rani was habitually involved in such mis-declaration of Country of Origin and it was the fourth time that the vessel was seized. Further, he was also aware that the DG Shipping vide Expulsion order No. 01/2021 dated 06.01.2021 has banned the vessel MY Global Rani to enter in India for one year.

24.2 Nevertheless, in blatant disregard to the law of the land, he aided and abetted in the mis-declaration of the Country of Origin and Port of Loading with the Customs authorities in India habitually. By these acts of omission and commission, Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Ltd., appeared to have rendered himself liable to be penalized under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962 for knowingly and intentionally making use of false documents.

25. **Shri Barnabas Stephen, Master of the vessel M.T. Global Rani** has knowingly and intentionally signed the document like Bills of Lading, Cargo Manifest, last 10 port of calls and other arrival documents which were false or incorrect thereby wrongly depicting the port of loading as Khor Fakkan. Further, he has suppressed the fact that the imported goods were loaded at Bandar Abbas, Iran and didn't mention Iran port in the voyage memo and has suppressed Iranian documents at discharge port. Further, the Master on the instructions of the cargo operators has switched off the tanker's AIS on reaching Iran waters and has sent forged documents to the shipping agent viz. M/s. Preetika Shipping Agency Pvt. Ltd. for the purpose of filing of an incorrect Import General Manifest (IGM) at Pipavav port. The above acts of omission and commission has rendered the goods imported under Bills of Entry No. 7120562, 7120564, 7120573, 7120574 and 7120575 all dated 18.01.2022, liable to confiscation under Section 111(m) of the Customs Act, 1962 and the vessel used as a transport for allegedly smuggling of cargo is liable for confiscation under Section 115 of the Customs Act, 1962. Therefore, the master of the vessel, Shri Barnabas Stephen appeared to have rendered himself liable for penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962 for his act of knowingly and intentionally signing and using the false documents.

26. Similarly, **Shri Don Bosco Dominic Pradeep, Chief Officer of vessel and Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of vessel, MT Global Rani** have abetted and aided the Master of vessel in manipulating the voyage documents of the vessel and hiding the facts of last ports of call by the vessel and thereby abetted and aided the importer in the illegal import of the cargo of Bitumen by misdeclaring the Country of Origin and Port of Loading. These acts of omission and commission of the Chief Officers, Shri Don Bosco Dominic Pradeep and Shri Angarkar Dnyanesh Nandkishor appeared to have rendered themselves liable for penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962.

M/s. Global Ace Shipping Lines INC, Panama (Owner of the Vessel **MT Global Rani**) was indulged in the issuance of the bogus Ullage report showing goods to be loaded from Khor Fakkan port even though the same were loaded



from Bandar Abbas, Iran. Also, the actual load port documents were retrieved from the Master of the vessel M.T. Global Rani during the course of rummaging. Therefore, the M/s. Global Ace Shipping Lines INC, Panama appeared to be liable to be penalized under **Section 114AA** of the Customs Act, 1962 for knowingly and intentionally making use of false documents.

28. M/s. Global Tankers Pvt. Ltd and M/s. Prime Tankers LLC, Dubai, Subsidiaries and Commercial Managing companies of the owner of the Vessel i.e., M/s. Global Ace Shipping Lines INC., Panama, had knowingly and intentionally made use of false, fabricated and bogus Bills of Lading for import of 3828.879 MTS of Bitumen Grade VG30 showing the port of loading as Khor Fakkan, even though they were fully aware that no goods were loaded from Iraq and that the imported goods were actually loaded at Bandar Abbas, Iran. Further, M/s. Global Tankers Pvt. Ltd / Prime Tankers LLC had instructed Shri Barnabas Stephen, the Master of the vessel, not to mention Iran port in the voyage memo and not to show any Iranian documents at discharge ports; to switch off the tanker's AIS on reaching Iran waters to forge the Voyage Memo presented to Customs on arrival of vessel at Pipavav and to send forged documents to the shipping agent viz. M/s. Preetika Shipping Agency Pvt. Ltd. for the purpose of filing of an incorrect Import General Manifest (IGM).

28.1 Also, they provided bogus Port Clearance certificate of the Vessel at Khor Fakkan to the Master of the Vessel showing last port of call as Basrah, Iraq even though the vessel never entered into Iraqi waters. The Master of the vessel Shri Barnabas Stephen in his voluntary statement dated 20.01.2022 has admitted that as per the instructions of his employer company, he signed the Bills of Lading prepared by the Shipping Agent, M/s. Gulf Navigation at Khor Fakkan, who had prepared the Bills of Lading as per the instructions from M/s. Global Tankers Pvt. Ltd.

28.2 The act of wilful use of false documents have rendered M/s. Global Tankers Pvt. Ltd / Prime Tankers LLC, Dubai, jointly and severally liable to be penalized under Section 114AA of the Customs Act, 1962. The omission and commission as discussed above, have rendered the subject goods liable for confiscation under Section 111 (m) of the Customs Act, 1962. Therefore, M/s. Global Tankers Pvt. Ltd / Prime Tankers LLC, Dubai, jointly and severally appeared to have rendered themselves liable to be penalized under **Section 112(a) & 112(b)** of the Customs Act, 1962.

29. Shri Jugwinder Singh Brar, Director of M/s. Global Tankers Pvt. Ltd., appeared to be the key person involved in preparation of the bogus documents leading to mis-declaration of the port of loading and Country of origin of the goods. The summons dated 14.07.2022, 27.07.2022 and 12.08.2022 were issued to Shri Jugwinder Brar for submission of documents and to give his voluntary statement. However, Shri Jugwinder Brar vide his e-mail dated 24.08.2022 informed that he could not appear due to medical reasons; that all the required documents had already been submitted; that he was having operations in different countries, such as United Kingdom / U.S.A. / South Africa / Angola / Luanda etc.; that the business operations handled by various professionals and employees of his company at different and departments situated in different countries; that if any information was



required in the present investigation, then his authorized person would visit the office to tender all the information required.

29.1 From the reply, it appeared that Shri Jugwinder Singh Brar did not want to give his voluntary statement and no document was received from Shri Jugwinder Brar as mentioned in his email dated 24.08.2022. It also appeared that he was simply trying to mislead the department and avoid a thorough investigation in the instant case. The acts of omission and commission of Shri Jugwinder Singh Brar appeared to have rendered him liable to be penalized under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962 for knowingly and intentionally not cooperating with the department in the investigation.

30. Similarly, **Shri Ramakant Mishra, Shri Midhun and Captain Sufiyan Khan, all employees of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP** had abetted and aided Shri Jugwinder Singh Brar in the preparation of the bogus documents leading to mis-declaration of the port of loading and Country of origin of the goods in the Indian ports. They had also directed the Master and Chief Officers of the vessel to manipulate the voyage documents of the vessel and to hide the facts of last ports of call by the vessel and thereby abetted and aided the importer in the illegal import of the cargo of Bitumen by misdeclaring the Country of Origin and Port of Loading. These acts of omission and commission appeared to have rendered Shri Ramakant Mishra, Shri Midhun and Captain Sufiyan Khan liable for penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962.

31. **M/s. Velji P. & Sons, Jamnagar** acting as the CHA for the Importer filed the Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022 for clearance of 3828.879 MTs of Bitumen grade VG30 at Pipavav port. As a CHA, it was their sole duty and responsibility to check the credentials and authenticity of the documents given by the importer before submitting to the Customs authority. Whereas in the instant case, it appeared that they had failed to perform their duty. In his statement dated 11.02.2022, Shri Ashwinbhai B. Sindhav, Partner of M/s. Velji P. & Sons, Jamnagar admitted that his CHA firm had done around 18 shipments of the Importer in the past. Despite these many consignments, the CHA failed to verify the documents submitted by the importer and produced them as such to the Customs Authorities at the Indian ports. These acts and omission and commission rendered the imported goods liable to confiscation. Therefore, M/s. Velji P. & Sons, Jamnagar appeared to have rendered themselves liable to penalty under **Section 114AA & Section 117** of the Customs Act, 1962 in as much as they knowingly failed to verify the credentials and authenticity of the documents submitted to them by the Importer.

LEGAL PROVISIONS:

The relevant portions of the Customs Act, 1962 are reproduced in brief as follows:

Section 11A: Definitions. – In this Chapter, unless the context otherwise requires, - (a) “illegal import” means the import of any goods in



- contravention of the provisions of this Act or any other law for the time being in force;
- ii) **Section 30 (2):** The person delivering the ²[arrival manifest or import manifest] or import report shall at the foot thereof make and subscribe to a declaration as to the truth of its contents.
- iii) **Section 46 (4) (4A) :** The importer who presents a bill of entry shall ensure the following, namely:
- (a) the accuracy and completeness of the information given therein;
 - (b) the authenticity and validity of any document supporting it; and
 - (c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force;
- iv) **Section 110 :** (1) If the proper officer has reason to believe that any goods are liable to confiscation under this Act, he may seize such goods:

Provided that where it is not practicable to seize any such goods, the proper officer may serve on the owner of the goods an order that he shall not remove, part with, or otherwise deal with the goods except with the previous permission of such officer.

(1A) The Central Government may, having regard to the perishable or hazardous nature of any goods, depreciation in the value of the goods with the passage of time, constraints of storage space for the goods or any other relevant considerations, by notification in the Official Gazette, specify the goods or class of goods which shall, as soon as may be after its seizure under sub-section (1), be disposed of by the proper officer in such manner as the Central Government may, from time to time, determine after following the procedure hereinafter specified.

(1B) Where any goods, being goods specified under sub-section (1A), have been seized by a proper officer under sub-section (1), he shall prepare an inventory of such goods containing such details relating to their description, quality, quantity, mark, numbers, country of origin and other particulars as the proper officer may consider relevant to the identity of the goods in any proceedings under this Act and shall make an application to a Magistrate for the purpose of— (a) certifying the correctness of the inventory so prepared; or

(b) taking, in the presence of the Magistrate, photographs of such goods, and certifying such photographs as true; or

(c) allowing to draw representative samples of such goods, in the presence of the Magistrate, and certifying the correctness of any list of samples so drawn.

(C) Where an application is made under sub-section (1B), the Magistrate shall, as soon as may be, allow the application.



- v) **Section 111(m)** : any goods which do not correspond in respect of value or in any other particular] with the entry made under this Act or in the case of baggage with the declaration made under section 77 in respect thereof, or in the case of goods under transshipment, with the declaration for transshipment referred to in the proviso to sub-section (1) of section 54;
- vi) **Section 112 : Penalty for improper importation of goods, etc.—Any person,—**
- (a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or
- (b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111, shall be liable,—
- (i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty 5[not exceeding the value of the goods or five thousand rupees], whichever is the greater;
- (ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher: Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent of the penalty so determined;
- (iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees, whichever is the greater;
- (iv) in the case of goods falling both under clauses (i) and (iii), to a penalty 4[not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest.
- (v) in the case of goods falling both under clauses (ii) and (iii), to a penalty 5[not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.
- vi) **Section 114A: Penalty for short-levy or non-levy of duty in certain cases.** —Where the duty has not been levied or has been short-levied or the interest has not been charged or paid or has been part paid or the



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

Provided that where such duty or interest, as the case may be, as determined under sub-section (8) of section 28, and the interest payable thereon under section 28AA, is paid within thirty days from the date of the communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent. of the duty or interest, as the case may be, so determined:

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

Provided also that where the duty or interest determined to be payable is reduced or increased by the Commissioner (Appeals), the Appellate Tribunal or, as the case may be, the court, then, for the purposes of this section, the duty or interest as reduced or increased, as the case may be, shall be taken into account:

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

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

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

(i) the provisions of this section shall also apply to cases in which the order determining the duty or interest under sub-section (8) of section 28 relates to notices issued prior to the date on which the Finance Act, 2000 (10 of 2000) receives the assent of the President;

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

vii) 114AA. Penalty for use of false and incorrect material.—*If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.*



viii) Definition of Person as per General Clauses Act, 1897 –

3 (42) "person" shall include any company or association or body of individuals, whether incorporated or not;

ix) Section 115(2) of the Customs Act, 1962 : Any conveyance or animal used as a means of transport in the smuggling of any goods or in the carriage of any smuggled goods shall be liable to confiscation, unless the owner of the conveyance or animal proves that it was so used without the knowledge or connivance of the owner himself, his agent, if any, and the person in charge of the conveyance or animal;

x) Section 117. Penalties for contravention, etc., not expressly mentioned

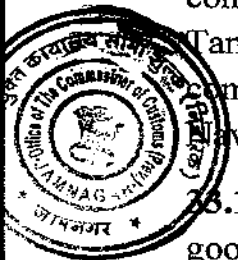
– Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to penalty not exceeding [four lakh rupees.]

xi) Section 148(2) : An agent appointed by the person in charge of a conveyance and any person who represents himself to any officer of customs as an agent of any such person in charge, and is accepted as such by that officer, shall be liable for the fulfilment in respect of the matter in question of all obligations imposed on such person in charge by or under this Act or any law for the time being in force, and to penalties and confiscations which may be incurred in respect of that matter;

SEIZURE OF GOODS AND VESSEL:

33. From the documentary evidences resumed during the rummaging of the vessel and the statements of the stakeholders, it appeared that the vessel, M.T. Global Rani had called on the Bandar Abbas port of Iran and loaded the disputed cargo i.e., 3828.879 MTs of Bitumen Grade VG30 from Iran and not from Iraq as declared in the Customs documents. Further, the master of the Vessel M.T. Global Rani (Voyage 01/22), Shri Barnabas Stephen admitted in his voluntary statement dated 20.01.2022 and 21.01.2022 that the bogus documents submitted to the Customs authorities at Pipavav port in relation to the import of 3828.879 MTs of Bitumen grade VG30, were prepared by the shipping agent, M/s Gulf Navigation. Further, M/s. Gulf Navigation arranged these documents as per the instructions of the company personnel Shri Midhun, who was looking after operations of M/s. Global Tankers Pvt. Ltd. He also admitted that as per the instructions of his employer company, he signed the Bills of Lading prepared by the Shipping Agent, M/s Gulf Navigation.

33.1 Further, the importer in his statement dated 15.03.2023 admitted that the goods i.e. 3878.879 MTs of Bitumen Grade VG30 were imported from Bandar



Abbas, Iran and that the country of origin and port of loading were mid-declared in the Customs documents.

33.2 Therefore, the goods i.e. 3828.879 MTs of Bitumen grade VG30 imported vide vessel MT Global Rani under following 05 Bills of Entry filed at Pipavav port were seized vide seizure memorandum dated 22.01.2022, under the provisions of Section 110(1) of the Customs Act, 1962 on the reasonable belief that the goods were liable for confiscation under the provisions of Customs Act, 1962 in as much as the country of origin and the port of loading were mis-declared in the Bills of Entry and IGM filed with the Customs authorities at Pipavav Port.

Sr. No.	B/E No.	Date of B/E	Quantity (in MTs)
1	7120562	18.01.2022	800.000
2	7120564	18.01.2022	500.000
3	7120173	18.01.2022	628.879
4	7120174	18.01.2022	900.000
5	7120175	18.01.2022	1,000.000
TOTAL			3,828.879

After seizure of the imported Bitumen Grade VG30, the same was handed over to the importer M/s. Kotak Petroleum LLP, Jamnagar, through their shipping agent M/s. Preetika Shipping Agency Pvt. Ltd. with a direction not to remove or part with or otherwise deal with the seized goods.

33.3 Further, the vessel M. T, Global Rani approximately valued at Rs. 12.74 Crores, used as a means of transport for the alleged smuggling of the cargo, was also seized vide seizure memorandum dated 22.01.2022, under the provisions of Section 110(1) of the Customs Act, 1962 as the same appeared to be liable for confiscation under Section 115 of the Customs Act, 1962. The said vessel MT Global Rani was handed over to Shri Barnabas Stephen, Master of the vessel MT Global Rani, through their shipping agent M/s. Preetika Shipping Agency Pvt. Ltd. with a direction not to move or sail from Pipavav anchorage, part with or otherwise deal with the vessel.

PROVISIONAL RELEASE OF THE GOODS AND THE VESSEL:

34. M/s. Kotak Petroleum LLP, Jamnagar vide their letter dated 25.01.2022 addressed to the Commissioner of Customs, Customs (Preventive), Jamnagar had requested for provisional release of the seized 3828.879 MTs of Bitumen Grade VG30 seized vide seizure memo dated 22.01.2022. Accordingly, the seized 3828.879 MTs of Bitumen Grade VG30 were released provisionally vide letter dated 28.01.2022 by the Deputy Commissioner, Custom House, Pipavav on execution of bond equal to the value of the goods Rs.11,34,53,796/- and Bank Guarantee of Rs.2,50,00,000/-.

34.1 M/s. Preetika Shipping Agency Pvt. Limited vide their letter dated 25.01.2022 addressed to the Deputy Commissioner of Customs, Custom House, Pipavav had requested for provisional release of the vessel MT Global Rani (IMO -9136113)



seized vide seizure memo dated 22.01.2022. The vessel MT Global Rani was also released provisionally to the shipping agent, M/s. Preetika Shipping Agency Private Limited on execution of bond equal to the value of the vessel i.e., Rs. 12,74,00,000/- and Bank Guarantee equal to Rs.2,00,00,000/-.

CONFISCATION AND PENALTY:

35. With the insertion of Section 110AA in the Customs Act, 1962 enforced vide Finance Act, 2022, the proper officers for issuance and adjudication of demand notices under Section 28 and Section 28AAA have been appointed under the Customs Act, 1962 in cases of single and multiple jurisdictions. Further, vide Notification No. 28/2022-Customs (N.T.) dated 31.03.2022, CBIC has appointed the officers of Customs to exercise powers under Section 28, Section 28AAA or Chapter X of the said Act, and assigned the functions to such officers in the cases of single and multiple jurisdictions as referred in Section 110AA of Customs Act, 1962. Similarly, vide Notification No.29/2022-CUS (NT) dated 31.03.2022, CBIC has assigned the proper officers for the purpose of adjudication.

36. Accordingly, a Show Cause Notice No. ADC-09 dated 21.12.2023 was issued to **M/s. Kotak Petroleum LLP, Jamnagar and others** proposing following actions:

- (i) Confiscation of the impugned goods i.e., 3828.879 MTS of Bitumen Grade VG30 valued at Rs.11,34,53,796/- imported at Pipavav port vide Bills of Entry No. 7120562, 712056, 7120573, 7120574 & 7120575 all dated 18.01.2022 under Section 111(m) of the Customs Act, 1962 upon the importer M/s. Kotak Petroleum LLP, Jamnagar;
- (ii) Penalty under Sections 112(a), 112(b), 114AA and Section 117 of the Customs Act, 1962 upon the importer M/s. Kotak Petroleum LLP, Jamnagar;
- (iii) Encashment of the Bank Guarantee No. 3250IFIBG220001 dated 29.01.2022 amounting Rs. 2,50,00,000/- issued by Bank of India, Jamnagar submitted by M/s. Kotak Petroleum LLP, Jamnagar and it's appropriation towards the eventual penalty and fine.
- (iv) Confiscation of the goods imported by M/s. Kotak Petroleum LLP, Jamnagar vide 23 Bills of Entry during the year 2021 i.e. 13903.32 MTs of Bitumen Grade VG30 / VG40 totally valued at Rs.46,27,54,527/- under Section 111(m) of the Customs Act, 1962;
- (v) Confiscation of the vessel **M.T. Global Rani** having market value as Rs.12,74,00,000/- under Section 115(2) of the Customs Act, 1962;
- (vi) Penalty under Section 114AA of the Customs Act, 1962 upon **M/s. Global Ace Shipping Lines INC., Panama** (owner of the vessel M.T. Global Rani);
- (vii) Encashment of the Bank Guarantee No. 240GT01220340005 dated 03.02.2022 amounting Rs. 2,00,00,000/- issued by HDFC Bank Limited, Rajula submitted by the Shipping Agent and it's appropriation towards the eventual penalty and fine.



- (viii) Penalty under Section 112(a), 112(b), 114AA and Section 117 of the Customs Act, 1962 upon **Shri Hemal Kaniyalal Kotak**, Partner of the importer M/s. Kotak Petroleum LLP, Jamnagar.
- (ix) Penalty under Section 112(a), 112(b) & 114AA of the Customs Act, 1962 upon **M/s. K Infra Middle East FZE**, Saif Office Q-1-113/A, PO Box 9444 Sharjah UAE, through its proprietor, **Shri Kishan Chandrakant Vaya**.
- (x) Penalty under Section 114AA and 117 of the Customs Act, 1962 upon **M/s. Velji P. & Sons**, Custom House Agent, Jamnagar.
- (xi) Penalty under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 upon **M/s. Preetika Shipping Agencies Private Limited**, the shipping agent.
- (xii) Penalty under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 upon **Shri Deepak Mohanlal Khabrani**, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai.
- (xiii) Penalty under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 upon **Shri Barnabas Stephen**, Master of the vessel M.T. Global Rani.
- (xiv) Penalty under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 upon **Shri Don Bosco Dominic Pradeep**, Chief Officer and **Shri Angarkar Dnyanesh Nandkishor**, New Chief Officer of vessel MT Global Rani.
- (xv) Penalty under Section 112(a) and 112(b) of the Customs Act, 1962 upon **M/s. Prime Tankers LLC.**, Dubai (Commercial Manager of the vessel M.T. Global Rani).
- (xvi) Penalty under Section 112(a) and 112(b) of the Customs Act, 1962 upon **M/s. Global Tankers Pvt. Ltd**, Subsidiary and Commercial Managing company of the owner of the Vessel i.e., M/s. Global Ace Shipping Lines INC., Panama.
- (xvii) Penalty under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 upon **Shri Jugwinder Singh Brar**, Director of M/s. Global Tankers Pvt. Ltd..
- (xviii) Penalty under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 upon **Shri Ramakant Mishra**, **Shri Midhun** and **Captain Sufiyan Khan**, all employees of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP.

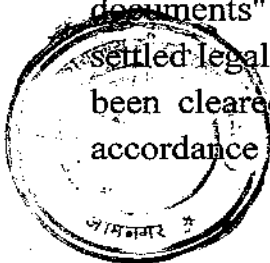
DEFENCE REPLY

37. **M/s. Kotak Petroleum LLP, Jamnagar, importer and Shri Hemal Kaniyalal Kotak**, Partner of the importer M/s. Kotak Petroleum LLP, Jamnagar, vide letter dated 18.02.2024 & 03.04.2025 in their written defense reply, submitted

as under:

(i) The entire notice is primarily issued on the basis of following documentary evidences:

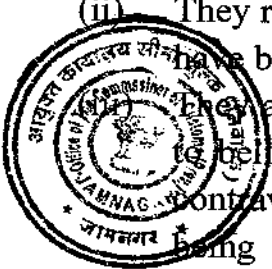
- a) Health Certificate dated 13.01.2022 issued by Islamic Republic of Iran, Ministry of Health and Medical Education to the vessel MT Global Rani.
 - b) Sanitary Certificate dated 31.12.2021 issued by Islamic Republic of Iran, Ministry of Health.
 - c) Statement of vessel clearance dated 13.01.2022 issued to MT Global Rani by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajaei Port B. Abbas".
 - d) Process Verbal of Vessels Clearance Arrival dated 31.12.2021 issued by "I.R of Iran Customs Administration".
 - e) Vessel Clearance upon departure dated 13.01.2021 issued by "Iran B.Abbas Islamic Republic of Iran Custom" and
 - f) Port Clearance Certificate "Marine Affairs No. RAJA 140004211" dated 30.12.2021 issued to MT Global Rani by Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran.
- (ii) It is an admitted position that the above documents were resumed on account of rummaging of the vessel MT Global Rani upon arrival at Pipavav and not from their possession and/or on account of any prior knowledge. Hence, reliance on any or all of these documents for attributing their knowledge is completely misplaced.
- (iii) The digital evidence and chat are even otherwise not related to the goods covered by aforesaid five Bills of Entry.
- (iv) They have not implicated by any person, including Shri Barnabas Stephen, Master of the vessel, Shri Don Bosco Domonic Pradeep, Chief Officer of the vessel, Shri Angarkar Dnyanesh Nandkishor, New Chief Officer as well as anyone from M/S. Gulf Navigation (Shipping Agent abroad), Shri Midhun/Mithun & Captain Sufiyan Khan from M/S. Global Tankers, responsible for preparing and handing over bills of lading to the master, Shri, Deepak Mohalal Khabrani, Director of M/S. Preetika Shipping Pvt. Ltd., Mumbai (Shipping Agent in India) and Shri Jugwinder Singh Brar of M/s. Global Tankers Pvt. Ltd. Thus, there is no oral or documentary evidence to connect them with the allegation involving mis-declaration insofar as port of loading and country of origin is concerned. Provisions of Section 112(a) & (b) operate in different situations and have been wrongly invoked. Section 114AA is also not applicable. Section 117 is residuary in nature and hence, can not be invoked in conjunction with Section 112 and 114AA of the Customs Act, 1962.
- (v) Insofar as past clearances are concerned, the notice relies on digital documents retrieved from the mobile phone of the importer and therefore, it is incumbent upon the department to comply with the conditions of Section 138C of Customs Act, 1962. The notice suffers from incorrigible factual inconsistency when it fails to correlate even one bill of entry with the documents while alleging mis-declaration in respect of port of loading and country of origin in the past. There is no iota of evidence to correlate the "retrieved digital documents" to any Bill of Entry mentioned in the show cause notice. It is a settled legal position that when goods are not available for confiscation having been cleared at the material time, imposition of redemption fine is not in accordance with law.



- (vi) Since the goods are not liable to confiscation under Section 111(m) of the Customs Act, 1962, therefore, the importer is not liable to penalty when Bill of Entry is filed on the basis of documents received from the overseas supplier. There is no mens rea in the alleged mis-declaration and duty evasion on this account.
- (vii) Provisions of Section 112(a) & (b) operate in different situations and have been wrongly invoked. Section 114AA is also not applicable. Section 117 is residuary in nature and hence, can not be invoked in conjunction with Section 112 and 114AA of the Customs Act, 1962.
- (viii) In support of their submissions, they relied upon following citations:
- Agarwal Industrial Corporation Ltd. [2020 (373) E.L.T. 280 (Tri. – Bang);
 - Amit Petrolubes P. Ltd. [2023 (12) TMI 796 – CESTAT AHD];
 - Neyveli Lignite Corporation Limited [2009 (242) ELT 487(Mad.)];
 - Alstom Transport Ltd. [2007 (220) ELT 312 (Tri.-Chennai)];
 - Kirti Sales Corpn. [2008 (232) ELT 151 (Tri.-Del.)];
 - Shiv Kripa Ispat Pvt. Ltd. [2009 (235) ELT 623 (Tri.-LB)];
 - Finesse Creations Ltd. [2009 (248) ELT 122 (Bom.)] duly maintained by the Hon'ble Supreme Court, as reported at [2010 (255) ELT A 120 (S.C.)];
 - Agarwal Industrial Corporation Ltd. [2020 (373) ELT 280 (Tri. - Bang.)];
 - Amit Petrolube Ltd. [2023 (12) TMI 796 — CESTAT AHMEDABAD];
 - Alstom Transport Ltd. [2007 (220) ELT 312 (Tri.-Chennai)];
 - Frigorifico Allana Private Ltd. [2024 (12) TMI 101- BOMBAY HIGH COURT];
 - SKA Cashew & others [2024 (12) TMI 172- CESTAT AHMEDABAD];
 - Jai Prakash Motwani [2010 (258) ELT 204 (Guj)];
 - Vinod Kumar Gupta [2013 (287) ELT 54 (P&H)]

37.1 M/s. Global Ace Shipping Lines INC., Panama (owner of the vessel M.T. Global Rani), vide letter dated 09.12.2024 in their written defense reply, submitted as under:

- There are no specific allegations against them. Based solely on the statements of the Noticees and a preliminary investigation without doing a complete and independent investigation of its own as to whether their client was guilty of the allegations, the notice is issued.
 - They requested for cross-examination of all the Noticees whose statements have been relied upon in the notice.
- (i) They are in no way concerned with, or had knowledge, or has any reason to believe that the alleged illegal imports made by the importer were in contravention of the provisions of the Act or any other law for the time being in force. The Department has not produced an iota of concrete evidence to prove that they are directly involved in the illegal imports.



- (iv) They have not signed any documents or papers whereby they can be accused of having any knowledge of the alleged illegal imports.
- (v) Penalty ought not to be imposed upon them as the pre-requisites or essential ingredients under Section 114AA of the Act are not fulfilled.
- (vi) The custom authorities has failed to show that they have knowingly or intentionally made, signed or used or caused to be made, signed or used any declaration, statement or document which is false or incorrect. In the absence of mens rea, there cannot be any imposition of penalty. In fact, the said allegation is only based on the statement of the Master of Vessel and no other corroborative evidence has been provided.
- (vii) They relied upon the following case laws:
 - (a) Sea Queen Shipping Services Private Limited [2019 SCC OnLine CESTAT 1483];
 - (b) Sameer Santosh Kumar Jaiswal [2018 (362) ELT 348 (Tri-Mumbai)];
 - (c) Shakil Patel [2018 - TIOL - 1748 — CESTAT — MUM];
 - (d) Trinetra Impex Pvt. Ltd [2020 (372) ELT 332 (Del)];
 - (e) Miltons Ltd. [2019 (368) ELT 592 (Bom)]

37.2 M/s. K Infra Middle East FZE, vide letter dated 20.07.2024 in their written defense reply, submitted as under:

- (i) They have neither manipulated any invoice on the directions of Shri Hemal Kotak or any other person nor mis-declared the country of origin and port of loading in respect of goods imported into India by M/s. Kotak Petroleum LLP, Jamnagar.
- (ii) They raised invoice on M/s. Kotak strictly in accordance with invoice received from M/s. Synergy. Moreover, transactions between M/s. Synergy and M/s. K. Infra and M/s. K. Infra and M/s. Kotak were back-to-back transactions and hence, country of origin mentioned by M/s. K. Infra was the same as shown by M/s. Synergy in their invoice. The whatsapp chat with Shri Hemal Kotak regarding country of origin also corroborates the same fact.
- (iii) Assuming without admitting that they prepared invoice on the instructions of Shri Hemal Kotak, the charge of manipulation or mis-declaration may hold good against them only if it is shown on the basis of cogent evidence that they were aware about the port of loading or country of origin of goods as Bandar Abbas and Iran respectively. It is submitted that there is no evidence to show that they had any prior knowledge regarding Iran origin and not Iraq origin of goods under consideration. They had no means to verify the origin/port of loading of goods or monitor the movement of vessel that transported the goods to Pipavav.
- (iv) None of the persons have implicated them as having knowledge about the fact that port of loading/country of origin of goods covered by bills of entry filed by M/s. Kotak was Iran and that they had knowingly or intentionally prepared false invoice.



- (v) They are not liable to penalty under Section 112(a), 112(b) & 114AA of the Customs Act, 1962. Hence, the impugned notice is not tenable in the eyes of law and therefore, the same may kindly be vacated.

37.3 M/s. Velji P. & Sons, Custom House Agent, Jamnagar, vide letter dated 15.06.2024 in their written defense reply, submitted as under:

- (i) They are a partnership firm comprising of more than one partner and hence, Section 114AA, which is in personem, can not be invoked against them.
- (ii) It is evident from the statements recorded during investigation that none of the persons have deposed that they had any prior knowledge about the goods originating from Iran as alleged in the impugned notice.
- (iii) The allegation that they "knowingly failed to verify the credentials and authenticity of the documents" submitted by the importer is baseless inasmuch as the notice does not rely upon any evidence - oral or documentary- to establish knowledge on their part. Hence, they are not liable to penalty under Section 114AA of the Customs Act, 1962. They are also not liable to penalty under Section 117 of the Customs Act, 1962 which is residuary in nature and cannot be invoked in conjunction with Section 114AA of the Customs Act, 1962.
- (iv) They placed reliance upon the decisions Syndicate Shipping Services Pvt. Ltd. [2003 (154) ELT 756 (Tri.-Che)] and Vijendra Single CHA [2017 (7) TMI 272- CESTAT ALLAHABAD].

37.4 M/s. Preetika Shipping Agencies Private Limited, the shipping agent and **Shri Deepak Mohanlal Khabrani**, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai vide letter dated 29.01.2024 in their written defense reply, submitted as under:

- (i) Penalty under Section 114AA of the Customs Act, 1962 can be imposed on the importer or exporter and not the shipping agent Section 114AA is applicable to an importer/exporter who uses incorrect or false materials in the transaction of the business whereas Section 112(a) deals with abetment.
- (ii) In the present case, it is already an admitted fact that they are a shipping agent and not an importer, therefore, the penalty under Section 114AA is liable to be dropped. Further, Section 114AA is exclusively imposable in cases involving fraudulent exports. They, being a private limited company, are an artificial person and not an individual. From perusal of Section 114AA, it can be understood that penalty under the said provision can be imposed only upon an individual.

The penalty stands imposed upon them on the ground that they have aided and abetted the importer in his nefarious design to import the goods by mis- declaration. However, there is no evidence on record to show that they were a party to such mis-declaration. None of the parties, whose



statements were recorded, stated that they were involved in the alleged mis-declaration. They merely filed IGM on the basis of Bills of Lading and other documents provided by M/s. Prime Tankers LLC, UAE and the Master of Vessel. There is no document or any correspondence brought to light by the department to prove that they were involved in mis-declaration relating to port of loading and country of origin.

- (iv) They were under a bonafide belief that the documents received were true and correct. The shipping agency is in no position to check the exact port of loading. Hence, they have complied with the responsibilities mentioned under the Customs Brokers License Regulations, 2018.
- (v) The goods imported in the present case are not 'prohibited' or 'restricted' goods and therefore there cannot be any penalty imposed on them.
- (vi) As it is a quasi-criminal proceeding, penalty will not be ordinarily imposed unless and until "mens rea" on the part of the defaulter is proved beyond all reasonable doubts. The show cause notice has failed to bring out the essential "mens-rea" or guilty mind. In fact, there was no intention to evade payment of duty on their part and there cannot be any leviability of duty upon them, being simply a shipping agent.
- (vii) In support of their submissions, they relied upon the following judgments:
- (a) Naveen Mehta [2017 (358) E.L.T. 857 (Tri. – Kolkata]
 - (b) Access World Wide Cargo [2021-TIOL-490-CESTAT-BANG]
 - (c) Trans Asian Shipping Services Pvt. Ltd. [2018 (363) E.L.T. 635 (Tri. – All.)]
 - (d) Bosch Chassis Esystems India Pvt Ltd [2015 (325) E.L.T. 372 (Tri. – Del.)]
 - (e) Kamal Sehgal [2020 (371) E.L.T. 742 (Tri. – Del.)]
 - (f) Jai Balaji Industries Ltd [2018 (361) E.L.T. 429 (A.P.)]
 - (g) Govind Mills Ltd [2013 (294) E.L.T. 361 (All.)]
 - (h) Hindustan Steel Ltd [1969 (2) SCC 627]
 - (i) Steel Tubes of India Ltd [2007 (217) E.L.T. 506]
 - (j) Buhariwala Logistics [2015 (326) E.L.T. 170 (Tri. – Del)]
 - (k) Deepak Kumar [2017 (358) E.L.T. 854 (Tri. – Del)]
 - (l) Prime Forwarders [2008 (222) E.L.T. 137 (Tri. – Ahmd.)]
 - (m) Parekh & Sons [2002 (150) E.L.T. 1274 (Tri. – Mum.)]
 - (n) Pepsi Food Pvt Ltd [2020-TIOL-895-CESTAT-CHD]
 - (o) Amrit Foods [2005 (190) E.L.T. 433 (S.C.)]
 - (p) Brindavan Beverages (P) Ltd [2007 (213) E.L.T. 487 (S.C.)]
 - (q) Vijay Kumar Sharma [1996 (220) ITR 509 (All.)] affirmed by the Supreme Court [2001 (249) ITR 554 (S.C.)]
 - (r) Fag Precision Bearings [1997 (104) STC 143 (S.C.)]
 - (s) Mahindra & Mahindra [2001 (129) E.L.T. 188]
 - (t) Crompton Greaves Ltd [2015 (321) E.L.T. 278]
- (iii) Without prejudice to the above, they seek cross examination of all the persons whose statements have been recorded that forms part of the relied upon the documents in the show cause notice as no reliance can be placed on the statements recorded during the purported investigation in as much as the persons making the statement have not been cross examined. They



submitted that cross- examination is mandatory and in support of the same, placed reliance upon the decisions in the case of Andaman Timber Industries [2015 (324) E.L.T. 641(S.C.)], Swadeshi Polytex Ltd. [2000 (122) E.L.T. 641 (S.C.)] and Bareilly Electricity Supply [(1971) 2 SCC 617].

37.5 M/s. Prime Tankers LLC., Dubai, (Commercial Managers of Vessel MT Global Rani) vide letter dated 10.12.2024 & 13.12.2024 in their written defense reply, submitted as under:

- (i) They have not aided, abetted and connived with the Shipping Agency. The Bills of Lading dated 14.01.2022 along with other documents were forwarded to the Shipping Agency on 14.01.2022, however, they were unaware that the vessel "MT Global Rani", had already loaded the goods from Bandar Abbas, Iran on 30.12.2021 and had reached Khor Fakkan only on 13.01.2022. They were under the bonafide belief that the goods were loaded from Khor Fakkan, Iraq and therefore, they have not aided or abetted or connived with either the Master of the Vessel of the Shipping Agency in carrying out the alleged illegal activities.
- (ii) They were only responsible in providing the documents to the Shipping Agency in order to enable the latter to file an Import General Manifest ("IGM"). It has nowhere been alleged by the other Noticees that they were involved in the alleged conspiracy of mis-declaring the Port of Loading or Country of Origin. They were not involved in the handling of the goods. Therefore, the allegation in the Notice that they had given instructions to the Master of Vessel is false and without any evidentiary value as the Master of the Vessel, has nowhere in his Statement dated 20.01.2022, categorically mentioned that he had received any instructions from them. They relied upon the citations: M/s Brindavan Beverages (P) Ltd. & Ors. [3417-3425 of 2002] and Surendra Kumar Jain [WP (C)/17700/2022].
- (iii) At the outset, the penalty proposed to be imposed upon them is based on uncorroborated statements of other Noticees, which cannot be relied upon without any material evidence. It is well settled that in the absence of any corroboration, a statement recorded under Section 108 cannot be relied upon. They relied upon the judgments in the case of Rajendra Prasad [2001 (136) E.L.T. 925 (Tri. – Kolkata)] and Hasan Ali [2001 (138) E.L.T 197 (Tri. – Kolkata)].
- (iv) However, if the Notice intends to rely upon the uncorroborated statements of the co-noticees, then the procedure as stipulated under Section 138 B of the Act ought to be followed and thereby they asked to accord a chance of cross – examination to Noticee and placed reliance upon the citations: Gobinda Das [(2023) 7 Centax 201 (Tri. - Cal)], Basudev Garg [2013 (294) E.L.T. 353 (Del)] and Lalit Kumar Modi [2018 (360) ELT 583]. The penalty proposed to be imposed upon them is solely based upon the uncorroborated statements of other noticees. In this regard, they placed reliance upon the decision of the Hon'ble Allahabad Tribunal in the matter



- of Mayank Agarwal [(2023) 12 Centax 296 (Tri. – All)].
- (vi) Based on the judgement of the Hon'ble Madras High Court in the case of Visteon Automotive Systems India Limited [2018 (9) G.S.T.L. 142 (Mad.)], it becomes clear that they cannot be subjected to penalties under Section 112 (a) and 112 (b) of the Act and the same are liable to be dropped as there is no allegation/averment made in SCN that they dealt with the imported goods. In this regard, they also relied upon the citations: Rajeev Khatri [(2023) 9 Centax 412 (Del.)], Trinetra Impex Pvt. Ltd. [2020 (372) E.L.T. 332 (Del.)], MSA Shipping Pvt. Ltd. [2018(2) TMI 1686], Lalit Jain [Customs Appeal No. 10061 of 2022] and Amit Ghosh [2023 (2) TMI 620].
- (vii) Placing reliance on the decision of the Hon'ble Madras High Court in K. Sugumar [2021 (10) TMI 1411 – Madras High Court], they requested for cross-examination of Mr. Barnabas Stephen, Master of the Vessel and Shri Deepak Khabrani, Director of M/s Preetika Shipping Agency

37.6 M/s. Global Tankers Pvt. Ltd, (Manning Agent of Vessel MT Global Rani) vide letter dated 10.12.2024 in their written defense reply, submitted as under:

- (i) They have not aided, abetted and connived with the Shipping Agency. The Bills of Lading dated 14.01.2022 along with other documents were forwarded to the Shipping Agency on 14.01.2022, however, they were unaware that the vessel "MT Global Rani", had already loaded the goods from Bandar Abbas, Iran on 30.12.2021 and had reached Khor Fakkan only on 13.01.2022. They were under the bonafide belief that the goods were loaded from Khor Fakkan, Iraq and therefore, they have not aided or abetted or connived with either the Master of the Vessel of the Shipping Agency in carrying out the alleged illegal activities.
- (ii) They were merely engaged in crew managing services and similar ship oriented services. They were approached to act as the manning agency for the Vessel owned by M/s. Global Ace for transportation of Bitumen. It has nowhere been alleged by the other Noticees that they were involved in the alleged conspiracy of mis-declaring the Port of Loading or Country of Origin. They were not involved in the handling of the goods and were only responsible in providing the crew managing services. Therefore, the allegation in the Notice that they had given instructions to the Master of Vessel is false and without any evidentiary value as the Master of the Vessel, has nowhere in his Statement dated 20.01.2022, categorically mentioned that he had received any instructions from them. They relied upon the citations: M/s Brindavan Beverages (P) Ltd. & Ors. [3417-3425 of 2002] and Surendra Kumar Jain [WP (C)/17700/2022].
- At the outset, the penalty proposed to be imposed upon them is based on uncorroborated statements of other Noticees, which cannot be relied upon without any material evidence. It is well settled that in the absence of any corroboration, a statement recorded under Section 108 cannot be relied upon. They relied upon the judgments in the case of Rajendra Prasad [2001



- (136) E.L.T. 925 (Tri. – Kolkata)] and Hasan Ali [2001 (138) E.L.T 197 (Tri. – Kolkata)].
- (iv) However, if the Notice intends to rely upon the uncorroborated statements of the co-noticees, then the procedure as stipulated under Section 138 B of the Act ought to be followed and thereby they asked to accord a chance of cross – examination to Noticee and placed reliance upon the citations: Gobinda Das [(2023) 7 Centax 201 (Tri. - Cal)], Basudev Garg [2013 (294) E.L.T. 353 (Del)] and Lalit Kumar Modi [2018 (360) ELT 583]
- (v) The penalty proposed to be imposed upon them is solely based upon the uncorroborated statements of other noticees. In this regard, they placed reliance upon the decision of the Hon'ble Allahabad Tribunal in the matter of Mayank Agarwal [(2023) 12 Centax 296 (Tri. – All)].
- (vi) Based on the judgement of the Hon'ble Madras High Court in the case of Visteon Automotive Systems India Limited [2018 (9) G.S.T.L. 142 (Mad.)], it becomes clear that they cannot be subjected to penalties under Section 112 (a) and 112 (b) of the Act and the same are liable to be dropped as there is no allegation/averment made in SCN that they dealt with the imported goods. In this regard, they also relied upon the citations: M/s MSA Shipping Pvt. Ltd. [2018(2) TMI 1686] and Lalit Jain [Customs Appeal No. 10061 of 2022].

37.7 Shri Jugwinder Singh Brar, Director of M/s. Global Tankers Pvt. Ltd., vide letters dated 09.12.2024 & 13.12.2024 in his written defense reply, submitted as under:

- (i) He denied the allegations made against him in the Show Cause Notice and submitted that Section 112(a) and Section 112(b) of the Act would not apply to it as he has in no way aided and abetted in the illegal imports of the Bitumen Grade VG30. It is settled law that for abetting in such an act, the onus is on the Department to prove that the Noticee has in any manner by virtue of its act aided in the illegal imports.
- (ii) He is not liable to penalty under Section 114AA of the Act as he has not knowingly or intentionally signed or caused to be signed, made or used any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of the Act. Penalty ought not to be imposed upon them as the pre-requisites or essential ingredients under Section 114AA of the Act are not fulfilled. Further, Custom authorities have failed to establish any mens rea on his part corresponding to the grave allegations leveled against him. He denied the allegations that the master of the vessel was acting as commanding officer and had signed on the bogus Bills of Lading as per the instructions given by him. The suggestion that the Master of the Vessel to not mention Iran as the Port of Origin, to not show any Iranian documents at discharge ports and to switch of the Vessel's AIS on reaching Iran is entirely denied as the Notice has failed to place on record any evidence to substantiate the said allegation. Infact, the said allegation is only based on the statement of the Master of Vessel and no other corroborative evidence has been



provided. He relied upon the case laws: Sea Queen Shipping Services Private Limited [2019 SCC OnLine CESTA T 1483] and Sameer Santosh Kumar Jaiswal [2018 (362) ELT 348 (Tri-Mumbai)].

- (iii) Placing reliance on the case law, Shakil Patel [2018-TIOL-1748-CESTAT – MUM], he submitted that as statements of the master of the vessel and director of the Shipping Agent have been relied upon without producing any corroborative evidence in respect of the same, therefore imposition of penalty under Section 114AA ought to be set aside. It is settled law that penalty proceedings are quasi criminal proceedings and penalty cannot be imposed in the absence of mens rea. To support its contentions, he relied upon the decisions: Trinetra Impex Pvt. Ltd [2020 (372) ELT 332 (Del)] and Miltons Ltd. [2019 (368) ELT 592 (Bom)]. In these circumstances, as was the case with Section 115, Section 114AA too cannot be said to have been attracted in the facts of the present case.
- (iv) The collected evidence is not collected in accordance with Section 105 and section 106 of the Customs Act. Thus, the evidence cannot be looked at as the search itself is illegal.
- (v) Even if the documentary evidence were looked at, the Whatsapp Messages do not pertain to the transaction and pertain to another transaction. Besides the Whatsapp messages, there is not a single statement which would implicate him. Hence, he should not be penalized under Section 112(a), 112(b) and Section 114AA.

PERSONAL HEARING:

38. Personal hearing in the matter was conducted by my predecessor.

(i) Shri Anupam D. Dighe / Renita Alex, Advocates from M/s. India Law Alliance appeared for personal hearing in virtual mode on 13.12.2024 on behalf of M/s. Prime Tankers LLC., Dubai and reiterated their submission dated 10.12.2024. He also submitted various citations and requested for cross-examination.

(ii) Shri Nirav Shroff, Advocate appeared for personal hearing in virtual mode on 13.12.2024 on behalf of M/s. Global Tankers Pvt. Ltd. and reiterated their submission dated 10.12.2024. He also submitted various citations and requested for cross-examination.

(iii) On behalf of (1) M/s. Kotak Petroleum LLP, Jamnagar (Noticee No. 1); (2) Shri Hemal Kaniyalal Kotak, Partner of the importer M/s. Kotak Petroleum LLP, Jamnagar (Noticee No. 2); (3) M/s. K Infra Middle East FZE, U.A.E. (Noticee No. 9) and (4) M/s. Velji P. & Sons, Custom House Agent, Jamnagar (Noticee No. 11), Shri Vikas Mehta, Advocate appeared for the same on 23.04.2025. He reiterated his submissions dated 17.12.2024 in respect of Noticee No. 1 & 2, submission dated 10.12.2024 in respect of Noticee No. 9 and submissions dated 15.06.2024 in respect of Noticee No. 11 and waived the rights of cross-examination in the matter.



In view of change in Adjudicating Authority, fresh personal hearing opportunity to the Noticees was given, which is discussed hereinbelow:

38.1 Shri Vikas Mehta, Advocate appeared for personal hearing in virtual mode on 02.09.2025 on behalf of (i) M/s. Kotak Petroleum LLP, Jamnagar (Noticee No. 1); (ii) Shri Hemal Kaniyalal Kotak, Partner of the importer M/s. Kotak Petroleum LLP, Jamnagar (Noticee No. 2); (iii) M/s. K Infra Middle East FZE, U.A.E. (Noticee No. 9); and (iv) M/s. Velji P. & Sons, Custom House Agent, Jamnagar (Noticee No. 11) and reiterated submissions made vide their letters dated 18.02.2024 & 03.04.2025; dated 20.07.2024; and dated 15.06.2024 in respect of Noticee No. 1 & 2; Noticee No. 9 and Noticee No. 11 respectively. He stated that importer was not aware of any country of origin other than that declared in Bill of Entry and even investigation did not prove that he was aware. The events related to port of loading are beyond their control and they never directed anyone to do so. Further, they had no duty/policy benefit of mis-declaring country of origin and declaration was based on documents submitted by supplier. Similarly, other Noticees transactions are based on documents received by them and no malafides are established. Accordingly, he requested to drop proceedings against the Noticees.

38.2 Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai, appeared for personal hearing in virtual mode on 02.09.2025 for himself (Noticee No. 4) and on behalf of M/s. Preetika Shipping Agencies Private Limited, the shipping agent (Noticee No. 3). He reiterated submissions made vide their written reply dated 29.01.2024. He further stated that they filed IGM as per documents received from their Principal in capacity of an agent. They came to know about mis-declaration of port of loading only during investigation by the Customs. Accordingly, he requested to drop the proceedings against them.

38.3 Shri Anupam D. Dighe, Advocate from M/s. India Law Alliance appeared for personal hearing in virtual mode on 09.09.2025 on behalf of M/s. Prime Tankers LLC., Dubai and reiterated written submissions dated 10.12.2024 & 13.12.2024. He stated that there is no evidence to show that they had falsified the documents pertaining to country of origin. They are commercial managers of the vessel M.T. Global Rani/ Vessel owner M/s. Global Ace Shipping Lines INC, Panama and only pass on documents containing details of consignment from exporter's shipping agent to importer's shipping agent. In absence of evidence, they are not liable to penalty under Section 112(a). Further, as they have not dealt with goods, they are also not liable for penalty under Section 112(b). Further, he requested for cross-examination of Director of M/s. Preetika Shipping Agency Pvt. Limited whose statement is relied upon in the Show Cause Notice. He requested to decide issue on merits.

38.4 Shri Sushil Mishra and Shri Haaris Koradia both Advocates from M/s. Sujit Law & Associates appeared for personal hearing in virtual mode on 09.09.2025 on behalf of M/s. Global Ace Shipping Lines INC., Panama (owner of the vessel M.T. Global Rani) and reiterated submissions made vide reply dated 09.12.2024. They stated that they are owners of the vessel but affairs of vessel are managed by M/s. Prime Tankers LLC, who are responsible for any omissions or commissions.



Further, no malafide motive or abnormal gain is proven in Show Cause Notice. The only role attributed to them is that they are owner of vessel. In view of above, they stated that penalty under Section 114 AA is not imposable on them. They requested to cross-examine witnesses whose statements are relied in Show Cause Notice.

38.5 Shri Naishabd Bhatia and Shri Dhruva Gandhi both Advocates from M/s. Crawford Bayley & Co. appeared for personal hearing in virtual mode on behalf of Shri Jugwinder Singh Brar, Director of M/s. Global Tankers Pvt. Ltd. on 09.09.2025 & 19.09.2025 and reiterated submissions made vide reply dated 09.12.2024 & 13.12.2024. They stated that there is no finding with respect to they have committed any of the acts mentioned under Section 112 or Section 114AA. Further, there is no material to show that Shri Brar had any knowledge or intention with regard to making of false documents. Even as per Show Cause Notice, the Master of vessel was acting on instructions of co-noticee other than Shri Brar. Further, there is no smuggling involved in present case. Hence, rummaging of the vessel under Section 106 is not proper. Accordingly, they stated that proceedings against Noticee should be dropped.

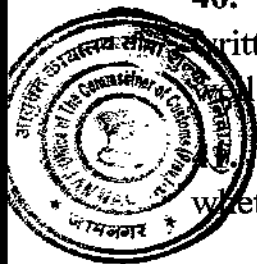
38.6 Shri Nirav Shroff, Advocate appeared for personal hearing in virtual mode on behalf of M/s. Global Tankers Pvt. Ltd. on 09.09.2025 and reiterated submissions made vide reply dated 10.12.2024. He stated that they are manning agent for the vessel providing crew management services and do not deal with cargo. They are subsidiary of M/s. Global Ace Shipping Lines INC, Panama, who is the vessel owner. They contended that the Show Cause Notice is only based on statements of Master which is vague and uncorroborated. He requested for cross-examination of persons whose statements are relied upon in the Show Cause Notice as per their reply dated 17.12.2024. Accordingly, he requested to decide the case on merits.

39. Shri Barnabas Stephen, Master of the vessel M.T. Global Rani; Shri Don Bosco Dominic Pradeep, Chief Officer of vessel MT Global Rani; Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of vessel MT Global Rani; and Shri Ramakant Mishra, Shri Midhun and Captain Sufiyan Khan, all employees of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP neither filed any written defense reply nor appeared for personal hearing in the matter despite granting them ample opportunity for the same vide letters dated 19.08.2025, 03.09.2025, 24.09.2025 and 30.09.2025.

DISCUSSIONS AND FINDINGS:

40. I have carefully gone through the facts of the case, Show Cause Notice and written defense submissions and submission made during the personal hearing as well as available records on hand.

I find that the following points are to be decided in the instant case, as to whether:



A. M/s. Kotak Petroleum LLP, Jamnagar

- (i) Whether the impugned goods i.e., 3828.879 MTS of Bitumen Grade VG30 imported at Pipavav port vide Bills of Entry No. 7120562, 712056, 7120573, 7120574 & 7120575 all dated 18.01.2022 and valued at Rs.11,34,53,796/- should be held liable for confiscation under Section 111(m) of the Customs Act, 1962 or otherwise;
- (ii) Whether penalty under Sections 112(a), 112(b), 114AA and Section 117 of the Customs Act, 1962 should be imposed on the importer M/s. Kotak Petroleum LLP, Jamnagar or otherwise;
- (iii) Whether the Bank Guarantee No. 3250IFIBG220001 dated 29.01.2022 amounting Rs. 2,50,00,000/- issued by Bank of India, Jamnagar submitted by the importer should be encashed & the amount should be appropriated towards the eventual penalty and fine or otherwise.
- (iv) Whether the goods imported by them vide 23 Bills of Entry during the year 2021 i.e. 13903.32 MTs of Bitumen Grade VG30 / VG40 totally valued at Rs.46,27,54,527/- should be held liable for confiscation under Section 111(m) of the Customs Act, 1962 or otherwise.

B. M/s. Global Ace Shipping Lines INC., Panama

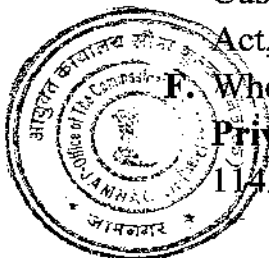
- (i) Whether the vessel **M.T. Global Rani** valued at Rs.12,74,00,000/- should be confiscated under Section 115(2) of the Customs Act, 1962 or otherwise;
- (ii) Whether penalty should be imposed under Section 114AA of the Customs Act, 1962 upon **M/s. Global Ace Shipping Lines INC., Panama** (owner of the vessel M.T. Global Rani) or otherwise;
- (iii) Whether the Bank Guarantee No. 240GT01220340005 dated 03.02.2022 amounting Rs. 2,00,00,000/- issued by HDFC Bank Limited, Rajula submitted by the Shipping Agent should be encashed & the amount should be appropriated towards the eventual penalty and fine or otherwise.

C. Whether penalty should be imposed upon **Shri Hemal Kaniyalal Kotak**, Partner of the importer M/s. Kotak Petroleum LLP, Jamnagar under Section 112(a), 112(b), 114AA and Section 117 of the Customs Act, 1962 or otherwise.

D. Whether penalty should be imposed upon **M/s. K Infra Middle East FZE**, Saif Office Q-1-113/A, PO Box 9444 Sharjah UAE, through its proprietor, **Shri Kishan Chandrakant Vaya** under Section 112(a), 112(b) & 114AA of the Customs Act, 1962 or otherwise.

E. Whether penalty should be imposed upon **M/s. Velji P. & Sons**, Jamnagar, Custom House Agent under Section 114AA & Section 117 of the Customs Act, 1962 or otherwise.

F. Whether penalty should be imposed upon **M/s. Preetika Shipping Agencies Private Limited**, the shipping agent under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 or otherwise.



- G. Whether penalty should be imposed upon **Shri Deepak Mohanlal Khabrani**, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai under Section 112(a), 112(b) & Section 114AA of the Customs Act, 1962 or otherwise.
- H. Whether penalty should be imposed upon **Shri Barnabas Stephen**, Master of the vessel M.T. Global Rani under Section 112(a), 112(b) and Section 114AA of the Customs Act, 1962 or otherwise.
- I. Whether penalty should be imposed upon **Shri Don Bosco Dominic Pradeep, Chief Officer** and **Shri Angarkar Dnyanesh Nandkishor, New Chief Officer** of vessel MT Global Rani under Section 112(a), 112(b) and Section 114AA of the Customs Act, 1962 or otherwise.
- J. Whether penalty should be imposed upon **M/s. Prime Tankers LLC., Dubai** (Commercial Manager of the vessel M.T. Global Rani) under Section 112(a) and Section 112(b) of the Customs Act, 1962 or otherwise.
- K. Whether penalty should be imposed upon **M/s. Global Tankers Pvt. Ltd**, Subsidiary and Commercial Managing company of the owner of the Vessel i.e., M/s. Global Ace Shipping Lines INC., Panama under Section 112(a) and Section 112(b) of the Customs Act, 1962 or otherwise.
- L. Whether penalty should be imposed upon **Shri Jugwinder Singh Brar**, Director of M/s. Global Tankers Pvt. Ltd. under Section 112(a), 112(b) and Section 114AA of the Customs Act, 1962 or otherwise.
- M. Whether penalty should be imposed upon **Shri Ramakant Mishra, Shri Midhun and Captain Sufiyan Khan**, all employees of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP under Section 112(a), 112(b) and Section 114AA of the Customs Act, 1962 or otherwise.

42. I observe that on the basis of an intelligence to the effect that one vessel namely M.T. Global Rani (IMO No. 9136113, Flag - Cook Islands) arrived at Pipavav Port carrying 3828.879 Metric Tonnes (MTS) of Bitumen Grade VG30 (in bulk) by mis-declaring the port of loading and the Country of origin, an investigation in the matter was initiated by the officers of DRI, Regional Unit, Jamnagar. During investigation, it was revealed that M/s. Kotak Petroleum LLP, Jamnagar had imported the said cargo of Bitumen at the port of Pipavav vide following Bills of Entries, wherein they have mis-declared the port of loading as Khor Fakkan and country of origin as Iraq.

Sr. No.	B/E No.	B/E Dated	Qty in MTs	Assessable Value in Rs.
01	7120175	18.01.2022	1,000.000	2,96,31,075/-
02	7120564	18.01.2022	500.000	1,48,15,536/-
03	7120174	18.01.2022	900.000	2,66,67,966/-
04	7120562	18.01.2022	800.000	2,37,04,859/-
05	7120173	18.01.2022	628.879	1,86,34,360/-
		TOTAL	3,828.879	11,34,53,796/-



42.1 During rummaging of the vessel and further investigation, the officers of DRI resumed various documentary and digital evidences and recorded statements of following persons:

- (i) Statements dated 20.01.2022 & 21.01.2022 of Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani (Voyage 01/22);
- (ii) Statement dated 21.01.2022 of Shri Don Bosco Dominic Pradeep, Chief Officer of Vessel MT Global Rani;
- (iii) Statement dated 21.01.2022 of Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of Vessel MT Global Rani;
- (iv) Statement dated 21.01.2022 & 15.03.2023 of Shri Hemal Kaniyalal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar;
- (v) Statement dated 21.01.2022 of Shri Prashant Jayantbhai Ghatalia, Marketing Manager of M/s. Kotak Petroleum LLP, Jamnagar;
- (vi) Statement dated 27.01.2022 of Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai;
- (vii) Statement dated 30.05.2022 of Shri Kishan Chandrakant Vaya, proprietor of M/s. K Infra Middle East FZE, UAE; and
- (viii) Statement dated 11.02.2022 of Shri Ashwinbhai B. Sindhav, Partner of M/s. Velji P. & Sons, Jamnagar.

42.2 Now, I take up the evidences, oral as well as documentary/digital, collected during investigation, in succession, as discussed below:

42.3 I find that Shri Barnabas Stephen, in his statements dated 20.01.2022 and 21.01.2022 recorded under Section 108 of the Customs Act, 1962, has *inter-alia* voluntarily admitted that the following documents found by the officers during the rummaging of the vessel on 20.01.2022, pertained to the Vessel M.T. Global Rani (Voyage 01/22) and were issued by Iranian authorities:

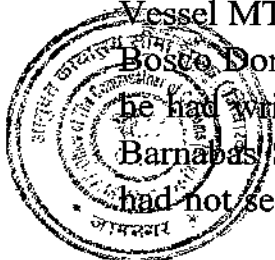
- a) Health Certificate dated 13.01.2022 issued by Islamic Republic of Iran, Ministry of Health and Medical Education to the vessel MT Global Rani.
- b) Sanitary Certificate dated 31.12.2021 issued by Islamic Republic of Iran, Ministry of Health.
- c) Statement of vessel clearance dated 13.01.2022 issued to MT Global Rani by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajaee Port B.Abbas".
- d) Process Verbal of Vessels Clearance Arrival dated 31.12.2021 issued by "I.R of Iran Customs Administration".
- e) Statement of Vessel Clearance upon departure dated 13.01.2021 issued by "Iran B,Abbas Islamic Republic of Iran Custom" and Port Clearance Certificate "Marine Affairs No. RAJA 140004211" dated 30.12.2021 issued to MT Global Rani by Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran.

He also admitted that the goods i.e., 3828.879 MTs of Bitumen grade VG30 imported at Pipavav were of Iranian origin and loaded from Bandar Abbas and not

from Khor Fakkan. Port clearance at Khor Fakkan was arranged by the shipping agent, M/s. Gulf Navigation and Bills of Lading were also prepared by them as per the instructions of the company personnel Shri Midhun / Mithun, who looked after the operations of M/s. Global Tankers Pvt. Ltd. In the vessel's logbook, the voyage / location of the vessel in the month of January-2022 (up to 13.01.2022) as "From Khor Fakkan, UAE" and "Towards" (i.e., destination) were left blank as per the instructions of their employer company i.e. M/s. Global Tankers Pvt. Ltd. so as to hide their trip to Iran port. Further, following the instructions of M/s. Global Tankers Pvt. Ltd, he mis-declared the load port and country of origin. As per instructions of Shri Midhun / Mithun and Captain Sufiyan Khan, both from M/s. Global Tankers Pvt. Ltd. who came on board the vessel MT Global Rani in the morning of 14.01.2022 at Khor Fakkan Anchorage, he destroyed all the documents and evidences pertaining to the vessel's call at the port of Bandar Abbas, Iran, however, during the course of rummaging, the DRI officers found copies of these documents. He was also instructed by them to declare before the Indian authorities that the Bitumen imported at Pipavav were ship to ship transfer from MT Global Crest at Khor Fakkan which is also controlled by M/s Global Tankers Pvt. Ltd. The documents i.e., ullage reports, statement of facts, survey reports of ship to ship transfer of the goods at Khor Fakkan were all fake. In order to hide origin of the goods and load port, entry pertaining to voyage to Bandar Abbas has not been made. He instructed the Chief Officer to make false entries in the logbook. After the fake documents arranged, they left Khor Fakkan on 14.01.2021 and proceeded to Pipavav.

42.4 I find that Shri Don Bosco Dominic Pradeep, Chief Officer of vessel MT Global Rani, in his statement dated 21.01.2022 recorded under Section 108 of the Customs Act, 1962 has *inter-alia* admitted that as per the instructions of Shri Barnabas Stephen, Master of the vessel MT Global Rani, he wrote Chief Officer's logbook wherein he mentioned cargo operations i.e., Ship-to-Ship Transfer at Khor Fakkan anchorage, UAE on 13/14.01.2022 whereas there was no cargo operation or Ship-to-Ship Transfer at Khor Fakkan anchorage. The goods i.e., Bitumen imported at Pipavav were loaded from Bandar Abbas, Iran. Hence, he did not have any document i.e. any Ship-to-Ship transfer check list, hourly loading data and other document or information pertaining to the said Ship-to-Ship transfer as no such Ship-to-Ship transfer took place at Khor Fakkan Port anchorage on 14.01.2022 and no vessel came alongside at Khor Fakkan anchorage. Hence, no cargo was loaded / unloaded or transferred at Khor Fakkan Port.

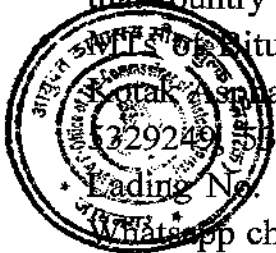
42.5 I find that Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of vessel, MT Global Rani, in his statement dated 21.01.2022 recorded under Section 108 of the Customs Act, 1962 has *inter-alia* admitted that he took over the charge of the Vessel MT Global Rani as Chief Officer on 14.01.2021 at Sohar port from Shri Don Bosco Dominic Pradeep. During his tenure as the Chief Officer of MT Global Rani, he had written Chief Officer's Logbook as per the directions & instructions of Shri Barnabas Stephen, Master of vessel MT Global Rani. Upon joining the vessel, he had not seen or supervised any Ship-to-Ship transfer to / from MT Global Rani. At



Khor Fakkan anchorage, Shri Mithun / Midhun and Captain Sufiyan Khan both from M/s. Global Tankers Pvt. Ltd. visited the vessel, who later on sent the documents viz. Bills of Lading, On board quantity (ROB) survey prior, surveyor's ullage report. He submitted copies of the following documents, received from Shri Mithun / Midhun on WhatsApp, showing that the bitumen was loaded at Khor Fakkan Anchorage by Ship-to-Ship transfer:

1. Ullage Report – Arrival dated 14.01.2022 issued by M/s. Megane Marine Services. (Prior loading)
2. Ullage Report – Departure dated 14.01.2022 issued by M/s. Megane Marine Services. (After loading).
3. Statement of Facts dated 14.01.2022 issued by M/s. Megane Marine Services.
4. Vessel's Statement of Facts dated 14.01.2022 issued by vessel.
5. Vessel's Experience Factor dated 14.01.2022 issued by M/s. Megane Marine Services.
6. ROB & OBQ report dated 14.01.2022 of the vessel.
7. Ullage Report dated 13.01.2022 of the vessel.
8. Vessel Experience Factor dated 14.01.2022 of the vessel.

42.6 I find that Shri Hemal Kaniyalal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar, in his statements dated 21.01.2022 & 15.03.2023 recorded under Section 108 of the Customs Act, 1962 has *inter-alia* admitted that initially they purchased the goods from M/s. Synergy Petrochem FZC, UAE. Later on, they started purchasing Bitumen from M/s. K. Infra Middle East FZE, UAE since last three years, who in turn used to procure the goods from M/s. Synergy Petrochem FZC, UAE. Regarding certificate dated 21.06.2021 showing Shri Kishan Chandrakant Vaya, being employed with M/s. Kotak Petro Chem Pvt Ltd from 1st May 2009 to 15th October 2013 as Procurement Manager, he admitted that the said certificate, issued by them to Mashreq Bank, Dubai, UAE for opening a bank account, was bogus and issued just to open an account in the name of M/s. K. Infra Middle East FZE, UAE with the said bank. Regarding a pdf file found in his mobile phone showing certain documents dated 05.10.2021, such as Statement of Facts, Sample(s) Receipt, Distribution of Samples, Shore Tank(s) Calculation Report, etc., he stated that he had received the said document from M/s. Black Gold, a refinery in Iran and **these were issued by M/s. Atlas Inspection Services Kish (Ltd) at Bandar Abbas Port, Iran** in respect of vessel MT Global Rani. With regard to mail dated 15.02.2021 sent from their email address kmkotak@kotakgroups.com to Bharat.S.Sharma@ril.com having wordings "*we regularly import from IRAN. Billing & delivery through UAE. We are normally importing from (1) JEY OIL, Pasargad & Black Gold-Iran. Billing will be always from UAE Only.*", he stated that the said mail was incorrect and sent as a marketing strategy just to obtain source approval so as to supply the Bitumen to the contractors of RIL. He further agreed that country of origin was mis-declared as Iraq instead of Iran in respect of 3774.676 Bitumen imported per vessel MT Global Genesis by his other firm, M/s. **Kotak Asphalt LLP, Lalpur** through Bills of Entry No. 5328733, 5328845, 5328926, 5329249, 5330739 and 5329932 all dated 06.09.2021 filed on the basis of Bill of Lading No. BNDPSQ/BTM/18-21 dated 27.08.2021, which was recovered from a WhatsApp chat between him and Prime Tankers Captain Brar. He further stated that



Farjam Behrouzi was an Iran-based Bitumen consultant whom he met at conferences in Dubai/Mumbai and that they never dealt with him. When shown WhatsApp chats requesting bulk Bitumen, storage details at Bandar Abbas, prices, and 3500 MT supply, he admitted discussing supply but claimed no transactions occurred. Regarding Homayon (Siapham Iran Homayon), he stated that Homayon was an Executive of Siapham's Bitumen refinery in Iran, met at conferences, and that they never dealt with him. When shown WhatsApp chats quoting prices (\$268 bulk, \$312 drum FOB Bandar Abbas), he admitted discussing supply but claimed no purchases. About Navid Tavangar Ranjbar, Executive of M/s. Cetus Company, Iran, he stated that he met him at conferences. When shown chats requesting bulk and packed Bitumen, he again admitted supply discussions but claimed no actual dealings. About Tina (Shipping Line Iran), he identified her as a shipping executive met at conferences. WhatsApp chats from 14.11.2021 to 24.11.2021 with Tina showing loading of cargo at Bandar Abbas and acknowledging importing 25 containers of Bitumen from M/s. Greenwood General Trading FZE, UAE, he agreed to have imported the same through Bill of Entry No. 7621529 dated 23.02.2022 filed at Kandla. About WhatsApp chats with Kishan C. Vaya showing instructions first to omit country of origin and later to mention it as Iraq, he stated that advised Kishan based on supplier confirmation. Chats with Captain Jugwinder Brar (Prime Tankers) showing purchases of Bitumen loaded at Bandar Abbas, he admitted importing from Iran through Shri Brar but said contracts specified supply from a "non-sanctioned country."

When confronted with all chats and documents, he admitted that they had been importing Bitumen from Iran since 2018, though he claimed imports also came from Iraq and UAE. Documents recovered from MT Global Rani (health certificate, sanitary certificate, vessel clearance papers, port clearance, customs documents) issued by various Iranian authorities showed that 3828.879 MT of VG30 Bitumen (BOEs 7120173, 7120174, 7120175, 7120562, 7120564 dated 18.01.2022) was loaded at Bandar Abbas, Iran, not Iraq or via ship-to-ship transfer. He admitted that the country of origin was mis-declared as Iraq instead of Iran in the IGM and Bills of Entry for import of 3828.879 MT VG30 Bitumen via MT Global Rani.

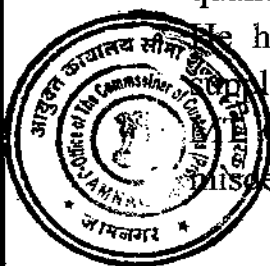
42.7 I find that Shri Prashant Jayantbhai Ghatalia, Marketing Manager of M/s. Kotak Petroleum LLP, Jamnagar, in his statement dated 21.01.2022 recorded under Section 108 of the Customs Act, 1962 has *inter-alia* admitted that Shri Hemal Kotak handed over the import documents such as invoice, Bill of Lading, Country of Origin Certificate etc. to him and he sent the same to the CHA. All the decisions related to import-export & other Customs matter were being taken by Shri Hemal Kotak only.

I find that Shri Deepak Mohanlal Khabrani, in his statement dated 27.01.2022 recorded under Section 108 of the Customs Act, 1962, has voluntarily *inter-alia* admitted that M/s Preetika Shipping Agencies Pvt. Ltd. were appointed for agency work of MT Global Rani voyage 001/22 at Pipavav Port. Their basic work was



providing service of inward and outward clearance of the vessels, berthing and un-bearthing of vessels, Sign-on/Sign-off of crew members and supply of provisions to vessels as and when required. They primarily provided services to M/s. Prime Tankers LLC, UAE, who is commercial managers of vessels of M/s. Global Ace Shipping INC. and are dealing with several vessels of M/s. Prime Tankers LLC, UAE namely MT Global Rani, MT Global Queen, MT Global Lady, MT Global King, MT Global Chahat, MT Global Everest, MT Global Asphalt and MT Sea Princess. They were providing services to the vessels owned by M/s. Global Ace Shipping INC, Panama and its subsidiary companies i.e., M/s. Global Tankers Pvt. Ltd. They came to know that country of origin of imported goods i.e., Bitumen grade VG30 was mis-declared and hence, the vessel MT Global Rani and 3828.879 MTs Bitumen grade VG30 were seized at Pipavav on 22.01.2022. They had filed the IGM 2301697 dated 17.01.2022 on the basis of documents provided by M/s. Prime Tankers LLC, UAE on email dated 17.01.2022. Regarding arrival of the vessel MT Global Rani at Mumbai port, during September 2020, for discharging of Bitumen loaded from Basrah port, Iraq wherein, during the course of investigation, it was revealed that the Bitumen was loaded from Bandar Abbas Port, Iran and not loaded from Basrah, Iraq as declared in the documents submitted to the Customs authorities, he admitted that M/s. Preetika Shipping Agency Pvt. Limited was the shipping agent who had filed IGM and other documents to the Customs, Mumbai at the relevant time and was also aware that the vessel was seized by the Customs for mis-declaration for country of origin of the imported goods i.e., Bitumen grade VG30. With regard to expulsion of the vessel MT Global Rani from Mumbai port on security reason and the ban on the vessel to enter any Indian port for a period of one year by the DG Shipping vide Expulsion order No. 01/2021 dated 06.01.2021, he admitted that they were aware of expulsion of order banning the vessel running in India for one year and the instant voyage was its first voyage to India after its ban.

42.9 I find that Shri Kishan Chandrakant Vaya, proprietor of M/s. K Infra Middle East FZE, UAE, in his statement dated 30.05.2022 recorded under Section 108 of the Customs Act, 1962, has voluntarily *inter-alia* admitted that he established M/s. K Infra Middle East FZE, Saif Zone, Sharjah in November 2020, acted as its proprietor, and began business operations in September 2021. His suppliers were M/s. Synergy Petrochem FZE and M/s. Sloob International, UAE and buyers in India were M/s. Nexxus Petrochem, Mundra and M/s. Kotak Petroleum LLP, Jamnagar. He admitted having a family relationship with M/s. Kotak Petroleum LLP, Jamnagar as Shri Kanubhai Kotak (father of Shri Hemal Kotak) and his father Shri Chandrakat Amrutlal Vaya were known to each other. He admitted genuineness of the contents of whatsapp chat provided by Shri Hemal Kotak with him. He stated that he had met Jugwinder Singh Brar (Global Tankers/Prime Tankers) a few times in Dubai for Bitumen import/export work. He received documents such as contracts, Bills of Lading, certificate of origin, cargo manifest, packing list, and quality/quantity certificates from M/s. Synergy Petrochem FZE via Prime Tankers. He had transaction based contracts with Synergy Petrochem FZE for Bitumen import to India. After being shown statements of Shri Barnabas Stephen, Captain of MT Global Rani, he accepted that the country of origin of VG30 Bitumen was misdeclared.




42.10 I find that Shri Ashwinbhai B. Sindhav, Partner of M/s. Velji P. & Sons, Jamnagar, in his statement dated 11.02.2022 recorded under Section 108 of the Customs Act, 1962, has voluntarily *inter-alia* admitted that Shri Hemal Kotak had contacted him for CHA work at Pipavav port, after which he sent a quotation on 29.04.2021 and filed Bills of Entry Nos. 7120173, 7120174, 7120175, 7120562, 7120564 dated 18.01.2022 for clearance of 3828.879 MT of VG30 Bitumen. He admitted to have filed 18 Bills of Entry for M/s. Kotak Petroleum LLP and 39 Bills of Entry for M/s. Kotak Asphalt LLP at Pipavav since 01.04.2020. After being shown statements of Shri Barnabas Stephen, Captain of MT Global Rani, he accepted that the documents were received from M/s. Kotak Petroleum LLP and appeared not genuine, showing the cargo was loaded at Bandar Abbas, Iran, not Khor Fakkan, Iraq.

42.11 I find that despite Summons dated 14.07.2022, 27.07.2022 and 14.08.2022 issued to Shri Jugwinder Singh Brar for recording his statement under Section 108 of the Customs Act, 1962, he shown his inability to appear for the same.

Documentary Evidences:


43. Process Verbal of Vessels Clearance Arrival dated 31.12.2021 issued by "I.R. of Iran Customs Administration":

بسمه تعالی



گمرک جمهوری اسلامی ایران - بندر عباس
LR OF IRAN CUSTOMS ADMINISTRATION

صورتجلسه بازرسی ورود کشتی
 PROCESS VERBAL OF VESSELS CLEARANCE ARRIVAL



شماره بند: 9132112
 شماره سفر: 29

IMO NO: _____
 Voy NO: _____

01-VESSELS NAME: GLOBAL RANI 1- نام کشتی: گلوبال رانی

02-NATIONALITY: COOK ISLANDS 2- ملیت: جزایر کوک

03-PORT OF REG: AVATILE 3- بندر ثبت: آواتیل

04-ARRIVED FROM: OMAN 4- وروده از: عمان

05-TYPE OF CARGO & AMOUNT OF CARGO: NIL 5- نوع کالا و مقدار کالا: هیچ

06-AGENT: S.S. GR 6- نماینده: س.س. گر


بدینوسیله اعلام میدارید که کشتی فوق الذکر مستقر در بندر عباس / اسکله شماره () بوسیله مأمورین گمرک در محبت مأمور گمرک در تاریخ 31/12/21 ساعت 11:30 مورد بازرسی قرار گرفت. THIS IS TO CERTIFY THAT ABOVE VESSEL BEING AT BANDAR ABBAS ANCHORAGE OR ALONGSIDE J/NO () WAS INSPECTED AT 11:30 HRS ON 31/12/21 BY CUSTOM OFFICER. کلیه مشروبات الکلی و اشیا غیر مجاز (باستثنای سیگار و نوشانه مصرفی کارکنان کشتی به مدت 15 روز) جمع آوری و در انبار کشتی نگهداری و توسط مأمور گمرک سیم و سرب گردید. ALL ALCOHOLIC DRINK AS WELL AS PROHIBITED ARTICLES (EXCLUDING CIGARETTES AND SOFT DRINK TO COVER 15 DAYS CONSUMPTION OF CREW) WERE COLLECTED AND RETAINED IN VESSELS BONDED STORE AND DULY SEALED BY THE ATTENDING CUSTOM OFFICER. هیچگونه اشیا مشکوک و کالای خارج از مانیفست مشاهده نگردید. NO SUSPICIOUS ARTICLES AND UNAUTHORIZED GOODS OUT OF MANIFEST WAS FOUND. مسئولیت پیدا کردن اشیا مشکوک و کالای غیر مجاز در محل های غیر قابل بازرسی بر عهده فرمانده کشتی میباشد. THE MASTER SHALL BE RESPONSIBLE FOR ANY PROHIBITED ARTICLES OR UNAUTHORIZED GOODS FOUND ON BOARD AT UNSPECTED SPACES. تعداد خدمتان به تفصیل فرماتده کشتی برابر فهرست خدمه (16) نفر میباشد. AS PER CREW LIST TOTAL NUMBER OF CREW INCLUDING THE MASTER ARE (16) PERSONS PRESENT ON BOARD. NOTE: ABOVE VESSEL HAS BONDED STORE CIGARETTES AND ALCOHOLIC DRINKS

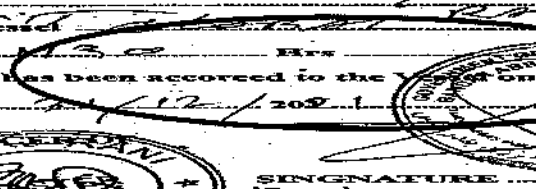


AGENT: _____
 PORT GUARDS: _____
 MASTER: _____
 CUSTOMS OFFICER: _____

24/12/21

Vessel clearance certificate dated 31.12.2021 issued by the I.R. of Iran Customs Administration clearly mention that the vessel MT Global Rani arrived Bandar Abbas, Iran from Oman with NIL cargo on 31.12.2021.


43.1 Sanitary Certificate dated 31.12.2021 issued by Islamic Republic of Iran, Ministry of Health:

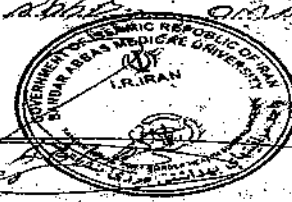


ISLAMIC REPUBLIC OF IRAN
MINISTRY OF HEALTH
GENERAL DEPARTMENT OF PREVENTION AND DISEASES CONTROL
INTERNATIONAL HEALTH REGULATION SERVICE

PORT OF BANDER ABBAS
SANTARY CERTIFICATE NO _____
I the undersigned I.H.R. Doctor at _____
Declare That :
1- That is no contagious disease at _____
Exclusion of _____
2- That is no contagious disease on board
Exclusion of _____
3- That the vessel MT Global Rani has been cleared
At 13.12 Hrs
that pratique has been accorded to the vessel on 31.12.2021
Dated 31/12/2021
I. H. R. DOCTOR GLOBE KEERAN

SINGNATURE 01/22



Sanitary Certificate issued by the Ministry of Health, Iran at the time of arrival of the vessel, MT Global Rani shows that the vessel was cleared for arrival on 31.12.2021 into the port of Bander Abbas, Iran.

43.2 Health Certificate dated 13.01.2022 issued by Islamic Republic of Iran, Ministry of Health and Medical Education to the vessel MT Global Rani:


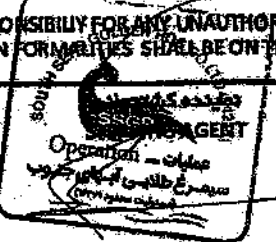


ISLAMIC REPUBLIC OF IRAN
MINISTRY OF HEALTH AND MEDICAL EDUCATION

To whom it may concern:
Subject: Health certificate for COVID-19
SHAHID RAJABE PORT BORDER HEALTH SURVEILLANCE UNIT
This certifies that the name of vessel MT Global Rani with IMO number 713 6713 according to the crew list attached is currently of no signs and symptoms of novel Corona virus disease (COVID-19) and there is no ban for travel through the voyage number 29/21 from B. Abbas to OMAN
Number of crew members on board 16
Sincerely yours
Port Health Authority / Designated Health Center of BANDER ABBAS
Date & signed and sealed 13/01/2022



The Shahid Rajee Port Border Health Surveillance Unit vide Health Certificate for COVID-19 clearly mentions that the vessel MT Global Rani was in Iranian water and that there was no ban for travel through voyage number 29/21 from B. Abbas to Oman.



43.3 Statement of vessel clearance dated 13.01.2022 issued to MT Global Rani by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajae Port B. Abbas":

In The Name of God	
POLICE ADMINISTRATION OF ISLAMIC REPUBLIC OF IRAN	تشریح انتظامی جمهوری اسلامی ایران
IMMIGRATION OFFICE OF SHAHID RAJAE PORT B.ABBAS	دفتر گذرنامه بندر شهید رجایی بندرعباس
STATEMENT OF VESSEL CLEARANCE	صورتجلسه پاس کشتی
IMO NO: 9136113	شماره کشتی: 9136113
DATE OF PASS: 13/01/2022	تاریخ پاس: 1400/01/13
VOYAGE NO: 99, 21	شماره سفر: 99, 21
ARRIVAL/DEPARTURE: DEP	روز ورود/خروج: -
NAME OF VESSEL: GLOBAL RANI	نام کشتی: گلوبال رانی
NATIONALITY: Cook Island	ملیت: کوکیزلند
ARRIVED FROM: OPI	وارد شده از: دریا
DESTINATION: P.S.Q	مقصد: بندر سلطان قابوس
CARGO: Bitumen	کالاهای: قیر
AGENT: S.S.G.R	نمایندگی: س.س.ج.ر
THE TOTAL NUMBER OF PERSONS (16) INCLUDING MASTER AND CREW. تعداد طاقان و سر مشرفان به اتمام فرم‌نامه کشتی برابر است با (16) نفر می‌باشد.	
NO OF IRANIAN PASSPORTS & SEAMENBOOKS (-) NO OF ACCOMPANYING PERSONS (-) NO OF FOREIGN PASSPORTS (16) تعداد گذرنامه و شناسنامه دریانوردی و خدمه ایرانی (-) تعداد افراد همراه (-) تعداد گذرنامه خارجی (16)	
VALIDITY OF ALL PASSPORTS AND SEAMENBOOKS WERE CHECKED AND NO UNAUTHORIZED PERSONS HAS FOUND ON BOARD OF THE VESSEL. اعتبار گذرنامه و شناسنامه دریانوردی و خدمه کشتی و افراد تیر مجاز (قلمه گذرنامه) در کشتی مشاهده نگردید.	
THIS TO CERTIFY THAT ABOVE MENTIONED VESSEL BEING AT BANDAR ABBAS / ANCHORAGE JETTY NO. (49) HAS BEEN INSPECTED ON 13/01/22 AT 07:00 HRS BY THE IMMIGRATION OFFICER. در پیرویه اعلام می‌گردد کشتی فوق الذکر مستقر در بندر شهید رجایی اسکانه شماره (49) پیرویه مانورین گذرنامه در تاریخ 13/01/22 ساعت (07:00) مورد بازرسی قرار گرفت.	
IT'S A HEREBY DECLARED THAT THE RESPONSIBILITY FOR ANY UNAUTHORIZED PERSONS OF IMMIGRATION THE VESSEL AFTER THE INSPECTION OF IMMIGRATION FORMALITIES SHALL BE ON THE MASTERS ENTIRE RESPONSIBILITY. بر بیان اعلام می‌گردد در پیرویه پاس از تشریفات بارزسی و پاس واحد فوق مشخص یا اشخاص بدون مجوز به شناور یاد شده فوق مطلع گردید مسولیت آن پیرویه فرم‌نامه کشتی خواهد بود.	
فرم‌نامه کشتی MASTER  GLOBAL RANI MASTER 21609	نماینده کشتی AGENT  20/01/22
	

Immigration certificate dated 13.01.2022 issued by the Immigration officer, Shahid Rajae Port, Bunder Abbas, Iran shows that the vessel MT Global Rani was loaded with the cargo of Bitumen and was destined to P.S.Q. (Port Sultan Qaboos).

43.4 Vessel Clearance upon departure dated 13.01.2022 issued by "Iran B. Abbas Islamic Republic of Iran Custom":



وزارت امور اقتصادی و دارایی
گمرک ایران

بسمه تعالی

گمرک جمهوری اسلامی ایران - بندر عباس

IRAN-B, ABBAS-ISLAMIC REPUBLIC OF IRAN CUSTOM

صورتجلسه بازرسی خروجی کشتی



جمهوری اسلامی ایران

شماره:

IMO NO :

VOY NO : 2921

STATEMENT OF VESSEL'S CLEARANCE UPON DEPARTURE

شماره ثبت :

شماره سفر : ۲۹۲۱

01- VESSEL'S NAME: GLOBAL RANI نام کشتی : گلوبال رانی

02- NATIONALITY: Cook Island ملیت : کوک آیلند

03- PORT OF REG: AVATIU بندر ثبت : آواتیو

04- CUSTOM LEAVE NO: 847774 شماره پروانه حرکت گمرک :

05- PORT CLEARANCE NO: شماره پروانه حرکت بندر :

06- DESTINATION: P.S.Q مقصد : سلاخ کابوس

07- TYPE OF CARGO: Bitumen نوع کالا : کبیر

08- AGENT: S.S.G.R نماینده : سید علی محمدی

بدینوسیله اعلام میدارد که کشتی فوق الذکر مستقر در لنگرگاه بندرعباس/اسکله شماره (۹) بوسیله مأمورین گارد در معیت مأمور گمرک در تاریخ ۱۳/۰۱/۲۲ ساعت ۱۴:۵۰ مورد بازرسی قرار گرفت.

THIS IS TO CERTIFY THAT ABOVE VESSEL BEING AT BANDAR ABBAS ANCHORAGE OR ALONGSIDE J/NO (49) WAS INSPECTED AT 07:00 HRS ON 13/01/22 BY CUSTOM OFFICER. چنانچه مأمور گمرک در انجام پاس خروج هرگونه اشیاء مشکوک و یا باز بودن پلمب باند استور کشف نماید مسئولیت آن بعهده فرمانده کشتی خواهد بود.

DURING DEPARTUR, CLEARANCE, IF ANY SUSPICIOUS ARTICLES, OR UNAUTHORIZED GOODS OUT OF MANIFEST OR OPEN SEALS OF BONDSTOR WAS FOUND BY CUSTOM OFFICER CAPTAIN OF VESSEL IS RESPONSIBLE.

چنانچه مأمورین گارد در انجام پاس خروج حضور افراد غیر مجاز و یا جاسازی جهت اختفاء مشاهده نمایند مسئولیت آن بعهده فرمانده کشتی یا شناور خواهد بود.

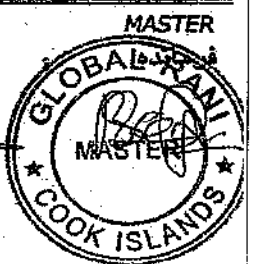
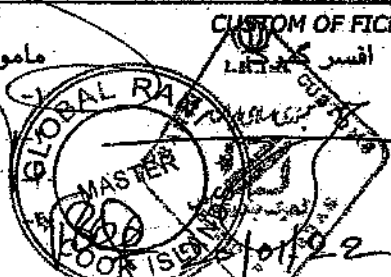
DURING DEPARTUR, CLEARANCE, IF UNAUTHORIZED PERSONS OR HIDDINIG WAS FOUND BY PORT'S GUARDS THE CAPTAIN OF VESSEL IS RESPONSIBLE.

تعداد ملوانان و سرنشینان به اتفاق فرمانده کشتی برابر (۱۶) نفر میباشد.
AS PER CREW LIST TOTAL NUMBER OF (16) PERSONS INCLUDING MASTER AND CREW WERE PRESENT ON BOARD.

وضعیت پلمب باند استور در هنگام پاس خروج کشتی : ۱- سالم ۲- شکسته
CONDITION OF BOUND-STORE SEAL : 1- NORMAL 2- BROKEN



PORT GUARDS مأمورین گارد و وظیفه



Vessel clearance certificate dated 13.01.2022 issued by the Iran-Bander Islamic Republic of Iran Custom which confirms that the vessel MT Global Rani left for P.S.Q. from Bandar Abbas with cargo of Bitumen.

43.5 Port Clearance Certificate "Marine Affairs No. RAJA 140004211" dated 13.01.2022 issued to MT Global Rani by Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran:

PORT(S) & MARITIME GENERAL DIRECTORATE OF HORMOZGAN PROVINCE اداره گل بنادر و دریانوردی استان هرمزگان		فرم E	
Islamic Rep. of IRAN Ministry of Roads & Urban Development		PORT CLEARANCE(PC) اجازه حرکت	
Marine affairs NO. RAJA140004211		شماره امور دریایی: RAJA140004211	
SERIAL NO.	202233368499/0	شماره سریال	۲۰۲۲۳۳۳۶۸۴۹۹/۰
ISSUE DATE & TIME(PC)	1/13/2022 7:08:44 AM	تاریخ و ساعت صدور	۱۴۰۰/۱۰/۲۲ - ۰۷:۰۸
PORT CLEARANCE NO.	5560187	شماره اجازه حرکت	۵۵۶۰۱۸۷
CUSTOM LEAVE NO.	847774	شماره پروانه حرکت کانتینر	۸۴۷۷۷۴
AGENT	SOUTH SEAS GOLDEN ROC	نمایندگی	خدمات دریایی و کشتیرانی سیمرغ طلایی آبیای چابک
VESSEL NAME	GLOBAL RANI	نام کشتی	گلوبال رانی
ARRIVED FROM	Sea	وارد از بندر	دریا
ON DATE	12/30/2021 10:07:00 PM	در تاریخ	۱۴۰۰/۱۰/۰۹ - ۲۲:۰۷
IMO NO/ VESSEL REG NO.	9136113-5058419	شماره IMO/شماره ثبت شناور	۹۱۳۶۱۱۳-۵-۵۸۴۱۹
SHIP'S FLAG	Cook Islands (NZ)	پرچم شناور	جزایر کوک
REGISTRY PORT	Cook Islands	بندر ثبت	جزایر کوک
GROSS TONNAGE	3987.00	ظرفیت ناخالصی شناور	۳۹۸۷.۰۰
MASTER	STEPHEN BARNABAS	فرمانده	استفن بارناباس
IS PERMITTED TO SAIL TO	SULTAN QABOOS	اجازه داده طرف	سلطان قابوس خروج نمایند.
Head Of Maritime Affairs	FARAHMAND PESARAN	رئیس امور دریایی	فرمانده پسران
PORT	Shahid Rajaie Port	بندر	بندر شهید رجایی
Signature			

Remarks

This Pc is valid for 5 days from date of Issue for one trip.

Departure is forbidden while sea and weather conditions are not favorit.

To confirm the authenticity of this document, please visit our website:

<https://verify.pmo.ir/pclnquiry>

This document has been issued electronically and does not need any signature and stamp

توجه: نسخ نمایندگی کشتی / کنترل ترافیک دریایی / خدمات استاد دریایی

این اجازه حرکت از تاریخ صدور به مدت ۵ روز برای یک سفر اعتبار دارد.

در صورت تشابه بودن شرایط، جوی خروج مجاز نخواهد بود.

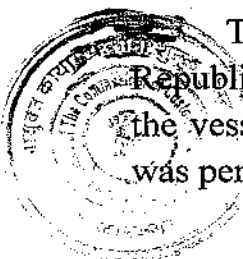
جهت اطمینان از صحت اجازه حرکت به آدرس زیر مراجعه نمایید.

<https://verify.pmo.ir/pclnquiry>

این اجازه حرکت به صورت الکترونیکی صادر شده است و نیاز به مهر و امضا ندارد.



201/0/22



The Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran vide Port Clearance No. 5560187 dated 13.01.2022 mentions that the vessel MT Global Rani that arrived Bandar Abbas on 30.12.2021 at 10:07 PM was permitted to sail to Sultan Qaboos (P.S.Q.) on 13.01.2022.

DIGITAL EVIDENCES:

44. The following digital evidences were recovered under Section 138C of the Customs Act, 1962 and 65-B of the Indian Evidence Act, 1872 from the mobile phone of Shri Hemal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar under panchnama proceeding dated 20/21.01.2022.

44.1 Time sheet for vessel MT Global Rani for cargo Bitumen VG40 dated 05.10.2021:



ATLAS INSPECTION SERVICES KISH (Ltd)

123

Time Sheet

Reference No : LC-21/R1365/AIS
 Vessel : M.T "GLOBAL RANI"
 Voy No : 20/21
 Port/Location : B.ABBAS / IRAN
 Berth No. : # 56
 Cargo : BITUMEN VG40,
 Date : 05.10.2021

OPERATION (All times local)	TIME (Hrs.)	DATE
E.O.S.P	18:12	01.10.2021
Anchor Down	19:26	01.10.2021
N.O.R. Tendered	18:12	01.10.2021
Free Pratique Granted	13:12	02.10.2021
Anchor Aweigh	15:00	04.10.2021
Pilot on Board	16:09	04.10.2021
First Line Ashore	16:48	04.10.2021
All Mad Fast to # 56	16:54	04.10.2021
Gangway Ready	17:08	04.10.2021
Surveyor on Board	17:12	04.10.2021
Ship's Tank's Inspection and Measurement Commenced	17:24	04.10.2021
Ship's Tank's Inspection and Measurement Completed	18:00	04.10.2021
Calculation over	18:18	04.10.2021
Hose Connected 1 x 6 Inch	18:18	04.10.2021
Commenced Loading	19:06	04.10.2021
Completed Loading (Stop By Ship)	13:35	05.10.2021
Surveyor on Board	13:42	05.10.2021
Ship's Tanks Measurement and Sampling Commenced	14:12	05.10.2021
Hose Disconnected	14:06	05.10.2021
Ship's Tanks Measurement and Sampling Completed	15:00	05.10.2021
Calculation Over	15:36	05.10.2021
Document on Board		05.10.2021

DATE	From TIME	DATE	To TIME	Description

Original Signed by
 Master / Chief Officer

 CHIEF OFFICER

Original Signed by

 INSPECTION SER VES
 BANDAR ABBAS

Handwritten:
 Hemal
 (HEMAL K KOTAK)
 20/1/22

No 177, Nelson Mandela (Africa) Blvd, 4th Floor, Tehran - 19156 - Iran
 Tel: (+9821) 22019282 Fax: (+9821) 22059070 E-mail: info@atlasinspection.net



Time sheet dated 05.10.2021 shows that the vessel MT Global Rani at berth 56 of Bandar Abbas, Iran for loading of Bitumen VG40.

44.2 Shore Tank Calculation Report No. LC-21/R1365/AIS issued by M/s. Atlas Inspection Services Kish (Ltd), Tehran, Iran for cargo, Bitumen VG 40 per vessel MT Global Rani.



ATLAS INSPECTION SERVICES KISH (Ltd)

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Shore Tank(s) Calculation Report

Reference No : LC-21/R1365/AIS
 Vessel : M.T * GLOBAL RANI*
 Voy No : 20/21
 Port/Location : B.ABBAS / IRAN
 Berth No. : # 56
 Cargo : BITUMEN VG40
 Date : 05.10.2021

Tank Number	Tank No. 101A		Tank No. 101B		Tank No. 101D		Before	After	Before	After
	Before	After	Before	After	Before	After				
Ref. Height (actual) CM	1387.3	1387.3	1387.5	1387.5	1388.0	1388.0				
Ref. Height (table) CM	1387.3		1387.5		1388.0					
Difference	0.0	0.0	0.0	1387.5	0.0	1388.0				
Gauge : CM	1282.8	159.7	787.5	49.5	1141.6	1020.0				
Cor. Gauge : CM	0.0	0.0	0.0	0.0	0.0	0.0				
Temperature C°	146.0	147.0	147.0	148.0	146.0	146.0				
Water Dip CM	0.0	0.0	0.0	0.0	0.0	0.0				
Density @ 15 °C	1.0439	1.0439	1.0441	1.0441	1.0428	1.0428				
Total Observed Volume M3	2551.919	313.152	1567.542	92.658	2262.981	2020.741				
Free Water M3	0.000	0.000	0.000	0.000	0.000	0.000				
Gross Observed Volume M3	2551.919	313.152	1567.542	92.658	2262.981	2020.741				
Floating Roof Correction M3	0.000	0.000	0.000	0.000	0.000	0.000				
Cor'd Observed Volume M3	2551.919	313.152	1567.542	92.658	2262.981	2020.741				
VCF TABLE 55	0.9201	0.9195	0.9195	0.9189	0.9201	0.9201				
GSV M3	2348.021	287.943	1441.355	85.143	2082.169	1859.284				
BS & W %	0.000		0.000		0.000					
BS & W M3	0.000	0.000	0.000	0.000	0.000	0.000				
N.S.V. M3	2348.021	287.943	1441.355	85.143	2082.169	1859.284				
WCF TABLE 1	0.984206	0.984206	0.984206	0.984206	0.984206	0.984206				
Long Tons (Gross)	2418.08	295.55	1479.73	87.41	2134.94	1906.41				
Long Tons (Net)	2418.08	295.55	1479.73	87.41	2134.94	1906.41				
WCF TABLE 56	1.04290	1.04290	1.04310	1.04310	1.04180	1.04180				
Metric Tons (Gross)	2448.751	308.296	1603.477	88.813	2169.204	1937.002				
Metric Tons (Net)	2448.751	308.296	1603.477	88.813	2169.204	1937.002				

Delivered	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net
Delivered Cubic meter @15DC	2060.078		1356.212		222.885					
Delivered U.S. Bbls @60DF	12962		8533		1402					
Delivered Long Tons	2114.52		1392.32		228.53					
Delivered Metric Tons	2148.455		1414.695		232.202					

TOTAL DELIVERED	Gross	Net	SHR'S P/O	DWT	PERCENTAGE
Delivered Cubic meter @15DC	3639.175		3661.052	21.877	0.601%
Delivered U.S. Bbls @60DF	22898		23035	137	0.398%
Delivered Long Tons	3735.38		3738.75	3.37	0.090%
Delivered Metric Tons	3795.322		3798.751	3.429	0.090%

Kitag No	KG
13948748	2000000
13949639	1795322

FOR RECEIPT ONLY
 WITHOUT PREJUDICE TO OWNERS
 Original Stamp by
 Master/Chief Officer
 V. Q. B. RANI
 CHIEF OFFICER
 COOK ISLANDS

Normal
 CHEMICAL IC KOTAK
 20/1/22



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AIS-03-FR-14/1



Shore Tank Calculation Report No. LC-21/R1365/AIS dated 05.10.2021 mentions that the vessel MT Global Rani was loaded with 3798.751 MT of Bitumen VG40 at Bandar Abbas, Iran.

44.3 Ullage report dated 05.10.2021 issued by M/s. Atlas Inspection Services Kish (Ltd), Tehran, Iran for vessel MT Global Rani:



ATLAS INSPECTION SERVICES KISH (Ltd)

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ULLAGE REPORT AFTER LOADING

Reference No : LC-21/R1365/AIS
 Vessel : MT "GLOBAL RANI"
 Voy No : 2021
 Port/Location : BABBAS / IRAN
 Berth No. : # 56
 Cargo : BITUMEN VG40
 Date : 05.10.2021

TANK NO.	Ullage/Inage readings(m)				TOV M3	CTS TERMAL	Corr. TOV M3	API: 1.27		SPG: 1.0445		Density at 15 C in Vac: 1.4438		O.E.V
	Obs.	Corrections						Free water(M3)	Dip	Volume	G.O.V M3	Temp (°C)	VCF	
1P	2.350	---	Vol Corr.	---	2.330	392.456	1.006305	394.930	NIL	0.000	394.930	146.5	0.9198	363.257
1S	2.320	---	Vol Corr.	---	2.300	394.542	1.006107	396.951	NIL	0.000	396.951	146.5	0.9198	365.116
2P	2.340	---	Vol Corr.	---	2.340	594.894	1.006390	598.695	NIL	0.000	598.695	146.8	0.9196	550.560
2S	2.350	---	Vol Corr.	---	2.350	591.910	1.006443	595.725	NIL	0.000	595.725	146.7	0.9197	547.888
3P	2.290	---	Vol Corr.	---	2.280	447.161	1.005983	449.837	NIL	0.000	449.837	146.8	0.9196	413.670
3S	2.280	---	Vol Corr.	---	2.270	446.421	1.005882	449.047	NIL	0.000	449.047	146.1	0.9200	413.123
4P	2.280	---	Vol Corr.	---	2.280	552.187	1.005924	555.458	NIL	0.000	555.458	146.9	0.9196	510.799
4S	2.270	---	Vol Corr.	---	2.260	550.386	1.005903	553.635	NIL	0.000	553.635	146.9	0.9196	509.123
TOTAL:						3969.957		3994.2793	---	0.000	3994.27933	146.65 (°C)		3673.536

GROSS
 TOTAL GVV LOADED (M3) : 3673.536
 O.B.Q (M3) : 12.484
 GVV LOADED (M3) : 3661.052
 MT to LT FACTOR TABLE : 0.98421
 LONG TON : 3737.45
 WCF TABLE 54 : 1.04280
 METRIC TONS in Air : 3817.745
 US BARRELS @ 42 °F : 23035

Vessel's Stability:
 PWD 5.40 %
 AFT 6.48 %
 TRIM 1.00 %
 LIST 0.00 %

Vessel Eq. ID		S/N	Reading
TAPE	UTI	STEEL TAPE	M
THERM	UTI	MASTER THERM	C°

RE ADJUSTED FIGURES **GROSS**
 VESSEL EXPERIENCE FACTOR : 1.00500
 CUBIC METERS @ 15 °C : 3642.838
 LONG TON : 3738.75
 METRIC TONS in Air : 3798.751

FOR RECEIPT ONLY

Original Signed by
 Master / Chief Officer



Amal
 (HENAL IC KOTAK)
 20/1/22

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Ullage report dated 05.10.2021 clearly shows that the vessel MT Global Rani with a quantity of 3798.7512 MT of Bitumen VG40 from Bandar Abbas,

44.4 Email dated 15.02.2021 sent by Shri Hemal Kotak from email address kmkotak@kotakgroups.com to Bharat.S.Sharma@ril.com :

From: Kotak Groups <kmkotak@kotakgroups.com>
Sent: 15 February 2021 12:02
To: Bharat S Sharma <Bharat.S.Sharma@ril.com>
Subject: [External]Bitumen Source Approval - Kotak Asphalt LLP

The e-mail below is from an external source. Please do not open attachments or click links from an unknown or suspicious origin.

15 February 2021

MR BHARAT S SHARMA SAHEB
Project Contracts
RIL Refinery Complex
JAMNAGAR.

Subject: BITUMEN SOURCE APPROVAL
Reference: Your mail of 15th Feb. 2021.

Dear Sir,

In reference of your mail regarding few clarifications required, we hereby clarify you for your reference.

1. Source of import:

Sir, we are regularly import from IRAN. Billing & delivery through UAE.
We are normally importing from (1) JEY OIL, Pasargad & Black Gold-IRAN. Billing will be always from UAE Only.

2. Regarding Mixing after import:

We do not mix anything after importing. We are importing only VG30 & VG40.

Hemal - 20/1/22
(HEMAL K KOTAK)

3. Regarding Emulsion:

We have our own full pledged plant at:

KOTAK ASPHALT LLP, Survey No. 58, Plot No. 10, 11 & 12, Nana Lakhiya,
Taluka Lalpur, District Jamnagar.

4. Photographs: Enclosed.

Thanking you,

Hemal Kotak-Partner
Kotak Asphalt LLP.

The said email dated 15.02.2021 sent to Bharat.S.Sharma@ril.com, Shri Hemal Kotak clearly reveals that they were regularly importing from IRAN, whereas billing & delivery were through UAE. They normally imported from JEY OIL, Pasargad & Black Gold-Iran though Billing used to be always from UAE, which establishes that the importer was well aware of the actual country of origin of the imported goods (Iran) and that they were wilfully and intentionally forging the invoice through firms from UAE.



Documents retrieved from the chat between Shri Hemal Kotak and Captain Braj. The mobile phone of Shri Hemal Kotak, Partner of M/s. Kotak Petroleum Jamnagar was scrutinised / examined vide panchnama proceeding dated

24.01.2022 wherein following chats and documents were retrieved under Section 138C of the Customs Act, 1962 and 65-B of the Indian Evidence Act, 1872:

(a) Ullage report dated 28.08.2021 issued by M/s. Atlas Inspection Services Ltd., Tehran, Iran for vessel MT Global Genesis for loading of Bitumen VG40:



ATLAS INSPECTION SERVICES Ltd

ULLAGE REPORT AFTER LOADING

Reference No : LC-21/R1175/SAIS
 Vessel : M.T "GLOBAL GENESIS"
 Voy No : 1821
 Port/Location : BABBAS / IRAN
 Berth No : # 49
 Cargo : BITUMEN GRADE VG40
 Date : 28.08.2021

TANK NO.	Ullage/Tonnage readings(m)				TOV M3	CTS TERNAL	Corr. TOV M3	API: 4.43		SPG: 1.0410		Density at 15 C in Vac. LMD		
	Obs.	Corrections						Free water(M3)	G.O.V M3	Temp (°C)	VCF TABLE 58	G.S.V Cu.Metres		
		UTI	Trim	etc										
1P	1.070	---	Vol Corr.	---	1.070	418.865	---	418.865	NIL	0.000	418.865	123.0	0.9338	391.136
1S	1.130	---	Vol Corr.	---	1.130	460.055	---	460.055	NIL	0.000	460.055	123.0	0.9338	429.599
2P	1.100	---	Vol Corr.	---	1.100	429.650	---	429.650	NIL	0.000	429.650	123.0	0.9338	401.207
2S	1.220	---	Vol Corr.	---	1.220	377.440	---	377.440	NIL	0.000	377.440	123.0	0.9338	352.433
3P	4.500	---	Vol Corr.	---	4.500	150.610	---	150.610	NIL	0.000	150.610	123.0	0.9338	140.640
3S	2.430	---	Vol Corr.	---	2.430	325.245	---	325.245	NIL	0.000	325.245	123.0	0.9338	303.714
4P	1.490	---	Vol Corr.	---	1.490	432.865	---	432.865	NIL	0.000	432.865	123.0	0.9338	404.209
4S	1.630	---	Vol Corr.	---	1.630	379.685	---	379.685	NIL	0.000	379.685	123.0	0.9338	354.550
5S	1.130	---	Vol Corr.	---	1.130	406.055	---	406.055	NIL	0.000	406.055	123.0	0.9338	379.174
5P	1.030	---	Vol Corr.	---	1.030	441.225	---	441.225	NIL	0.000	441.225	123.0	0.9338	412.016
TOTAL :						3821.695		3821.695		0.000	3821.695	123.00	(°C)	3568.698

GROSS
 TOTAL GSV LOADED (M3) : 3568.698
 O.R.Q (M3) : 0.000
 GSV LOADED (M3) : 3568.698
 SIT to LT FACTOR TABLE 1 : 0.98421
 LONG TON : 3650.37
 WCF TABLE 58 : 1.03930
 METRIC TONS in Air : 3708.948
 US BARRELS @ 60 °F : 22454

Vessel's Stability:
 FWD 5.30 m
 AFT 6.00 m
 TRIM 0.70 m
 LIST 0.00 m

VEF ADJUSTED FIGURES GROSS
 VESSEL EXPERIENCE FACTOR : 0.98480
 CUBIC METERS @ 15 °C : 3623.779
 LONG TON : 3706.71
 METRIC TONS in Air : 3766.194

Vessel Dip ID				SN	Reading
TAPE	UTI	STEEL TAPE	M		
THERM	UTI	MASTER THERM	C		

Original Signed by
 Master / Chief Officer

Original Signed by
 Surveyor



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The Ullage report dated 28.08.2021 for vessel MT Global Genesis for loading Bitumen VG40 clearly establishes the fact that the cargo was loaded from Bandar Abbas, Iran.

(b) Certificate of quantity No. LC-21/R1175/AIS dated 27.08.2021 issued by M/s. Atlas Inspection Services Ltd., Tehran, Iran for vessel MT Global Genesis for 3774.676 MT of Bitumen grade VG40:



ATLAS INSPECTION SERVICES Ltd

Certificate No : LC-21/R1175/AIS
Date : 27th August 2021

ORIGINAL

CERTIFICATE OF QUANTITY

Commodity : BITUMEN GRADE VG40 IN BULK
Quantity : 3774.676 MT
Shipper : RDR ENERGY ON BEHALF OF JEV OIL
PO BOX 66 POSTAL CODE 114
OFFICE NO. 11
FIRST FLOOR BIN HAIL BUILDING
OPPOSITE OF DOLPHIN RESIDENCE COMPLEX
BOUSHER STREET
MUSCAT
SULTANATE OF OMAN
Consignee : TO ORDER
Notify Address : SYNERGY PETROCHEM PZE
POST BOX NO: 49076
HAMRIYAH FREEZONE, SHARJAH-U.A.E.
Vessel : MT " GLOBAL GENESIS "
Port of Loading : BANDAR ABBAS, IRAN
Port of Discharge : PSQ, OMAN
B/L No : BNDPSQ/BTM/18-21
B/L date : 27th August 2021

The quantity of BITUMEN GRADE VG40 IN BULK loaded on board MT "GLOBAL GENESIS " at BANDAR ABBAS, IRAN on 27th August 2021 was based on shore tank Ullage survey and on which basis Bill of Lading was raised as under:

Quantity : 3774.676 MT

Issued at 27th August 2021

Atlas Inspection Services, Ltd.


No 177, Nelson Mandela(Africa) Blvd. 4th Floor, Tehran - 19158 - Iran
Tel: (+9821) 22019292 Fax: (+9821) 22059070 E-mail: info@atlasinspection.net



The Certificate of quantity No. LC-21/R1175/AIS dated 27.08.2021 issued by M/s. Atlas Inspection Services Ltd., Tehran, Iran for vessel MT Global Genesis for 3774.676 MT of Bitumen grade VG40 clearly shows that the goods were loaded on board MT Global Genesis at Bandar Abbas, Iran on 27.08.2021.



Bill of Lading No. BNDPSQ/BTM/18-21 dated 27.08.2021 issued in respect of 3774.676 MTs of Bitumen per vessel MT Global Genesis:

Shipper RDR ENERGY ON BEHALF OF JEY OIL PO BOX 66 POSTAL CODE 114 OFFICE NO. 11 FIRST FLOOR BIN HAIL BUILDING OPPOSITE OF DOLPHIN RESIDENCE COMPLEX BOUSHER STREET MUSCAT SULTANATE OF OMAN		Reference No. BILL OF LADING B/L NO: BNDPSQ/BTM/18-21 CODE NAME: "INTANKBILL 78" Pursuant and subject to all terms and conditions, liberties and exceptions as per TANKER VOYAGE CHARTER PARTY indicated hereunder, including provisions overleaf	
Consignee TO ORDER		Charterer 	
Notify address SYNERGY PETROCHEM FZE POST BOX NO: 49076 HAMRIYAH FREEZONE, SHARJAH - U.A.E		Carrier 	
Vessel M.T. GLOBAL GENESIS	Voyage no 18/21	Port/Place of loading BANDAR ABBAS, IRAN	
Port/Place of discharge PSQ, OMAN		Destination PSQ, OMAN	
Description of cargo BITUMEN GRADE VG40	Gravity IN BULK	Weight 3774.676 MT	
"CLEAN SHIPPED ON BOARD" "FREIGHT PAYABLE AS PER CHARTER PARTY"			
<small>SHIPPED on board the cargo specified above in accordance with shipper's declaration in apparent good condition, weight, volume, quality and value unknown, and to be delivered at port of discharge or so near thereto as the vessel may safely get, always afloat. IN WITNESS whereof original Bills of Lading have been signed in the number stated below, one of which being accomplished the others to stand void. By taking delivery of the cargo the Consignee shall make himself liable for unpaid freight, deadfreight, demurrage and other charges.</small>			
Freight and charges FREIGHT PAYABLE, AS PER CHARTER PARTY		Place and date of issue BANDAR ABBAS, IRAN DATE: 27.08.2021	
Hours used for loading		Number of original B/L 3/3 THREE	Signature MASTER OF M.T. GLOBAL GENESIS "CAPTAIN VINOD KUMAR" 

COPY
No. Negativelle



The Bill of Lading No. BNDPSQ/BTM/18-21 dated 27.08.2021 issued in respect of 3774.676 MTs of Bitumen per vessel MT Global Genesis with shipper as M/s. RDR Energy on behalf of Jey Oil, PO Box 66 Postal Code 114, Bousher Street, Muscat Oman and notify address as M/s. Synergy Petrochem FZE, Sharjah, UAE clearly shows the port of loading as Bandar Abbas, Iran.

(d) Further, some extract of chat between Shri Hemal Kotak and Prime Tankers Captain Brar is reproduced as under:

[20/06/21, 8:57:49 PM] Hemal Kotak: Sir I am in deep trouble. madam has informed that our vessel will release **from BA** tomorrow and will reach UAE Tuesday morning and likely to reach pipavav by Saturday or Sunday. As I informed you that we are not having any stock.

[21/06/21, 12:01:34 AM] Prime Tankers Capt Brar: Now I have loaded two ships for you

[21/06/21, 12:02:11 AM] Hemal Kotak: Sir I need only one as it is raining heavily here

[21/06/21, 12:02:47 AM] Hemal Kotak: Sir but pl send first ship urgently as I am in dry out condition

[21/06/21, 6:24:13 AM] Prime Tankers Capt Brar: First ship has departed

[21/06/21, 7:18:24 AM] Hemal Kotak: When she will reach pipavav?

[21/06/21, 8:36:12 AM] Prime Tankers Capt Brar: Today Lydia will send u the docs

Vessel should reach by 25th (weather permitting) monsoons have started

[18/09/21, 8:22:44 PM] Prime Tankers Capt Brar: Gd evng Sir

G Genesis

Load port BL: 3774.676 MT

L/P Ship fig : 3765.832 MT

Office BL : 3774.676 MT

Arrival Fig : 3772.549 MT

Discharge fig: 3772.549 MT

Shore fig : 3704.675 MT

Diff : 67.874 MT

Sir as per vessel ch officer above shore fig was before line pigging

[18/09/21, 8:24:02 PM] Hemal Kotak: Sir pl favour us with load port surveyor report so that we can cross check about density

[06/12/21, 5:23:33 PM] Hemal Kotak: Sir I have checked again in the market price for bulk bitumen VG 40 **FOB bander Abbas is 315 USD** and if we consider the freight of 60 USD then also our CFR pipavav price is 375 USD. As in the last month you have supported 20 USD price adjustment for 2250 MT Global lady so I humbly request you to pl consider 390USD for this time as with this 15 USD I will compensate your all-earlier losses. Pl consider and confirm.

[06/12/21, 6:03:40 PM] Prime Tankers Capt Brar: Ok done, what else ???

From the above chat, it is clear that Shri Hemal Kotak was regularly trading with Captain Jugwinder Singh Brar who used to deal with export of Bitumen from Iran through UAE billing.



44.6. Document provided under statement dated 15.03.2023 by Shri Hemal Kotak in respect of chat between him and Shipping Line Iran - tina:

(a) Bill of Entry No. 7621529 dated 23.02.2022 filed by M/s. Kotak Asphalt LLP, Village Nana Lakhiya, Tal. Lalpur, Dist. Jamnagar at Kandla for import of 2750 drums of Bitumen grade VG40 wherein port of loading was shown as Bandar Abbas, Iran:

Original (Customs copy)
 Indian Customs EDI System - Imports V1.5R001
 CUSTOM HOUSE, NEAR BALAJI TEMPLE, KANDLA - 370210
 BILL OF ENTRY FOR HOME CONSUMPTION

[Custom Stn: INIXY1] CHA : AAECE1545KCH003 [BIFFEL LOGISTICS PVT LTD]
 BE No/Dt./cc/Typ:7621529/23/02/2022/N/H
 Importer Details :2409005411 PAN : AAQFA2818LFT001 AD Code : 0510162
 KOTAK ASPHALT LLP
 0 :PLOT NO. 10 11 12
 NANA LAKHIYA, TAL. LALPUR, Contact
 JAMNAGAR 361280 Payment Method : Transaction
 IGM No :2304225/17/02/2022 18/02/2022 Port Of Loading :Bandar Abbas
 Cntry Of Orgn.: IRAQ Cntry Of Consign.:IRAN
 BL No : IIX1253ECSM2963 H/BL No :
 Date : 11/02/2022 Date :
 No. Of Pkgs. : 2750 DRM Gross Wt. : 525820.000 KGS
 Marks:AS PER BL
 & Nos

Inv No & Dt. : 22008A 03/02/2022 GREENWOOD GENERAL TRADING FZE
 Inv Val : 838773.17 AED TOI: CF P.O. BOX: 4422, FUJAIRAH UAE Offsho
 Freight : 0.00 re Fujairah, , United Arab Emirates
 Insurance : 1.125000% 0.00
 SVB Load (Ass): Cnst. House: United Arab Emirates
 SVB Load (Dty): HSS Load Rate: 0.00% Amount: 0.00
 Misc. Charges: 0.00 0.00
 EDD : 0.00 Discount Rate: 0.00 Discount Amount: 0.00
 Third Party: KBE Duty FG Int.: 0.00

Buyer/Seller Reltd : No
 Item Details Exchange rate: 1.00 AED = 21.1500 INR

Sino	RITC	Description	CTH	C.Notsn	C.NSNO	RSP	Load	PROV
Qty	Unit	Unit Price	Ass Val	E.Notsn	E.NSNO	Cus Dty Rt	BCD amt.(Rs)	CVD amt.(Rs)
1	27132000	BITUMEN GRADE VG40						
499.97		1677.647000	27132000	050/2017	147	5.00 %	896981.40	
		Cus AIDC		011/2021	17	0.00 %	0.00	
MTS		17939628.15	NOEXCISE			0.00 %	0.00	
		Educational Cess on CVDs				0.00 %	0.00	
		Sec & Higher Edu. Cess on CVD				0.00 %	0.00	
		Customs Educational Cess				0.00 %	0.00	
		Customs Sec & Higher Edu. Cess				0.00 %	0.00	
		Social Welfare Surcharge:				10.00 %	89698.10	
		IGST		001/2017	III36	18.00 %	3406735.50	
		GST Cess		001/2017	56	0.00 %	0.00	
		Rs. 17939628.15		Page Total		Rs.	4393414.90	
		Rs. 17939628.15		BE Gross Total		Rs.	4393414.90	
		Rs. 896981.40		NCD Duty		Rs.	0.00	
		Rs. 0.00		SAFEGUARD Duty		Rs.	0.00	
		Rs. 0.00		Sch 2 Spl Excise Duty		Rs.	0.00	
		Rs. 0.00		GSIA		Rs.	0.00	
		Rs. 0.00		Customs Edu. Cess		Rs.	0.00	
		Rs. 0.00		Addl Duty - (Imports)		Rs.	0.00	
		Rs. 0.00		SH Cust Edu. Cess		Rs.	0.00	

Duty Payable: Rs. 4393415
 Rs. Forty Three Lakh Ninety Three Thousand Four Hundred and Fifteen only

Container Details

1	2304225	F	MIOU2006151	2	2304225	F	MIOU2049174	3	2304225	F	MIOU2387166
4	2304225	F	MIOU2478250	5	2304225	F	MIOU2694959	6	2304225	F	MIOU2797284
7	2304225	F	MIOU2894670	8	2304225	F	MIOU2915094	9	2304225	F	MIOU2943516
10	2304225	F	MISU2412875	11	2304225	F	MISU2507380	12	2304225	F	PARU2386300
13	2304225	F	PARU2494813	14	2304225	F	PARU2555020	15	2304225	F	PARU2559093
16	2304225	F	PARU2811076	17	2304225	F	SBAU2932970	18	2304225	F	SBAU2975539
19	2304225	F	SLLU2271780	20	2304225	F	SLLU2510565	21	2304225	F	SLLU2590278
22	2304225	F	SLLU2636609	23	2304225	F	SLLU2757318	24	2304225	F	SLLU2893253



25 2304225 F SLLU2956900

GSTIN Details

Document No	Typ State Cd/Name	IGST Ass.val	IGST Amt	GST Cess Amt
24AAQFA28181L29	G 24 GUJARAT	18926308	3406735	0

Declaration Statement Details

Invoice No : 0 Item No : 0
 Statement Type : DEC Statement Code : CUG01
 Statement Title: General Declaration - II
 Statement Desc: I/We declare that the contents of the above mentioned invoice(s) and documents are true and correct in every respect. I/We have not received and do not know of any other documents or information showing

Invoice No : 0 Item No : 0
 Statement Type : DEC Statement Code : CUG00
 Statement Title: General Declaration - I
 Statement Desc: I/We declare that the contents of this Bill of Entry for goods imported against above mentioned Bill of Lading/ Airway Bill /Lorry Receipt/Railway Receipt numbers are in accordance with the above mentioned

Invoice No : 1 Item No : 0
 Statement Type : DEC Statement Code : CUV02
 Statement Title: Valuation Declaration - II
 Statement Desc: I/We declare that the price paid or payable by the importer is as per the details provided above, and any price paid or payable in addition to the above will be settled with the seller at the end of

Invoice No : 1 Item No : 0
 Statement Type : DEC Statement Code : CUV03
 Statement Title: Valuation Declaration III
 Statement Desc: I/We declare that there are no payments actually paid or payable for or the imported goods by way of cost and services [in terms of Rules 10(1) (a) (i), Rule 10(1) (a) (ii), Rule 10 (1) (a) (iii) and Rule 1

Invoice No : 1 Item No : 0
 Statement Type : DEC Statement Code : CUV01
 Statement Title: Valuation Declaration - I
 Statement Desc: I/We declare that all conditions or restrictions, if any, imposed by the seller of any third party on the disposition or use of the imported goods [as per proviso to Rule 3(2)) of the Customs Valuation

Supporting Document Details

Invoice No : 0 Item No : 0 IRN No. : 2022022300125970 Doc Code : 705000
 Doc Desc: Bill of lading

Invoice No : 1 Item No : 0 IRN No. : 2022022300109668 Doc Code : 001000
 Doc Desc: Certificate of analysis

Invoice No : 1 Item No : 0 IRN No. : 2022022300109669 Doc Code : 861000
 Doc Desc: Certificate of origin

Invoice No : 1 Item No : 0 IRN No. : 2022022300109671 Doc Code : 271000
 Doc Desc: Packing list

Invoice No : 1 Item No : 0 IRN No. : 2022022300126522 Doc Code : 380000
 Doc Desc: Commercial Invoice

Declaration
 1. I/We Certify that the above entries are correct.
 2. I/We further declare that wherever the RSP is applicable same has been truthfully declared

CHA Importer
 EIFFEL LOGISTICS PVT LTD KOTAK ASPHALT LLP

Signature Signature -----[NIC]-----

From the Bill of Entry No. 7621529 dated 23.02.2022 filed at Kandla Port for 2750 Drums of Bitumen Grade VG40, it clearly shows that the goods were loaded from Bandar Abbas, Iran and Shri Hemal Kotak in his statement dated 15.03.2023 also admitted that the above goods was loaded from Bandar Abbas, Iran.



45. Furthermore, during adjudication proceedings –

- (i) M/s. Global Ace Shipping Lines INC., through their Advocates i.e. M/s. Sujit Lahoti & Associates, Mumbai, vide letter dated 09.12.2024, requested for cross-examination of all the witnesses whose statements have been relied upon in the Show Cause Notice and argued that there are no specific allegations against them and the Show Cause Notice has been issued based solely on the statements of the Noticees without doing a complete and independent investigation.
- (ii) M/s. Global Tankers Pvt. Ltd., through their Advocates i.e. M/s. Nirav Shroff, Mumbai, vide letter dated 17.12.2024, requested for cross-examination of the witnesses i.e. Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani and Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd., Shipping Agent, whose statements have been relied upon in the show cause notice.
- (iii) M/s. Prime Tankers LLC., through their Advocates i.e. M/s. India Law Alliance, Mumbai, vide letter dated 13.12.2024, requested for cross-examination of the witnesses i.e. Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani and Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd., Shipping Agent, whose statements have been relied upon in the show cause notice. They have submitted that the entire case made out is based solely on the statements of the Noticees which do not allege that they had directed and/or instructed them not to show Iranian documents at discharge port and/or to switch off the tankers AIS or send forge documents to the Shipping agency, for filing the purported incorrect IGM. They placed reliance upon the decision of the Hon'ble Madras High Court in the case of *K. Sugumar Vs. the Commissioner of Customs (Preventive) Kolkata & Ors [2021 (10) TMI 1411]* wherein it was observed that the Adjudicating Authority ought to have decided the issue of cross-examination as a preliminary issue and rendered a finding, giving an order in writing to that effect.
- (iv) M/s. Preetika Shipping Agencies Pvt. Ltd., vide letter dated 29.01.2024, requested for cross-examination of all the witnesses whose statements have been relied upon in the Show Cause Notice and submitted that no reliance can be placed on the statements recorded during the purported investigation in as much as the persons making the statement have not been cross examined; that cross- examination is mandatory and placed reliance upon the decisions in the case of *Andaman Timber Industries [2015 (324) E.L.T. 641(S.C.)]*, *Swadeshi Polytex Ltd. [2000 (122) E.L.T. 641 (S.C.)]* and *Bareilly Electricity Supply [(1971) 2 SCC 617]*.



The above request for cross-examination has been rejected for the reasons as follows and conveyed to the above Noticees vide letters dated 14.10.2025 and 11.11.2025.

45.1 While M/s. Global Ace Shipping Lines INC. & M/s. Preetika Shipping Agencies Pvt. Ltd. had requested for cross-examination of all the witnesses whose statements have been relied upon in the Show Cause Notice, M/s. Global Tankers Pvt. Ltd. & M/s. Prime Tankers LLC. requested for cross-examination of the witnesses i.e. Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani and Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd., Shipping Agent, whose statements have been relied upon in the show cause notice. In the impugned Show Cause Notice, statements of following witnesses were relied upon:

- (i) Statements dated 20.01.2022 & 21.01.2022 of Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani (Voyage 01/22);
- (ii) Statement dated 21.01.2022 of Shri Don Bosco Dominic Pradeep, Chief Officer of Vessel MT Global Rani;
- (iii) Statement dated 21.01.2022 of Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of Vessel MT Global Rani;
- (iv) Statement dated 21.01.2022 & 15.03.2023 of Shri Hemal Kaniyalal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar;
- (v) Statement dated 21.01.2022 of Shri Prashant Jayantbhai Ghatalia, Marketing Manager of M/s. Kotak Petroleum LLP, Jamnagar;
- (vi) Statement dated 27.01.2022 of Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai;
- (vii) Statement dated 30.05.2022 of Shri Kishan Chandrakant Vaya, proprietor of M/s. K Infra Middle East FZE, UAE; and
- (viii) Statement dated 11.02.2022 of Shri Ashwinbhai B. Sindhav, Partner of M/s. Velji P. & Sons, Jamnagar.

On thoughtful perusal of statements tendered by the persons mentioned above at Sl. Nos. (iv), (v) & (vii), I observe that there is nothing adverse in these statements which go or can be used against M/s. Global Ace Shipping Lines INC. & M/s. Preetika Shipping Agencies Pvt. Ltd.. On going through statement dated 21.01.2022 of Shri Don Bosco Dominic Pradeep, Chief Officer of Vessel MT Global Rani and statement dated 21.01.2022 of Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of Vessel MT Global Rani, mentioned above at Sl. Nos. (ii) & (iii) respectively, I find that these two persons were acting as per instructions and direction of Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani. I, therefore, of the firm opinion that the request for cross examination of these persons, mentioned above at Sl. Nos. (ii), (iii) (iv), (v) & (vii), made by M/s. Global Ace Shipping Lines INC. & M/s. Preetika Shipping Agencies Pvt. Ltd. Limited was not relevant and such blanket cross examination sought by them was nothing but to prolong and delay the process of adjudication.



45.2 With regard to person mentioned above at Sl. Nos. (i) i.e. Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani, I find that the Noticee No. 4 i.e. Shri Barnabas Stephen was Master of the Vessel M.T. Global Rani (Voyage 01/22). During investigation of the case, Shri Barnabas Stephen, in his statements dated 20.01.2022 and 21.01.2022 recorded under Section 108 of the Customs Act, 1962, has *inter-alia* voluntarily admitted that the following documents found by the officers during the rummaging of the vessel on 20.01.2022, pertained to the Vessel M.T. Global Rani (Voyage 01/22) and were issued by Iranian authorities:


- a) Health Certificate dated 13.01.2022 issued by Islamic Republic of Iran, Ministry of Health and Medical Education to the vessel MT Global Rani.
- b) Sanitary Certificate dated 31.12.2021 issued by Islamic Republic of Iran, Ministry of Health.
- c) Statement of vessel clearance dated 13.01.2022 issued to MT Global Rani by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajaei Port B.Abbas".
- d) Process Verbal of Vessels Clearance Arrival dated 31.12.2021 issued by "I.R of Iran Customs Administration".
- e) Statement of Vessel Clearance upon departure dated 13.01.2021 issued by "Iran B,Abbas Islamic Republic of Iran Custom" and
- f) Port Clearance Certificate "Marine Affairs No. RAJA 140004211" dated 30.12.2021 issued to MT Global Rani by Ports & Maritime General Directorate of Hormozgan Province, Islamic Republic of Iran.

He also admitted that the goods i.e., 3828.879 MTs of Bitumen grade VG30 imported at Pipavav were of Iranian origin and loaded from Bandar Abbas and not from Khor Fakkan. Port clearance at Khor Fakkan was arranged by the shipping agent, M/s. Gulf Navigation and Bills of Lading were also prepared by them as per the instructions of the company personnel Shri Midhun / Mithun (Noticee No. 13), who looked after the operations of M/s. Global Tankers Pvt. Ltd. In the vessel's logbook, the voyage / location of the vessel in the month of January-2022 (up to 13.01.2022) as "From Khor Fakkan, UAE" and "Towards" (i.e., destination) were left blank as per the instructions of their employer company i.e. M/s. Global Tankers Pvt. Ltd. so as to hide their trip to Iran port. Further, following the instructions of M/s. Global Tankers Pvt. Ltd, he mis-declared the load port and country of origin. As per instructions of Shri Midhun / Mithun and Captain Sufiyan Khan (Noticee No. 13), both from M/s. Global Tankers Pvt. Ltd. who came on board the vessel MT Global Rani in the morning of 14.01.2022 at Khor Fakkan Anchorage, he destroyed all the documents and evidences pertaining to the vessel's call at the port of Bandar Abbas, Iran, however, during the course of rummaging, the DRI officers found copies of these documents. He was also instructed by them to declare before the Indian authorities that the bitumen imported at Pipavav were ship to ship transfer from MT Global Crest at Khor Fakkan which is also controlled by M/s Global Tankers Pvt. Ltd. The documents i.e., ullage reports, statement of facts, survey reports of ship to ship transfer of the goods at Khor Fakkan were all fake. In order to hide origin of the goods and load port, entry pertaining to voyage to Bandar Abbas has not been made. He instructed the Chief Officer to make false entries in the



logbook. After the fake documents arranged, they left Khor Fakkan on 14.01.2021 and proceeded to Pipavav.

45.3 With regard to person mentioned above at Sl. Nos. (vi) i.e. Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd., I find that the Noticee No. 5 i.e. Shri Deepak Mohanlal Khabrani, is Director of M/s Preetika Shipping Agencies Pvt. Ltd. During investigation of the case, Shri Deepak Mohanlal Khabrani, in his statement dated 27.01.2022 recorded under Section 108 of the Customs Act, 1962, has voluntarily *inter-alia* admitted that M/s Preetika Shipping Agencies Pvt. Ltd. were appointed for agency work of MT Global Rani voyage 001/22 at Pipavav Port. Their basic work was providing service of inward and outward clearance of the vessels, berthing and un-berthing of vessels, Sign-on/Sign-off of crew members and supply of provisions to vessels as and when required. **They primarily provided services to M/s. Prime Tankers LLC, UAE, who is commercial managers of vessels of M/s. Global Ace Shipping INC. and are dealing with several vessels of M/s. Prime Tankers LLC, UAE namely MT Global Rani, MT Global Queen, MT Global Lady, MT Global King, MT Global Chahat, MT Global Everest, MT Global Asphalt and MT Sea Princess. They were providing services to the vessels owned by M/s. Global Ace Shipping INC, Panama and its subsidiary companies i.e., M/s. Global Tankers Pvt. Ltd. They came to know that country of origin of imported goods i.e., Bitumen grade VG30 was mis-declared and hence, the vessel MT Global Rani and 3828.879 MTs Bitumen grade VG30 were seized at Pipavav on 22.01.2022. They had filed the IGM 2301697 dated 17.01.2022 on the basis of documents provided by M/s. Prime Tankers LLC, UAE on email dated 17.01.2022. Regarding arrival of the vessel MT Global Rani at Mumbai port, during September 2020, for discharging of Bitumen loaded from Basrah port, Iraq wherein, during the course of investigation, it was revealed that the Bitumen was loaded from Bandar Abbas Port, Iran and not loaded from Basrah, Iraq as declared in the documents submitted to the Customs authorities, he admitted that M/s. Preetika Shipping Agency Pvt. Limited was the shipping agent who had filed IGM and other documents to the Customs, Mumbai at the relevant time and was also aware that the vessel was seized by the Customs for mis-declaration for country of origin of the imported goods i.e., Bitumen grade VG30. With regard to expulsion of the vessel MT Global Rani from Mumbai port on security reason and the ban on the vessel to enter any Indian port for a period of one year by the DG Shipping vide Expulsion order No. 01/2021 dated 06.01.2021, he admitted that they were aware of expulsion of order banning the vessel running in India for one year and the instant voyage was its first voyage to India after its ban.**



45.4 From the above oral statements of the witnesses i.e. Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani and Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd., Shipping Agent and other witnesses of the case duly corroborated with the documentary evidences resumed during investigation, it is clearly forthcoming that while M/s. Prime Tankers LLC, UAE is commercial manager of vessels of M/s. Global Ace Shipping INC., M/s. Global Tankers Pvt. Ltd. is a subsidiary company of M/s. Global Ace Shipping

INC., who owns vessels namely MT Global Rani, MT Global Queen, MT Global Lady, MT Global King, MT Global Chahat, MT Global Everest, MT Global Asphalt and MT Sea Princess. The fact that (i) M/s. Prime Tankers LLC sent false, fabricated and bogus Bills of Lading for import of 3828.879 MTS of Bitumen Grade VG30 showing the port of loading as Khor Fakkan and other fake documents on email dated 17.01.2022 to M/s Preetika Shipping Agencies Pvt. Ltd. which formed basis for filing incorrect IGM at Pipavav port; and (ii) on the instructions of Shri Midhun / Mithun and Captain Sufiyan Khan (Noticee No. 13), both from M/s. Global Tankers Pvt. Ltd., Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani knowingly and intentionally signed the bogus Bills of Lading, Cargo Manifest, last 10 port of calls and other arrival documents which were false or incorrect, as is evident from statements recorded and documentary evidences collected during investigation. These evidences clearly proved nexus between the said three entities (i) M/s. Prime Tankers LLC, UAE; (ii) M/s. Global Ace Shipping INC.; and (iii) M/s. Global Tankers Pvt. Ltd. having directly and indirectly interest in each other business and they acted together in import of 3828.879 MTS of Bitumen Grade VG30 on the basis of forged, fabricated and bogus documents with the aid of Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani (employee of M/s. Prime Tankers LLC, UAE) and Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd., (agent of M/s. Global Tankers Pvt. Ltd.). Moreover, it is also an admitted fact that M/s Preetika Shipping Agencies Pvt. Ltd. was well aware of the DG Shipping Expulsion order No. 01/2021 dated 06.01.2021, vide which Vessel MT Global Rani was banned running in India for one year for the same offence for discharging of Bitumen at Mumbai port, during September 2020, loaded from Basrah port, Iraq. I am therefore of the considered view that the allegation upon the Noticees in the Show Cause Notice is made out based not only on the statements of their Co-Noticees but also based on documentary and digital corroborative evidences resumed during investigation. In the backdrop of these facts, the said four Noticees i.e. M/s. Global Ace Shipping Lines INC.; M/s. Preetika Shipping Agencies Pvt. Ltd.; M/s. Global Tankers Pvt. Ltd.; and M/s. Prime Tankers LLC. can not run away with regard to their knowledge about movement of the Vessel for loading of 3828.879 MTS of Bitumen Grade VG30 of Iranian origin from Bandar Abbas. I further find that it is settled legal position that cross examination is not required to be allowed in all cases. I also find that the truth and correctness of the statements of the witnesses also hold evidential value in the absence of it's retraction by any of them. Like-wise, the documentary evidences seized/recovered during investigation from Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani evidencing the impugned goods being of Iranian origin have not been questioned. Therefore, ratio of the following judicial pronouncements of the higher judicial bodies is also applicable:



I find that in the case of **M/s Jagdish Shanker Trivedi v/s CC, Kanpur, 2006 (194) ELT 290 (Tri.-Del.)**, the Hon'ble Tribunal while relying on various judgments of the Hon'ble Supreme Court, has held as under:

"7.1 The question as to whether there was any contravention of natural justice by the customs authorities when the persons whose statements were recorded, were not produced to enable their cross-examination, came up for consideration by the Supreme Court in Kanungo's case (supra) in the context of the provisions of confiscation made under Section 167(8) of the Sea Customs Act read with Section 3(2) of Imports and Exports (Control) Act, 1947. The Supreme Court in paragraph 12 of the judgment rejected that contention in the following terms:

"12. We may first deal with the question of breach of natural justice. On the material on record, in our opinion, there has been no such breach. In the show cause notice issued on August 21, 1961, all the material on which the Customs Authorities have relied was set out and it was then for the appellant to give a suitable explanation. The complaint of the appellant now is that all the persons from whom enquiries were alleged to have been made by the authorities should have been produced to enable it to cross-examine them. In our opinion, the principles of natural justice do not require that in matters like this the persons who have given information should be examined in the presence of the appellant or should be allowed to be cross-examined by them on the statements made before the Customs Authorities. Accordingly, we hold that there is no force in the third contention of the appellant."

The decision in the case of Kanungo & Co. was followed by the Calcutta High Court in Tapan Kumar Biswas v. Union of India (supra). In paragraph 17 of the judgment, it was held that in a proceedings under the Customs Act, the proceedees are not entitled to cross-examine the witnesses. The decision of the Hon'ble Supreme Court in Ashutosh Ghosh and Another vs. Union of India and Others reported in 1977 Criminal Law Journal N.O.C. 67, was also relied upon wherein Supreme Court has categorically held that a proceedee is not entitled to cross-examine the witnesses. The decision of the Division Bench of the Calcutta High Court in Kishan Lal case (supra) was also referred to in paragraph 18 of the judgment and it was held to be laying down the proposition that cross-examination of the witnesses (in the matters under the Sea Customs Act) was not comprehended. Referring to all these decisions, the Court held, that a proceedee was not entitled cross-examination of any witnesses under Section 124 of the said Act which lays down the extent of applicability of the principles of natural justice and under which a proceedee was not entitled to cross-examine any witnesses (para 11). Thus in view of the decisions of the Hon'ble Supreme Court in the case of Kanungo & Co., Ashutosh Ghosh and of the Calcutta High Court, in the above two decisions, it is abundantly clear that a noticee cannot claim a right to cross-examine under Section 124 of the said Act."

45.6 In the case of Fortune Impex vs. Commissioner of Customs, Calcutta, 2001 (138) ELT 556 (Tri.-Kolkata) [affirmed in 2004 (164) ELT 4 (S.C.) & 2004 (167) (S.C.)], the Hon'ble Tribunal has held as under has held as under:



....The learned Advocate has also emphasised that non-allowing of cross-examination of 26 persons sought by him also vitiates the proceedings.

The cross-examination of the witness, wherever necessary, has to be allowed in Departmental Proceedings. But it is not required that in each and every case cross-examination should necessarily be allowed. There is no absolute right of cross-examination provided in the Customs Act. This was the view held by the Calcutta High Court in the case of Tapan Kumar Biswas v. UOI, 1996 (63) ECR 546. Cross-examination of witnesses cannot be demanded as of right. The presumption is that unless a case for cross-examination is made out no cross-examination will be granted. The Appellate Tribunal in the case of Debu Saha v. Collector of Customs, 1990 (48) E.L.T. 302 (T) held that "It is no doubt true that in all cases, cross-examination need not be granted, but it all depends on the circumstances of each case." The Tribunal also observed in that case that if the Collector comes to the conclusion that cross-examination is not material then by assigning reasons, he can reject the prayer..."

45.7 In the case of **Calicut Rubber Company v/s CCE, Cochin, 1996 (81) ELT 320 (Tribunal)**, the Hon'ble Tribunal has held as under:-

"6. ..It has been pointed out before us that the Collector has mainly proceeded to confirm the duty on the basis of statement recorded by the department. The Learned Collector has held that the statements are given voluntarily. We agree with the Learned Collector that the statements are voluntary and that there has been no coercion in recording the statements as can be seen from the nature of the respective statements. The reply to show cause notice merely states that they are not voluntary statement. However, if there was any coercion or fraud by the officials then the appellants could have immediately reconciled from the statements on the very next day. In the reply to the show cause notice, the appellants themselves have contended that they do not suggest that the department had intentionally foisted a false case against them. Therefore, when there is no allegation of false case having been made out against them and that there is no individual resilement by the witnesses at the earliest point of time, therefore, we have to come to the conclusion that the statements given by the witnesses are voluntary. As regards the plea of denial of opportunity to cross-examine the witnesses, it has to be stated that the appellants are the accused persons and their statements are not held to be false and that the case against them is on the basis of their own statement and hence the question of calling them for cross-examination does not arise..

7.

8. *..that there is no violation of principles of natural justice in not granting the opportunity to cross-examine the witnesses,.."*

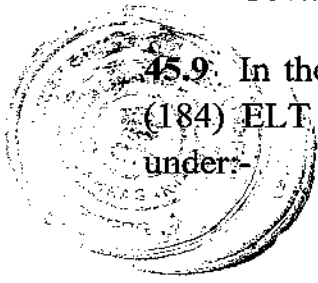
45.8 I also find that in Revision Authority, GOI: **G. Subramanian, 2002 (142) ELT 224 (G.O.I.)**, it is held that –



“7. Govt. observes that through sustained and well directed investigation, the Deptt. was able to crack the organized gang which specialized in illegal exportation of foreign currency and import of foreign goods. The role of Shri G. Subramanian in this organized activity is established by the investigation carried out. It has been held by the Hon’ble Supreme Court of India that customs officers are not police officers and therefore statements given before customs officers are valid as substantive evidence. It has been categorically held that the statements made before the customs officials is not a statement recorded under Section 161 of the Criminal Procedure Code, 1973. Therefore, it is a material piece of evidence collected by the customs officials under Section 108 of the Customs Act. Hon’ble Supreme Court had also held that the statements made before customs officers though retracted within six days is an admission and binding because it has been made before a customs officer and not a police officer. These aspects have been dealt with in detail by the Hon’ble Supreme Court in the following judgments (i) Surjit Singh Chhabra v. Union of India reported in 1997 (89) E.L.T. 646, Naresh J. Sukhawani v. Union of India - 1996 (83) E.L.T. 258 (S.C.) etc. It has also been held that cross-examination is not compulsory. Procedural requirements as to cross-examination of witnesses etc. governing enquiry under Article 311 of the Constitution of India are not equally applicable to proceedings under Section 112 of the Customs Act, 1962. **Cross-examination is not a mandatory procedure to be allowed in all cases- Liyakat Shah v. Commr. - 2000 (120) E.L.T. 556 (T).** Hon’ble Tribunal has also held that the plea that no opportunity of cross-examination was afforded is not tenable and when **confessional statements are given, non-tendering of witnesses for cross-examination is not violative of principles of natural justice. Cross-examination is not a part of the natural justice but only that of procedural justice and not a ‘Sine qua non’ Poddar Tyres Pvt. Ltd. v. Commissioner - 2000 (126) E.L.T. 737 (Tri.). In Akai Impex v. Commissioner - 2000 (118) E.L.T. 610 (T), Hon’ble Tribunal held that cross-examination of witnesses cannot be demanded as a matter of right.**”

8. Govt. observes that cross-examination will be allowed only when the proceedings justified. In the present case the confessional statements given, corroborative evidences collected, documentary evidences collected during searches conclusively prove, culpability of Shri G. Subramanian beyond doubt. He has not complained about threat or coercion when he was produced before Magistrate immediately after arrest. When the original adjudicating authority questioned him about the nature of torture during personal hearing, he could not answer satisfactorily. In view of the Hon’ble Supreme Court judgment as discussed above and the strong evidences collected by the Deptt., Govt. observes that penalty has been rightly imposed.”

45.9. In the case of Gulabchand Silk Mills Pvt Ltd. v/s CCE, Hyderabad-II, 2005 (184) ELT 263 (Tri.-Bang.), the Hon’ble Tribunal has observed in Para 10 as under:-



"10. the adjudicating authority has rightly confirmed the demand based on the quantity of 11 lakh Lmts. of MMF cleared without payment of duty on the basis of admission by Shri Gopal Gupta, corroborated by the incriminating documents, unaccounted goods and the statements of all others. When a fact is admitted it doesn't need further corroboration. We have no reason to believe that the statements have been taken under duress. We also hold that the retraction made after two months is an after thought. The denial of cross-examination of the two persons Shri Bhavani Kishore and Shri Gouri Shanker Gupta does not vitiate the proceedings. These people have not retracted their statements also.

45.10 In the case of Goodrich Fairwell Exporters v/s CC (Import), Nhava Sheva, 2010 (252) E.L.T. 428 (Tri. - Mumbai), the Hon'ble Tribunal has observed as under:-

"16. The law, therefore, on the point of right to cross examine witness is well settled. It is not that in each and every matter before the adjudicating authority in relation to the tax liability that the assessee would be entitled to cross examine the persons whose statements recorded without disclosing the purpose for which the same is required. Besides, in a case where the facts which are sought to be established on the basis of the contents of the statements of the witnesses are not only to the knowledge of the assessee but are clearly admitted by the assessee in other documents in the same proceedings, mere rejection of refusal of cross examination of such persons would not result in failure of principles of natural justice. Hence, we do not find any substance in the first ground of challenge in the matter."

45.11 In the case of Sridhar Paints Co. P. Ltd. v/s CCE, Hyderabad -III, 2006 (198) E.L.T. 514 (Tri. - Bang.), the Hon'ble Tribunal has observed as under:-

"9. ...Shri V. Radha Krishna Proprietor of ARA, Vijayawada has admitted that they are the sole distributors of paints manufactured by SPCPL and also LRs and Kutcha Bills showing details of goods booked and consigned by ARA from Hyderabad to Vijayawada relates to the paints received along with the goods. He further stated that as per R. Shankar's instructions they have not rendered the goods in their account. They destroyed the transport and other documents after receipt of this. The sales proceeds were handed over by him personally to R. Shankar when he visited Hyderabad. As regards, the Chartered Engineer's certificate, the adjudicating authority has stated that the same does not relate to the period mentioned in the show cause notice. All the persons involved, viz., Shri K. Vijaya Kumar of VE, Shri R. Shankra, MD, Shri R. Sridhra, Director and V. Radha Krishna of ARA in their statements have admitted that most of the transactions were done without any payment of central excise duty from SPCPL through Vandana Enterprises. The Adjudicating Authority has also distinguished each case law cited by the appellants. The Adjudicating Authority has further cited several case laws to show that denial of cross-examination of witnesses/officers is not a violation of the principles of natural justice, We find that the Adjudicating Authority



has reached his conclusions not only on the basis of the statements of the concerned persons but also the various incriminating records seized. We hold that the statements have been corroborated by the records seized. Even unaccounted raw materials and finished goods have been seized. There is no infirmity in the Adjudication Order. A modus operandus has been devised to evade Central Excise duty systematically..”

45.12 In the case of Computer Joint-I v/s CCE, Bombay, 2000 (116) ELT 162 (Tribunal), the Hon’ble Tribunal has held as under: -

“10. Further, when the Manager and the owner of the appellants firm, in their initial statements, admitted that the appellants were manufacturing computers at their premises and record was taken into possession and at that time, nothing was shown or stated by the appellants to allege that the computers were actually manufactured by the independent job workers and not the appellants. In view of admission made by Deepak K. Daryani, Proprietor and Deepak Ahuja, Manager in their statements which were not retracted by them, the denial of cross-examination of the persons, who during the investigation, admitted that the computers were actually assembled at the premises of the appellants, is not in violation of principles of natural justice.”

45.13 In the case of Onida Saka Ltd. v/s CCE Noida, 2011 (267) ELT 101 (Tri.-Del), the Hon’ble Tribunal has held as under: -

*“Since the statement of the above persons have not been retracted, there was no necessity for permitting their cross examination. Tribunal in the case of Debu Saha v. Collector of Customs reported in 1990 (48) E.L.T. 302 (Tri.), relying upon the Apex Court judgment in the case of State of Mysore v. Shibabsuppa reported in 1963 AIR page 375, has held that **in quasi judicial proceedings the authorities are not bound by the strict rules of evidence and procedure and that in all the cases, the cross examination need not be granted, as it depends on the circumstances of each case. Therefore, just because the cross examination of the above mentioned persons were not allowed, it does not diminish the evidentiary value of their statements’***

In view of above, I noticed that the present case is not made solely on the basis of voluntary statements of various persons involved but is well corroborated by documentary and digital evidences. Further, there was no retraction by any of the witnesses whose statements are recorded. Most of them whose statements are relied upon are co-noticee in the Show Cause Notice and also employees/agent of other Noticee. Based on these facts & circumstances narrated in the foregoing paragraphs and by relying on the decisions of higher appellate forum, as reproduced above, the request made by M/s. Global Ace Shipping Lines INC.; M/s. Preetika Shipping Agencies Pvt. Ltd.; M/s. Global Tankers Pvt. Ltd.; and M/s. Prime Tankers LLC.,

for cross-examination, was rejected and conveyed to them vide letters dated 14.10.2025 and 11.11.2025.

M/s. Global Ace Shipping Lines INC.; M/s. Preetika Shipping Agencies Pvt. Ltd.; M/s. Global Tankers Pvt. Ltd.; and M/s. Prime Tankers LLC. vide letters dated 30.10.2025, 24.11.2025, 30.10.2025 and 29.10.2025 respectively again pleaded for cross-examination. Since this matter has already been decided as discussed above, I proceed to decide the case on the basis of oral and material evidences available on record.

46. I find that the oral and documentary / digital evidences, as discussed in foregoing paras, clearly establish that the goods i.e. 3828.879 MTs of Bitumen grade VG30 imported by M/s. Kotak Petroleum LLP vide Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022 were loaded from Bandar Abbas, Iran and not from Iraq or through ship-to-ship transfer at Khor Fakkan and that the country of origin was mis-declared as Iraq instead of Iran in IGM and Bills of Entry. M/s. Kotak Petroleum LLP were regularly importing Bitumen from Iran and mis-declaring the country of origin as Iraq or UAE by managing invoices from the firms located in these countries. They were dealing with the syndicate trading Bitumen from Iran in the name of other countries illegally for long and had created the firm M/s. K. Infra Middle East FZE in UAE through his known contact, Shri Kishan Chandrakant Vaya for the purpose of diverting the Iranian origin Bitumen through UAE. Shri Hemal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar, in his statements, has admitted mis-declaration of port of loading and country of origin of 3828.879 MTs of Bitumen grade VG 30 imported per vessel MT Global Rani at Pipavav port as well as their active involvement of regular import of Bitumen from Iran by mis-declaring the country of origin in the past as well. Further, I find that the admission and confession made by Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani in his statements dated 20.01.2022 & 21.01.2022 about mis-declaration of the country of origin of the imported goods have been duly endorsed by Shri Don Bosco Dominic Pradeep, Chief Officer of Vessel MT Global Rani and Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of Vessel MT Global Rani in their statements dated 21.01.2022 and these statements have never been retracted. Hence, admission of mis-declaration of country of origin of imported goods by the Master and both Chief Officers of the Vessel in their statements duly corroborated by the documentary/digital evidences is legally significant and sufficient to prove mis-declaration.

46.1 Section 11A (a) of the Customs Act, 1962 defines "illegal import" which means the import of any goods in contravention of the provisions of this Act or any other law for the time being in force. In the instant case, the Importer had indulged in fraudulent import of goods i.e., 3828.879 MTs of Bitumen Grade VG30 by mis-declaring the Country of Origin of goods at Pipavav port. Section 111 of the Customs Act, 1962 provides for confiscation of improperly imported goods and clause (m) of Section 111 states that any goods brought from a place outside India which do not correspond in respect of value or in any other particular with the entry made under the Customs Act, 1962 shall be liable to confiscation.



Therefore, I find that this act of fraudulent import of goods by mis-declaring port of loading and country of origin by M/s. Kotak Petroleum LLP rendered 3828.879 MTs of Bitumen Grade VG30 in Bulk valued at Rs.11,34,53,796/- and the same is liable to be held for confiscation under Section 111 (m) of the Customs Act,1962. Likewise, I hold that the goods imported in the past vide 23 Bills of Entry during the year 2021 i.e. 13903.32 MTs of Bitumen Grade VG30 / VG40 totally valued at Rs.46,27,54,527/- by M/s. Kotak Petroleum LLP, Jamnagar illegally by mis-declaring the Country of Origin are also to be confiscated under Section 111(m) of the Customs Act, 1962.

46.2 I further find that Section 115 (2) of the Customs Act, 1962 provides that any conveyance or animal used as a means of transport in the smuggling of any goods or in the carriage of any smuggled goods shall be liable to confiscation. Further, the investigation has proved that such transport of goods was within knowledge of owner of the vessel M/s. Global Ace Shipping Lines INC, Panama and in connivance of the vessel owner with M/s. Prime Tankers LLC, UAE (Commercial manager of vessels of M/s. Global Ace Shipping INC.) and M/s. Global Tankers Pvt. Ltd. (Manning Agency of M/s. Global Ace Shipping INC.). They knowingly and intentionally used the vessel M.T. Global Rani as means of transport in illegal transport of Bitumen by mis-declaring port of loading and country of origin. In the instant case, since the vessel M.T. Global Rani has been used as means of transport knowingly for the offending goods, it is liable for confiscation under Section 115 (2) of the Customs Act, 1962. Hence, I find that the vessel M.T. Global Rani approximately valued at Rs. 12.74 Crores, used as a means of transport for the alleged smuggling of the cargo, is to be confiscated under Section 115 of the Customs Act, 1962.

47. Before proceeding further, I observe that with regard to imposition of penalty under Section 112 of the Customs Act, 1962, the Noticees have denied to have any malafide intent, omissions or commissions or abetment in illegal import on their part. For the sake of better understanding, Section 112 of the Customs Act, 1962 is reproduced below:

Section 112: Penalty for improper importation of goods, etc.—Any person,—

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

(b) who acquires possession of or is in any way concerned in carrying, removing, depositing, harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111, shall be liable,—

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty



5[not exceeding the value of the goods or five thousand rupees], whichever is the greater;

(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher:

Provided that where such duty as determined under sub-section (8) of section 28 and the interest payable thereon under section 28AA is paid within thirty days from the date of communication of the order of the proper officer determining such duty, the amount of penalty liable to be paid by such person under this section shall be twenty-five per cent of the penalty so determined;

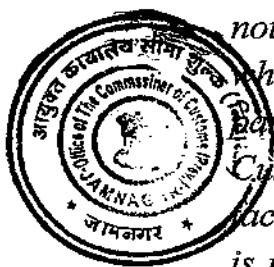
(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding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

(iv) in the case of goods falling both under clauses (i) and (iii), to a penalty 4[not exceeding the value of the goods or the difference between the declared value and the value thereof or five thousand rupees], whichever is the highest.

(v) in the case of goods falling both under clauses (ii) and (iii), to a penalty 5[not exceeding the duty sought to be evaded on such goods or the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest.

From the language of Section 112(a) of Customs Act, it is very much clear that penalty is imposable on any person who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under Section 111, or abets the doing or omission of such an act. Thus, once the goods are liable to confiscation, imposition of penalty under Section 112(a) follows automatically for doing an act or omitting to do act which renders the goods liable for confiscation. Further, even though Section 112 does not require mens rea or malafides, the investigation has clearly established connivance, mens rea and malafides on part of the Noticees as discussed in previous paras. I further find that in the case of M/s. INGRAM MICRO INDIA P. LTD. Vs. C.C., AIR CARGO COMPLEX (I), NEW DELHI [2019 (369) E.L.T. 1668 (Tri. - Del.)], the Hon'ble Tribunal held as under:

"6. The other argument advanced by the Learned Counsel is that they were not personally involved in the forgery of the ETAs and it was the third party who had given them fake ETAs and thus no mens rea was involved on their part and hence they had not violated the provisions of Section 111(d) of Customs Act with respect to imports. In this regard we find that in view of the fact that the Hon'ble Apex Court has held in a number of cases that mens rea is not necessary for contravention of a civil act. The Hon'ble High Court of



Madras in the case of Commissioner of Customs (Export), Chennai-I v. Bansal Industries reported in 2007 (207) E.L.T. 346 (Mad.) has upheld an imposition of penalty under Section 112 of the Customs Act without involving any mens rea in the case by placing reliance upon the Hon'ble Apex Court's decision in Chairman, SEBI v. Shriram Mutual Fund - [(2006) 5 SCC 361] where it has been held as under:-

"In our opinion, mens rea is not an essential ingredient for contravention of the provisions of a civil act. In our view, the penalty is attracted as soon as contravention of the statutory obligations as contemplated by the Act is established and, therefore, the intention of the parties committing such violation becomes immaterial. In other words, the breach of a civil obligation which attracts penalty under the provisions of an Act would immediately attract the levy of penalty irrespective of the fact whether the contravention was made by the defaulter with any guilty intention or not".

7. *Once the ETA was found to be fake, the importer could not escape the liability to contravention of Section 111(d) which states that goods imported in contravention of the Customs Act or any other law for the time being in force would be liable to confiscation. We also find that the compliance of statutory requirements with regard to valid importation of the goods, was primary responsibility of the appellant being importer and therefore he cannot escape from this responsibility and thus become liable for penalty under Section 112(a) of the Customs Act, 1962."*

I find that the ratio of the above decision of the Tribunal which has referred and placed reliance upon the decision of the Hon'ble Madras High Court is fully applicable on the facts of the present case. Therefore, it is settled position of law that for imposing penalty under Section 112 (a) of the Customs Act, 1962, it is sufficient to prove that a default in complying with the statute has occurred rendering the impugned goods liable to confiscation under Section 111 of the Customs Act, 1962. Further, under Section 112(b), *any person 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 to be imposed penalty specified in clauses (i) to (v). The expression used in Section 112(b) is "dealing with any goods which he knows or has reason to believe are liable to confiscation under Section 111". Thus, Section 112(b) imposes an obligation to establish mens rea and/or knowledge. Hence, it is clear that for Section 112(a) to be applicable, no mens rea is required whereas for Section 112(b) to be applicable mens rea and/or knowledge is required.*

47-1 I further observe that it is contended that Section 114AA of the Customs Act, 1962, which reads as follows, is exclusively imposable in cases involving fraudulent exports.

“Penalty for use of false and incorrect material. - If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.”

As can be seen from the above, there is nothing in the Section 114AA which confines its application to only mis-declarations in exports. Evidently, I am of the view that it applies to both imports and exports.

47.2 As far as penalty under Section 117 is concerned, I find that it provides for imposition of penalty on any person who contravenes any provision of the said Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, to be liable to a penalty not exceeding four lakhs rupees. Thus, it can be imposed on any person for contravention of any provision of the Act or abetting any such contravention or failing to comply with any provision of the Act with which it was his duty to comply for which no express penalty is provided. Hence, it is clear that provisions of penalty under Section 117 of the Customs Act, 1962 is residual in nature and can be invoked only in the absence of specific penalty.

48. I find that the oral and documentary/digital evidences has conclusively proved that the loading of the goods i.e. 3828.879 MTs of Bitumen grade VG30 imported by M/s. Kotak Petroleum LLP vide Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022 from Bandar Abbas, Iran and not from Iraq or through ship-to-ship transfer at Khor Fakkan. The mail dated 15.02.2021 sent from the importer's email address kmkotak@kotakgroups.com to Bharat.S.Sharma@ril.com wherein they stated that ***"we regularly import from IRAN. Billing & delivery through UAE. We are normally importing from (1) J EY OIL, Pasargad & Black Gold-Iran. Billing will be always from UAE Only."***, leaves no doubt that M/s. Kotak Petroleum LLP were regularly importing Bitumen from Iran and mis-declaring the country of origin as Iraq or UAE by managing invoices from the firms located in these countries and for this illegal trading of Bitume, they had created the firm M/s. K. Infra Middle East FZE in UAE through his known contact, Shri Kishan Chandrakant Vaya for the purpose of diverting the Iranian origin Bitumen through UAE. Shri Hemal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar, in his statements, has admitted mis-declaration of port of loading and country of origin of 3828.879 MTs of Bitumen grade VG 30 imported per vessel MT Global Rani at Pipavav port as well as their active involvement of regular import of Bitumen from Iran by mis-declaring the country of origin in the as well. This clearly shows that M/s. Kotak Petroleum LLP, Jamnagar was ed in hatching the conspiracy of illegal import of the impugned goods through documents and rendered themselves liable to penalty under Section 112(a) & (b) of the Customs Act, 1962. I also find that they had intentionally and wilfully made false declarations and statements on the basis of forged documents as well as

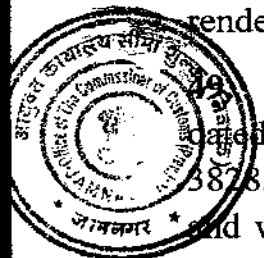


caused to be made and used such documents which make them liable for penalty under Section 114AA of the Customs Act, 1962. Once penal action under Section 112(a) & 112(b) and Section 114AA is held, I find that penal action proposed under Section 117 of the Customs Act, 1962 is not sustainable as it applies for the contravention or failure which is not expressed elsewhere.

48.1 I further find that Shri Hemal Kotak, Partner of M/s. Kotak Petroleum LLP, Jamnagar, was responsible for all the activities related to the import and documentation with the Customs by the firm and played vital role in hatching the conspiracy of illegal import of the impugned goods on the basis of forged documents. Shri Hemal Kotak, in his statements, also admitted about mis-declaration of port of loading and country of origin of 3828.879 MTs of Bitumen grade VG 30 imported per vessel MT Global Rani at Pipavav port as well as his active involvement of regular import of Bitumen from Iran by mis-declaring the country of origin in the past as well. Shri Hemal Kotak had also given a fake employment certificate to Shri Kishan Chandrakant Vaya in order to open a bank account in Dubai for creating the proprietorship firm M/s. K Infra Middle East FZE so as to facilitate M/s. Kotak Petroleum LLP in illegal import of Bitumen from Iran. For such act of omission and commission by Shri Hemal Kotak which rendered imported goods liable for confiscation, he has rendered himself liable to penalty under Section 112(a) & 112(b) of the Customs Act, 1962. I also find that he had intentionally and wilfully made false declarations and statements on the basis of forged documents as well as caused to be made and used such documents which make him liable for penalty under Section 114AA of the Customs Act, 1962. Once penal action under Section 112(a) & 112(b) and Section 114AA is held, I find that penal action proposed under Section 117 of the Customs Act, 1962 is not sustainable as it applies for the contravention or failure which is not expressed elsewhere.

48.2 I find that the investigation has proved that M/s. Kotak Petroleum LLP had created a proprietorship firm, M/s. K Infra Middle East FZE in the name of his acquaintance, Shri Kishan Chandrakant Vaya in Dubai in order to route the payment to the supplier of Bitumen in UAE. It is also on the face of the records that Shri Hemal Kotak has given a fake employment certificate to Shri Kishan Chandrakant Vaya in order to open a bank account in Dubai for creating the said proprietorship firm. Shri Kishan Chandrakant Vaya had full knowledge that the fake certificate, issued in his name and used by him for creating the proprietorship firm, M/s. K Infra Middle East FZE, is for the purpose of facilitating M/s. Kotak Petroleum LLP in illegal import of Bitumen from Iran. I therefore hold that M/s. K Infra Middle East FZE attracts penalty under Section 112(a), 112(b) & 114AA of the Customs Act, 1962 for abetting the importer in the illegal import of Bitumen by misdeclaring the Country of Origin and the Port of Loading and for act of omission and commission rendering the goods liable for confiscation.

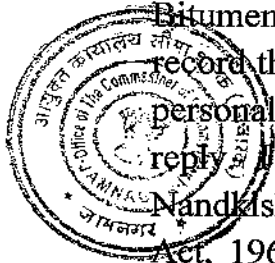
Shri Barnabas Stephen, Master of the vessel MT Global Rani in his statement dated 20.01.2022 & 21.01.2022 clearly admitted that the imported goods i.e., 3828.879 MTs of Bitumen grade VG30 imported at Pipavav were of Iranian origin and were loaded from Bandar Abbas only and that the origin and load port of the Bitumen imported at Pipavav was mis-declared on the directions of his employer



firm, M/s. Global Tankers Pvt. Ltd. He also admitted to have manipulated the logbook, voyage certificate of the vessel on their directions. He had knowingly and intentionally signed the document like Bills of Lading, Cargo Manifest, last 10 port of calls and other arrival documents which were false or incorrect thereby wrongly depicting the port of loading as Khor Fakkan. Further, on the instructions of the cargo operators, he switched off the tanker's AIS on reaching Iran waters and sent forged documents to the shipping agent viz. M/s. Preetika Shipping Agency Pvt. Ltd. for the purpose of filing of an incorrect Import General Manifest (IGM) at Pipavav port. These acts of omission and commission rendered the goods imported under Bills of Entry No. 7120562, 7120564, 7120573, 7120574 and 7120575 all dated 18.01.2022, liable to confiscation under Section 111(m) of the Customs Act, 1962 as well as made the vessel which was used as a transport for allegedly smuggling of cargo, liable for confiscation under Section 115 of the Customs Act, 1962. It is also on record that during adjudication proceedings, despite offering enough opportunity for personal hearing, he neither appeared for personal hearing nor filed any defense reply. Therefore, Shri Barnabas Stephen, Master of the vessel MT Global Rani attracts penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962 for his act of omission and commission rendering the goods liable for confiscation and for his act of knowingly and intentionally signing and using the false documents.

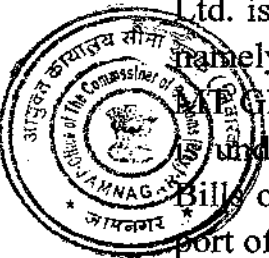
49.1 Shri Don Bosco Dominic Pradeep, Chief Officer of Vessel MT Global Rani abetted and aided the Master of vessel in manipulating the voyage documents of the vessel and hiding the facts of last ports of call by the vessel. In spite of having full knowledge of the impugned goods Bitumen, being imported by misdeclaring the Country of Origin and Port of Loading on the basis of forged documents, he abetted and aided the importer in illegal import of the cargo of Bitumen by misdeclaring the Country of Origin and Port of Loading. It is also on record that during adjudication proceedings, despite offering enough opportunity for personal hearing, he neither appeared for personal hearing nor filed any defense reply. I therefore hold that the Chief Officers, Shri Don Bosco Dominic Pradeep attracts penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962 for his act of omission and commission rendering the goods liable for confiscation and for his act of knowingly and intentionally manipulating and using the false documents.

49.2 Similarly, Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of Vessel MT Global Rani abetted and aided the Master of vessel in manipulating the voyage documents of the vessel and hiding the facts of last ports of call by the vessel. In spite of having full knowledge of the impugned goods Bitumen, being imported by misdeclaring the Country of Origin and Port of Loading on the basis of forged documents, he abetted and aided the importer in illegal import of the cargo of Bitumen by misdeclaring the Country of Origin and Port of Loading. It is also on record that during adjudication proceedings, despite offering enough opportunity for personal hearing, he neither appeared for personal hearing nor filed any defense reply. I therefore hold that the New Chief Officer, Shri Angarkar Dnyanesh Nandkishor attracts penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962 for his act of omission and commission rendering the goods liable for confiscation and for his act of knowingly and intentionally manipulating and using the false documents.



50. I find that Section 30(2) of the Customs Act, 1962 casts responsibility upon the shipping agent on behalf of the person-in-charge of the Vessel for making a true and correct declaration with regard to the IGM. However, in the instant case, the shipping agent, M/s. Preetika Shipping Agency Pvt. Ltd. failed to make correct information in the IGM and submitted false information regarding Country of Origin, Last port of calls etc., even after knowing that the same vessel i.e., MT Global Rani has involved in repeated offence of mis-declaration of Country of Origin. Shri Deepak Mohanlal Khabrani was the responsible person in M/s. Preetika Shipping Agency Pvt. Ltd. and looking after the activities related to the import of Bitumen through the fleet of M/s. Global Ace Shipping INC, Panama and its subsidiary companies i.e., M/s. Global Tankers Pvt. Ltd / M/s. Prime Tankers LLC, Dubai. They were well aware of the DG Shipping Expulsion order No. 01/2021 dated 06.01.2021, vide which Vessel MT Global Rani was banned running in India for one year for not being sea-worthy. The Hon'ble High Court of Bombay in it's order dated 10.12.2020 in Writ Petition (L) No. 5118 of 2020 had observed that the vessel MT Global Rani was habitually involved in such mis-declaration of Country of Origin and it was the fourth time that the vessel was involved in offence. Further, Shri Deepak Mohanlal Khabrani was in regular touch with Ms. Lidya Adriana, Operations Manager of M/s. Prime Tankers LLC, Dubai and used to get information regarding arrival of vessels on office e-mail id. or on telephone/Whatsapp from her phone No. +971527247196. This amply proves that M/s Preetika Shipping Agencies Pvt. Ltd. and Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd were well aware of this modus operandi of bringing goods of Iran origin and presenting them as Iraq origin using false and fabricated documents. Therefore, they can not go scot-free about their knowledge of false, fabricated and bogus Bills of Lading for import of 3828.879 MTS of Bitumen Grade VG30 showing the port of loading as Khor Fakkan and other fake documents on email dated 17.01.2022, which was sent to them by M/s. Prime Tankers LLC and the said Bills of Lading formed basis for filing incorrect IGM at Pipavav port. I therefore hold penalty under Section 112(a), 112(b) & 114AA of the Customs Act, 1962 upon both M/s Preetika Shipping Agencies Pvt. Ltd., Shipping Agent and Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd. is imposible for abetting the importer in mis-declaration of Country of Origin and Port of Loading of the imported goods which rendered the imported goods liable for confiscation and for filing incorrect IGM knowingly and intentionally by making use of false documents.

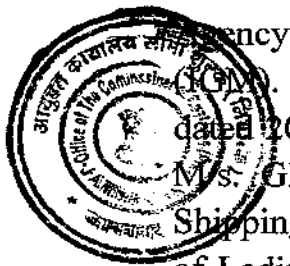
51. I further observe that while M/s. Prime Tankers LLC, UAE is commercial manager of vessels of M/s. Global Ace Shipping INC., M/s. Global Tankers Pvt. Ltd. is a subsidiary company of M/s. Global Ace Shipping INC., who owns vessels namely MT Global Rani, MT Global Queen, MT Global Lady, MT Global King, MT Global Chahat, MT Global Everest, MT Global Asphalt and MT Sea Princess. It is undisputed fact that M/s. Prime Tankers LLC sent false, fabricated and bogus Bills of Lading for import of 3828.879 MTS of Bitumen Grade VG30 showing the port of loading as Khor Fakkan and other fake documents on email dated 17.01.2022



to M/s Preetika Shipping Agencies Pvt. Ltd. which formed basis for filing incorrect IGM at Pipavav port. Further, on the instructions of Shri Ramakant Mishra, Shri Midhun / Mithun and Captain Sufiyan Khan both from M/s. Global Tankers Pvt. Ltd., Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani signed the bogus Bills of Lading, Cargo Manifest, last 10 port of calls and other arrival documents which were false or incorrect. These evidences clearly prove nexus between the said three entities (i) M/s. Prime Tankers LLC, UAE; (ii) M/s. Global Ace Shipping INC.; and (iii) M/s. Global Tankers Pvt. Ltd. having directly and indirectly interest in each other business and they have acted together in import of 3828.879 MTS of Bitumen Grade VG30 on the basis of forged, fabricated and bogus documents. It is also on record that the DG Shipping Expulsion order No. 01/2021 dated 06.01.2021, vide which Vessel MT Global Rani was banned running in India for one year for not being sea-worth. The Hon'ble High Court of Bombay in it's order dated 10.12.2020 in Writ Petition (L) No. 5118 of 2020 had observed that the vessel MT Global Rani was habitually involved in such mis-declaration of Country of Origin and it was the fourth time that the vessel was involved in offence. Despite such past history of repeated offence, they opted blatant disregard to the law of the land and aided and abetted the importer in mis-declaration of the Country of Origin and Port of Loading of the imported goods.

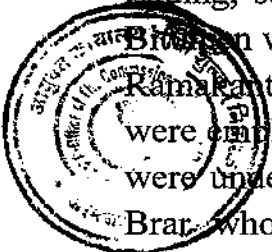
51.1 I find that M/s. Global Ace Shipping Lines INC, Panama (Owner of the Vessel MT Global Rani) was indulged in the issuance of the bogus Ullage report showing the goods to be loaded from Khor Fakkan port even though the same were loaded from Bandar Abbas, Iran. The actual load port documents were retrieved from the Master of the vessel M.T. Global Rani during the course of rummaging. Therefore, I hold M/s. Global Ace Shipping Lines INC, Panama liable to be penalized under **Section 114AA** of the Customs Act, 1962 for knowingly and intentionally making use of false documents.

51.2 M/s. Global Tankers Pvt. Ltd and M/s. Prime Tankers LLC, Dubai, Subsidiaries and Commercial Managing companies of the owner of the Vessel i.e., M/s. Global Ace Shipping Lines INC., Panama, had knowingly and intentionally made use of false, fabricated and bogus Bills of Lading for import of 3828.879 MTS of Bitumen Grade VG30 showing the port of loading as Khor Fakkan, even though they were fully aware that no goods were loaded from Iraq and that the imported goods were actually loaded at Bandar Abbas, Iran. Further, M/s. Global Tankers Pvt. Ltd had instructed Shri Barnabas Stephen, the Master of the vessel, not to mention Iran port in the voyage memo and not to show any Iranian documents at discharge ports; to switch off the tanker's AIS on reaching Iran waters to forge the Voyage Memo presented to Customs on arrival of vessel at Pipavav and M/s. Prime Tankers LLC had sent forged documents to the shipping agent viz. M/s. Preetika Shipping Agency Pvt. Ltd. for the purpose of filing of an incorrect Import General Manifest (IGM). The Master of the vessel Shri Barnabas Stephen in his voluntary statement dated 20.01.2022 has admitted that as per the instructions of his employer company M/s. Global Tankers Pvt. Ltd, he signed the Bills of Lading prepared by the Shipping Agent, M/s. Gulf Navigation at Khor Fakkan, who had prepared the Bills of Lading as per the instructions from M/s. Global Tankers Pvt. Ltd. These act of



wilful use of false documents have rendered M/s. Global Tankers Pvt. Ltd as well as Prime Tankers LLC, Dubai, liable to be penalized under Section 114AA of the Customs Act, 1962. Further, their such omission and commission have rendered the subject goods liable for confiscation under Section 111 (m) of the Customs Act, 1962. Therefore, I find M/s. Global Tankers Pvt. Ltd and Prime Tankers LLC, Dubai, are also liable to penalty under Section 112(a) & 112(b) of the Customs Act, 1962.

52. I find that Shri Jugwinder Singh Brar, Director of M/s. Global Tankers Pvt. Ltd. is the key person involved in preparation of the bogus documents leading to mis-declaration of the port of loading and Country of origin of the goods. During investigation, he did not honour the summons dated 14.07.2022, 27.07.2022 and 12.08.2022 issued to him for submission of documents and to give his voluntary statement. Although he did not co-operate in thorough investigation of the case rather dodged the investigation, the officers of DRI has conclusively proved his role in abetting and aiding the importer in the illegal import of Bitumen by misdeclaring the Country of Origin and Port of Loading. Shri Jugwinder Brar vide his e-mail dated 24.08.2022 informed that he was having business operations in different countries, such as United Kingdom / U.S.A. / South Africa / Angola / Luanda etc., which were handled by various professionals and employees of his company at different level and departments situated in different countries. As per statement dated 30.05.2022 of Shri Kishan Chandrakant Vaya, proprietor of M/s. K Infra Middle East FZE, UAE, wherein he admitted that he met Shri Jugwinder Singh Brar of M/s. Global Tankers Pvt. Ltd. and M/s. Prime Tankers LLC, Dubai, UAE two or three times in Dubai in relation to export/import work of Bitumen. Further, Shri Barnabas Stephen, Master of the Vessel M.T. Global Rani (Voyage 01/22), in his statements dated 20.01.2022 and 21.01.2022 has clearly admitted that he was working as per the instructions of the employer company, M/s. Global Tankers Pvt. Ltd. and receiving all the instructions and orders from Captain Ramakant Mishra (Mobile No.+971505518509), designated Person offshore, M/s. Global Tankers Pvt. Ltd. whose Director was Shri Jugwinder Singh Brar. Shri Ramakant Mishra and Shri Midhun both of M/s. Global Tankers Pvt. Ltd based at Dubai used to instruct him regarding movement of the goods and the mode of communication was usually phone call / satellite phone. Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of vessel, MT Global Rani, in his statement dated 21.01.2022, admitted that at Khor Fakkan anchorage, Shri Mithun / Midhun and Captain Sufiyan Khan both from M/s. Global Tankers Pvt. Ltd. had visited the vessel and instructed to destroy documents related to loading of Bitumen from Iran and produce forged Bills of Lading, surveyor's ullage report etc. to Customs Authority so as to show that the Bitumen was loaded at Khor Fakkan Anchorage by Ship-to-Ship transfer. Since Shri Ramakant Mishra, Shri Mithun / Midhun and Captain Sufiyan Khan, all of them were employees of M/s. Global Tankers Pvt. Ltd., therefore, it is quite clear that they were under direct control and working as per instructions of Shri Jugwinder Singh Brar who is owner of M/s. Global Tankers Pvt. Ltd. Thus. from the entire recordings, statements and documents, it is clear that Shri Jugwinder Singh Brar was mastermind of the entire modus operandi and co-ordinating all the activities related



to import of Bitumen from Iran mis-declared as from Iraq on the basis of forged documents. I therefore hold that the acts of omission and commission of Shri Jugwinder Singh Brar have rendered him liable to be penalized under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962.

53. Similarly, Shri Ramakant Mishra, Shri Midhun and Captain Sufiyan Khan, all employees of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP had abetted and aided Shri Jugwinder Singh Brar in preparation of the bogus documents leading to mis-declaration of the port of loading and Country of origin of the goods. They had also directed the Master and Chief Officers of the vessel to manipulate the voyage documents of the vessel and to hide the facts of last ports of call by the vessel and thereby abetted and aided the importer in the illegal import of the cargo of Bitumen by misdeclaring the Country of Origin and Port of Loading. It is also on record that during adjudication proceedings, despite offering enough opportunity for personal hearing, they neither appeared for personal hearing nor filed any defense reply. Accordingly, for these acts of omission and commission, I hold Shri Ramakant Mishra, Shri Midhun and Captain Sufiyan Khan liable for penalty under **Section 112(a), 112(b) & 114AA** of the Customs Act, 1962.

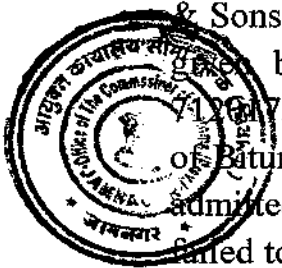
54. I further observe that Section 46 of the Customs Act, 1962 casts responsibility upon the Custom House Agent who presents Bill of Entry on behalf of the importer and it's sub-clause (4) and (4A) read as under:

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

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

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

As evident from the above that it was duty and responsibility of M/s. Velji P. & Sons, Jamnagar, CHA, to check the credentials and authenticity of the documents by the importer while filing the Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022 for clearance of 3828.879 MTs of Bitumen grade VG30 at Pipavav port. Although M/s. Velji P. & Sons, Jamnagar admitted to have handled around 18 shipments of the Importer in the past, they failed to verify the documents submitted by the importer and produced them as such



to the Customs Authorities. During recording of statement dated 11.02.2022, Shri Ashwinbhai B. Sindhav, Partner of M/s. Velji P. & Sons, Jamnagar submitted their quotation for clearance of import of Bitumen Cargo at Pipavav port in respect of Bills of Entry No. 7120173, 7120174, 7120175, 7120562 and 7120564 all dated 18.01.2022 for clearance of total quantity of 3828.879 MTs of Bitumen grade VG30 at Pipavav port, which was directly credited into their bank account from M/s. Kotak Petroleum LLP. I further observe that there is nothing or record to show that the CHA was beneficiary in the instant case. The investigation has also not proved that the CHA had any knowledge of the imported goods of being Iranian origin. Therefore, I hold that penalty under Section 114AA of the Customs Act, 1962 upon M/s. Velji P. & Sons, Jamnagar, CHA is not sustainable. However, for contravening the provisions of Section 46 of the Customs Act, 1962, I find that penal action under Section 117 of the Customs Act, 1962 is required to be held upon M/s. Velji P. & Sons, Jamnagar.

55. In view of the aforesaid discussions and findings, I pass the following order:

ORDER

A. M/s. Kotak Petroleum LLP, Jamnagar

- (i) I order for confiscation of the goods i.e. 3828.879 MTS of Bitumen Grade VG30 valued at Rs.11,34,53,796/-, imported at Pipavav port vide Bills of Entry No. 7120562, 712056, 7120573, 7120574 & 7120575 all dated 18.01.2022 under Section 111(m) of the Customs Act, 1962 and impose redemption fine of Rs.50,00,000/- (Rupees Fifty Lakhs only) in lieu of confiscation under Section 125 (1) of the Customs Act, 1962 which shall be in addition to any charges payable;
- (ii) I impose penalty of Rs.10,00,000/- (Rupees Ten Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon the importer M/s. Kotak Petroleum LLP, Jamnagar;
- (iii) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 114AA of the Customs Act, 1962 upon the importer M/s. Kotak Petroleum LLP, Jamnagar;
- (iv) I drop penalty under Section 117 of the Customs Act, 1962 upon the importer M/s. Kotak Petroleum LLP, Jamnagar;
- (v) I order to encash the Bank Guarantee No. 3250IFIBG220001 dated 18.01.2022 amounting Rs. 2,50,00,000/- issued by Bank of India, Jamnagar submitted by M/s. Kotak Petroleum LLP, Jamnagar and appropriate it towards the penalty and fine as confirmed above A(i) to A(iv).
- (vi) I order for confiscation of the goods i.e. 13903.32 MTs of Bitumen Grade VG30 / VG40 totally valued at Rs.46,27,54,527/- imported by them vide 23 Bills of Entry during the year 2021 under Section 111(m)



of the Customs Act, 1962. However, since the goods are not available for confiscation, I refrain from imposing redemption fine under Section 125(2) of the Customs Act, 1962.

B. M/s. Global Ace Shipping Lines INC., Panama

- (i) I order for confiscation of the vessel **M.T. Global Rani** valued at Rs.12,74,00,000/- under Section 115(2) of the Customs Act, 1962 and impose fine of Rs.50,00,000/- (Rupees Fifty Lakhs only) in lieu of confiscation under Section 125 (1) of the Customs Act, 1962 which shall be in addition to any charges payable;
- (ii) I impose penalty of Rs.15,00,000/- (Rupees Fifteen Lakhs only) under Section 114AA of the Customs Act, 1962 upon upon **M/s. Global Ace Shipping Lines INC., Panama** (owner of the vessel M.T. Global Rani);
- (iii) I order to encash the Bank Guarantee No. 240GT01220340005 dated 03.02.2022 amounting Rs.2,00,00,000/- issued by HDFC Bank Limited, Rajula submitted by the Shipping Agent and appropriate it towards the penalty and fine as confirmed above B(i) & B(ii).

C. Shri Hemal Kaniyalal Kotak, Partner of the importer M/s. Kotak Petroleum LLP, Jamnagar.

- (i) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Shri Hemal Kaniyalal Kotak, Partner of the importer M/s. Kotak Petroleum LLP**;
- (ii) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Hemal Kaniyalal Kotak, Partner of the importer M/s. Kotak Petroleum LLP**;
- (iii) I drop penalty under Section 117 of the Customs Act, 1962 upon **Shri Hemal Kaniyalal Kotak, Partner of the importer M/s. Kotak Petroleum LLP**.

D. M/s. K Infra Middle East FZE, Saif Office Q-1-113/A, PO Box 9444 Sharjah UAE, through its proprietor, Shri Kishan Chandrakant Vaya.

- (i) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **M/s. K Infra Middle East FZE, UAE**;
- (ii) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 114AA of the Customs Act, 1962 upon **M/s. K Infra Middle East FZE, UAE**.



(Handwritten signature)

E. M/s. Velji P. & Sons, Custom House Agent, Jamnagar.

- (i) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 117 of the Customs Act, 1962 upon **M/s. Velji P. & Sons, Custom House Agent, Jamnagar;**
- (ii) I drop penalty under Section 114AA of the Customs Act, 1962 upon the importer **M/s. Kotak Petroleum LLP, Jamnagar.**

F. M/s. Preetika Shipping Agencies Private Limited, the Shipping Agent.

- (i) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **M/s. Preetika Shipping Agencies Private Limited, the Shipping Agent;**
- (ii) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 114AA of the Customs Act, 1962 upon **M/s. Preetika Shipping Agencies Private Limited, the Shipping Agent.**

G. Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agency Pvt. Limited, Mumbai.

- (i) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agencies Private Limited;**
- (ii) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Deepak Mohanlal Khabrani, Director of M/s. Preetika Shipping Agencies Private Limited.**

H. Shri Barnabas Stephen, Master of the vessel M.T. Global Rani.

- (i) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Shri Barnabas Stephen, Master of the vessel M.T. Global Rani;**
- (ii) I impose penalty of Rs.5,00,000/- (Rupees Five Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Barnabas Stephen, Master of the vessel M.T. Global Rani.**



I. Shri Don Bosco Dominic Pradeep, Chief Officer of vessel MT Global Rani.

- (i) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Shri Don Bosco Dominic Pradeep, Chief Officer of the vessel M.T. Global Rani;**

- (ii) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Don Bosco Dominic Pradeep, Chief Officer** of the vessel M.T. Global Rani.

J. Shri Angarkar Dnyanesh Nandkishor, New Chief Officer of vessel MT Global Rani.

- (i) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Shri Angarkar Dnyanesh Nandkishor, New Chief Officer** of vessel MT Global Rani;
- (ii) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Angarkar Dnyanesh Nandkishor, New Chief Officer** of vessel MT Global Rani.

K. M/s. Prime Tankers LLC., Dubai (Commercial Manager of the vessel M.T. Global Rani).

- (i) I impose penalty of Rs.20,00,000/- (Rupees Twenty Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **M/s. Prime Tankers LLC., Dubai;**

L. M/s. Global Tankers Pvt. Ltd., Manning Agency of the owner of the Vessel i.e., M/s. Global Ace Shipping Lines INC., Panama.

- (i) I impose penalty of Rs.25,00,000/- (Rupees Twenty Five Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **M/s. Global Tankers Pvt. Ltd.;**

M. Shri Jugwinder Singh Brar, Director of M/s. Global Tankers Pvt. Ltd.

- (i) I impose penalty of Rs.10,00,000/- (Rupees Ten Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Shri Jugwinder Singh Brar, Director** of M/s. Global Tankers Pvt. Ltd.;
- (ii) I impose penalty of Rs.10,00,000/- (Rupees Ten Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Jugwinder Singh Brar, Director** of M/s. Global Tankers Pvt. Ltd..

Shri Ramakant Mishra, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP.

- I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon



Shri Ramakant Mishra, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP;

- (ii) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Ramakant Mishra**, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP.

O. Shri Midhun, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP.

- (i) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Shri Midhun**, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP;
- (ii) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Shri Midhun**, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP.

P. Captain Sufiyan Khan, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP.

- (i) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 112(a)(ii) and Section 112(b)(ii) of the Customs Act, 1962 upon **Captain Sufiyan Khan**, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP;
- (ii) I impose penalty of Rs.2,00,000/- (Rupees Two Lakhs only) under Section 114AA of the Customs Act, 1962 upon **Captain Sufiyan Khan**, employee of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP.

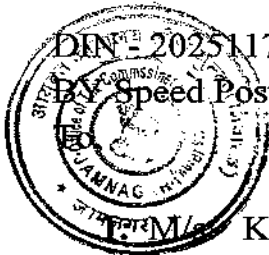
56. This order is issued without prejudiced to any other action which may be contemplated against the Importer or any other person in terms of any of the provisions of the Customs Act, 1962 and/or any other law for the time being in force.



(N. Srujan Kumar)
Additional Commissioner

O/C

Date: 27.11.2025



DIN No. 20251171MM0000999BFB
BY Speed Post A.D / E-mail

Kotak Petroleum LLP, 2nd Floor, Standard House, Opp. Hotel Celebration, Indira Marg, Jamnagar 361 001.

2. Shri Hemal Kaniyalal Kotak, Partner of M/s. Kotak Petroleum LLP, 2nd Floor, Standard House, Opp. Hotel Celebration, Indira Marg, Jamnagar 361001
3. M/s Preetika Shipping Agencies Pvt. Ltd., Shipping Agent, 4th Floor, M.K. Bhawan, 300, Shahid Bhagatsinh Road, Fort Mumbai-400001.
4. Shri Deepak Mohanlal Khabrani, Director of M/s Preetika Shipping Agencies Pvt. Ltd., Shipping Agent, 4th Floor, M.K. Bhawan, 300, Shahid Bhagatsinh Road, Fort, Mumbai-400 001.
5. Shri Barnabas Stephen, Master of the vessel M.T. Global Rani through their representative agent, M/s Preetika Shipping Agencies Pvt. Ltd., Mumbai-400 001 through their representative agent, M/s. Preetika Shipping Agencies Pvt. Ltd., Mumbai-400 001 in terms of Section 148(2) of the Customs Act, 1962.
6. M/s. Global Ace Shipping Lines INC., Panama (owners of the vessel M.T. Global Rani) through their representative agent, M/s. Preetika Shipping Agencies Pvt. Ltd., Mumbai-400 001.
7. M/s. Prime Tankers LLC. (Commercial Managers of the vessel M.T. Global Rani) through their representative agent, M/s. Preetika Shipping Agencies Pvt. Ltd., Mumbai-400 001.
8. Shri Jugwinder Singh Brar, of M/s. Global Tankers Pvt. Ltd., C 98C-Plot, Level -3, Phase 7, Industrial Area, Mohali, Punjab 160059, also through their representative agent, M/s Preetika Shipping Agencies Pvt. Ltd., Mumbai-400 001.
9. M/s. K Infra Middle East FZE, Saif Office Q-1-113/A, PO Box 9444 Sarjah UAE, (through the importer M/s. Kotak Petroleum LLP, 2nd Floor, Standard House, Opp. Hotel Celebration, Indira Marg, Jamnagar)
10. M/s. Global Tankers Pvt. Ltd, C 98C-Plot, Level -3, Phase 7, Industrial Area, Mohali, Punjab160059, Subsidiary and Commercial Managing company of the owner of the Vessel i.e., M/s. Global Ace Shipping Lines INC., Panama, also through their representative agent, M/s Preetika Shipping Agencies Pvt. Ltd., Mumbai -400 001.
11. M/s. Velji P. & Sons, 1st Floor, Sajawat Apartment, Near Congress Bhawan, Limda Lane Jamnagar-361 001.
12. Shri Don Bosco Dominic Pradeep, Chief Officer of vessel and Shri Angarkar Anyanesh Nandkishor, New Chief Officer of vessel MT Global Rani, through their representative agent, M/s. Preetika Shipping Agencies Pvt. Ltd., Mumbai-400 001 in terms of Section 148(2) of the Customs Act, 1962.



13. Shri Ramakant Mishra, Shri Midhun and Captain Sufiyan Khan, all employees of M/s. Global Tankers Pvt. Ltd. / Prime Tankers LLP, C 98C-Plot, Level - 3, Phase 7, Industrial Area, Mohali, Punjab 160059 also through their representative agent, M/s. Preetika Shipping Agencies Pvt. Ltd., Mumbai-400 00.

Copy to:-

1. The Commissioner, Customs (Preventive), Jamnagar.
2. The Additional Director General, DRI, AZU, Ahmedabad.
3. The Additional Commissioner (Prev.), Customs (P), HQ. Jamnagar.
4. The Assistant Commissioner, Customs House, Pipavav.
5. The Deputy Commissioner (RRA), Customs (Preventive), Jamnagar.
6. The Deputy Commissioner (Recovery), Customs (Preventive), Jamnagar.
7. The Deputy Commissioner (System), Customs (Preventive), Jamnagar.
8. Guard file.

Received 18 copies
K.S. NAIYA
02.12.2025
K.S. NAIYA
EXECUTIVE ASSISTANT

