

	<b>OFFICE OF THE COMMISSIONER</b> <b>CUSTOM HOUSE, KANDLA</b> <b>NEAR BALAJI TEMPLE, NEW KANDLA</b> <b>Phone : 02836-271468/469 Fax: 02836-271467</b>
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DIN-20250771ML000000D0B7

A	File No.	GEN/ADJ/COMM/86/2025-Adjn-O/o Commr-Cus-Kandla
B	Order-in-Original No.	KND-CUSTM-000-COM-21-2025-26
C	Passed by	M. Ram Mohan Rao, Commissioner of Customs, Custom House, Kandla.
D	Date of Order	29.07.2025
E	Date of Issue	29.07.2025
F	SCN No. & Date	GEN/ADJ/COMM/86/2025-Adjn-O/o Commr-Cus-Kandla dated 07.02.2025
G	Noticee / Party / Importer / Exporter	M/s. Armita India Shipping & others- MV Golsan

1. This Order-in-Original is granted to the concerned free of charge.
2. Any person aggrieved by this Order - in - Original may file an appeal under Section 129 A (1) (a) of Customs Act, 1962 read with Rule 6 (1) of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -3 to:

***Customs Excise & Service Tax Appellate Tribunal, West Zonal Bench,***  
***2nd Floor, Bahumali Bhavan Asarwa,***  
***Nr. Girdhar Nagar Bridge, Girdhar Nagar, Ahmedabad-380004***

3. Appeal shall be filed within three months from the date of communication of this order.

4. Appeal should be accompanied by a fee of Rs.1000/- in cases where duty, interest, fine or penalty demanded is Rs. 5 lakh (Rupees Five lakh) or less, Rs. 5000/- in cases where duty, interest, fine or penalty demanded is more than Rs. 5 lakh(Rupees Five lakh) but less than Rs.50 lakh (Rupees Fifty lakhs) and Rs. 10,000/- in cases where duty, interest, fine or penalty demanded is more than Rs. 50 lakhs(Rupees Fifty lakhs). This fee shall be paid through Bank Draft in favour of the Assistant Registrar of the bench of the Tribunal drawn on a branch of any nationalized bank located at the place where the Bench is situated.

5. The appeal should bear Court Fee Stamp of Rs.5/-under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paisa only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.

6. Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.

7. While submitting the appeal, the Customs (Appeals) Rules, 1982 and the CESTAT (Procedure) Rules, 1982 should be adhered to in all respects.

8. An appeal against this order shall lie before the Appellate Authority on payment of 7.5% of the duty demanded wise duty or duty and penalty are in dispute, or penalty wise if penalty alone is in dispute.

**BRIEF FACTS OF THE CASE-**

An intelligence gathered by SIIB, Custom House Kandla to the effect that a vessel MV GOLSAN (IMO No 9165815, Flag: Iran) had arrived at Kandla Port as its first port of call from Bandar Abbas, Iran under voyage No. IIX1251E but the vessel agent, M/s. Armita (India) Shipping Pvt. Ltd., had filed IGM No 2303423 dated 07.02.2022 for 32 bills of lading in this regard, mentioning the Port of Loading as Jebel Ali, UAE before the Customs authorities. The IGM and the bills of lading entailed 657 containers loaded with the Bitumen (of various grades), Rock Salt in lumps form, Base Oil and 1 empty container. These bills of lading and IGM filed by M/s Armita India Shipping Pvt. Ltd. mis-declared the Port of Loading as Jebel Ali (UAE) while the actual port of loading was Bandar Abbas, Iran. The Country of Origin (CoO) of the goods was actually Iran had been mis-declared as UAE in the documents filed before the Custom Authorities at Kandla Port.

**2.** There were 32 Bills of Lading (31 for importing various commodities and 1 Bill of lading for flat rack empty container) for which IGM had been filed by the vessel agent, M/s. Armita (India) Shipping Pvt. Ltd. showing the port of loading as Jabel Ali, UAE. Information suggests that the vessel agent, M/s. Armita (India) Shipping Pvt. Ltd. had mis-declared the port of loading as Jabel Ali, UAE in respect of those 31 Bills of Lading filed before the Customs Authorities at Kandla Port under the IGM No. 2303423 dated 07.02.2022. The details of those 31 Bills of Lading in which port of loading was mis-declared as Jabel Ali, UAE at the place of Bandar Abbas Port, Iran are as under:-

**TABLE-1**

<b>Sr. No.</b>	<b>Name of the importer</b>	<b>Bill of Loading</b>	<b>Cargo description</b>
1	SHYAM SUNDER SURENDER KUMAR	IIX1251ECSM2549	ROCK SALT IN LUMPS
2	DEEP JYOTI WAX TRADERS PVT LTD	IIX1251ECSM2537	Bitumen Grade VG30
3	PREJAG PETROCHEM	IIX1251ECSM2541	Bitumen VG30
4	DEEP JYOTI WAX TRADERS PVT LTD	IIX1251ECSM2540	Bitumen Grade VG30
5	SHYAM SUNDER SURENDER KUMAR	IIX1251ECSM2560	ROCK SALT IN LUMPS
6	ECOS DAILY WAY LLP	IIX1251ECSM2534	Bitumen Grade VG30
7	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2555	Bitumen Grade VG30
8	PREJAG PETROCHEM	IIX1251ECSM2538	Bitumen 60 70 VG30
9	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2562	Bitumen Grade VG40
10	PREJAG PETROCHEM	IIX1251ECSM2536	Bitumen Grade VG30
11	VARDHMAN TRADING CO	IIX1251ECSM2545	Bitumen 60 70
12	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2552	Bitumen Grade VG30
13	HEXATRON INDUSTRIES LIMITED	IIX1251ECSM2533	Bitumen Grade 40
14	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2539	Bitumen Grade VG30
15	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2543	Bitumen Grade VG30
16	PREMIUM PETRO PRODUCTS	IIX1251ECSM2548	Bitumen Grade VG30
17	PREMIUM PETRO PRODUCTS	IIX1251ECSM2542	Bitumen Grade VG30

18	SUHAIL BROTHERS	IIX1251ECSM2553	Bitumen 80 100
19	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2550	Bitumen Grade VG30
20	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2544	Bitumen Grade VG30
21	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2546	Bitumen Grade VG30
22	V R PETROCHEM INDIA LLP	IIX1251ECSM2557	Bitumen
23	RAJ KAMAL INDUSTRIAL PVT LTD	IIX1251ECSM2558	BASE OIL
24	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2551	Bitumen Grade VG40
25	MALHOTRA LUBRICANTS PVT LTD	IIX1251ECSM2563	BASE OIL
26	NEPTUNE PETROCHEMICALS PVT LTD	IIX1251ECSM2535	Bitumen Grade VG30
27	PREMIUM PETRO PRODUCTS	IIX1251ECSM2547	Bitumen Grade VG30
28	VEVELON PETROCHEM PRIVATE LIMITED	IIX1251ECSM2559	Bitumen 60 70
29	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2556	Bitumen Grade VG30
30	NEPTUNE PETROCHEMICALS PVT LTD	IIX1251ECSM2554	Bitumen Grade VG40
31	NEPTUNE PETROCHEMICALS PVT LTD	IIX1251ECSM2561	Bitumen Grade VG40

### 3. INQUIRY CONDUCTED AT THE VESSEL MV GOLSAN

**3.1** Acting upon the intelligence gathered, the officers of Special Investigation & Intelligence Branch (SIIB), Custom House Kandla (hereinafter referred to as ‘the officers’), boarded the Vessel MV GOLSAN on 14-02-2022 along with the boarding officers for conducting inquiry regarding Country of Origin of the goods as well as Port of loading. The whole proceedings carried out at the vessel was recorded under Panchnama dated 14.02.2022 (**RUD-1**). During the inquiry conducted at the vessel, it was found that the vessel had not visited Jabel Ali Port, UAE during the current voyage i.e., voyage No. IIX125E. The master of the vessel, Mr. Davoodreza Fahandezh Saadi also confirmed the same during the course of his statement recorded on 14-02-2022 (**RUD-2**) under Section 108 of the Customs Act, 1962 from which it is forthcoming that:-

- *He had taken over the charge of the vessel MV Golsan since 26-11-2021 from Bandar Abbas, Iran.*
- *Current voyage number of the vessel MV Golsan was IIX1251E.*
- *For the present voyage the route was Bandar Abbas to Kandla Port, Kandla Port to Bandar Abbas.*
- *For the present voyage, the vessel had started from Bandar Abbas on 05-02-2022.*
- *During the rummaging & checking of Vessel MV GOLSAN on 14-02-2022 at Kandla, he submitted the following documents to customs officer, which were issued by the government authorities in Iran:*
  - a. *A copy of Health Certificate for Covid-19 dated 05-02-2022 issued by Ministry of Health and Medication Education, Islamic Republic of Iran to the Vessel MV Golsan (**RUD-3**).*
  - b. *Garbage Disposal Receipt dated 04-02-2022 issued by Islamic Republic of Iran, Ports & Maritime Organization (**RUD-4**).*
  - c. *Statement of vessel clearance, dated 05-02-2022 issued to MV GOLSAN by “Police Administration of Islamic Republic of Iran,*

*Immigration office of Shahid Rajaee Port Abbas" (**RUD-5**). It is the clearance certificate received from Immigration Department of Iran at the time of departure of the vessel from Bandar Abbas Port, Iran.*

- d. *Process verbal of vessels clearance arrival dated 05.02.2022 issued by "I.R. of Iran Customs Administration" (**RUD-6**). This is the clearance certificate received from Customs of Iran.*
- e. *Volume of water receipt dated 05.02.2022 issued to MV GOLSAN by Port Maritime Organization; I.R. of Iran (**RUD-7**) shows the receiving of fresh water in the Vessel before leaving for the current voyage.*
- f. *Port clearance certificate dated 05.02.2022 issued by Ports & Maritime Organization, I.R. of Iran (**RUD-8**) at Shahid Rajaee Port, Bandar Abbas.*
- *The list of last 10 Port of Calls of the vessel submitted by him before the Customs was correct to the best of his knowledge (**RUD-9**)*
- *The vessel MV Golsan had last visited Jabel Ali Port on 13.06.2021 and at that time, the Captain of the vessel was Captain Mr. Yurity Yeryonov and the vessel had not visited Jabel Ali Port since then.*
- *The Port Clearance from Jabel Ali to Bandar Abbas dated 15.06.2021 submitted by him (**RUD-10**).*
- *He was shown the copy of IGM filed by the vessel Agent and he submitted that he was not aware of the cargo documents filed by the vessel agent and confirmed that the container numbers mentioned in IGM No 2303423 dated 07-02-2022 were same as per the list of containers received by him from Terminal Planner at Bandar Abbas, Iran.*
- *A total of 658 containers (including one flat rack empty container) were loaded at Bandar Abbas Port, Iran and the details of the containers mentioned in the IGM No 2303423 dated 07-02-2022 (**RUD-11**) are same which were placed in the Vessel MV GOLSAN at that moment.*
- *On being shown 31 Bills of Lading submitted by him, pertaining to the cargo, loaded from Bandar Abbas Port, Iran and the discharge Port as Kandla and also IGM filed at Kandla Port, where it was declared in all 31 Bills of Lading that the goods loaded from Jabel Ali, UAE, he stated that all the cargo/containers were loaded from the Bandar Abbas Port, Iran and the vessel had not visited Jebel Ali Port, UAE during the current voyage. He was not aware about the IGM, as the same was handled by the vessel agent.*
- *The vessel never visited the Jabel Ali Port in January and February-2022 and the vessel had visited Jabel Ali Port on 13.06.2021 under command of another Captain and departed on 14-06-2021. The vessel had loaded Cargo Steel Billets from Bandar Abbas and discharged at Port Jabel Ali and thereafter, the vessel departed in Ballast condition from Jabel Ali to Bandar Abbas.*
- *After receiving Port Clearance from Bandar Abbas on 05-02-2022, having next port of call as Kandla Port for the current voyage, the vessel headed directly towards Kandla Port and had not held at any other port.*
- *The Charterer provided the copy of 31 numbers of Bill of Lading through e-mail and all the cargo loaded from Bandar Abbas Port, Iran and the vessel had not visited Jabel Ali Port, UAE during the current Voyage*

**3.2** The aforementioned documents required before the departure of a vessel clearly suggest that the vessel MV GOLSAN undertaking voyage No IIX125E had departed from Bandar Abbas, Iran and Mr. Davoodreza Fahandezh Saadi, Captain of the vessel MV Golsan, in his statement dated 14.02.2022 corroborated that in the present voyage, the vessel had started from Bandar Abbas on 05-02-2022 and had not visited Jabel Ali Port, UAE during the Voyage No IIX1251E i.e. current voyage of the vessel.

**3.3** During the course of investigation, the officers simultaneously searched the office premises of M/s. Armita India Shipping Pvt. Ltd., Gandhidham (the vessel agent & representative of container line) on 14-02-2022 and the proceedings were recorded under Panchnama dated 14-02-2022 (**RUD-12**). During the course of search, Shri Omprakash R. Jadhav, Manager & authorized person of M/s. Armita India Shipping Pvt. Ltd. informed that M/s. Armita India Shipping Pvt. Ltd. was appointed to act as vessel agent/liner on behalf of the vessel operator M/s. Hafez Darya Arya Shipping Company and after receiving arrival notice, Import Manifest and Bill of Lading of the containers from the vessel operator, they prepared Import General Manifest (IGM) and submitted it to the EDI System. During the search proceedings, copies of some of the Bills of Lading pertaining to cargo under question were retrieved, wherein Port of Loading was mentioned as Bandar Abbas alongwith the copies of corresponding but seemingly 'altered' Bills of Lading, wherein the Port of Loading was mentioned as Jabel Ali, UAE (**RUD-13**). Therefore, it appears that all the contents were same in both sets of Bills of Lading except the "Port of Loading" which appears to have been altered from "Bandar Abbas" to "Jabel Ali, UAE" by the vessel agents namely M/s. Armita (India) Shipping Pvt. Ltd who eventually filed these "altered" and "forged" documents before Customs authorities. Thus, the mis-declaration pertaining to the port of loading as Jabel Ali, UAE in respect of the 31 Bills of Lading filed before the Customs Authorities at Kandla Port under the IGM No. 2303423 dated 07-02-2022 appears to have been committed by the vessel agent M/s. Armita (India) Shipping Pvt. Ltd who were the acting as vessel agent of their principal i.e. M/s Hafiz Darya Arya Shipping Co.

**3.4** The goods unloaded at Kandla port covered under above mentioned 31 Bills of lading (Table-1) mis-declared in respect of Port of Loading and Origin of Goods and the same appeared to be liable for confiscation under Section 111 (m) of the Customs Act, 1962. Accordingly, the goods covered under the 31 Bills of Lading as details given in Table-2 below along with the containers (657 containers) were placed under seizure vide seizure memo dated 23.02.2022 (**RUD-14**) having F. No. CUS/SIIB/INT/168/2022-SIIB-O/o Commr-Cus-Kandla. The importer-wise details of Seizure are as under:-

Table-2

Sr. No.	Bill of Lading	Importer	Bill of Entry No. & Date	Cargo Description	Assessable Value	Number of containers
1	IIX1251ECSM2559	M/s. Vevelon Petrochem Pvt. Ltd., Mumbai	7417788/09.02.2022	Bitumen 60/70	81,80,278/-	13
2	IIX1251ECSM2545	M/s. Vardhman Trading Co., Jammu & Kashmir	7420858/09.02.2022	Bitumen 60/70	1,79,30,364/-	25
3	IIX1251ECSM2557	M/s. V R Petrochem India LLP, Vadodara	7586116/21.02.2022	Bitumen	1,73,41,205/-	25
4	IIX1251ECSM2553	M/s. Suhail Brothers, Jammu &	7587536/21.02.2022	Bitumen 80/100	1,57,69,409/-	25

		Kashmir				
5	IIX1251ECSM2549	M/s. Shyam Sunder Surender Kumar, Rajasthan	7401929 / 08.02.2022	Rock Salt in Lumps	16,17,456/-	10
6	IIX1251ECSM2560	M/s. Shyam Sunder Surender Kumar, Rajasthan	7397193 / 07.02.2022	Rock Salt in Lumps	16,23,801/-	10
7	IIX1251ECSM2558	M/s. Raj Kamal industries Pvt. Ltd.	7403228 / 08.02.2022	Base Oil	50,70,950/-	5
8	IIX1251ECSM2548	M/s. Premium Petro Products, Rajasthan	7590130 / 21.02.2022	Bitumen Grade VG30	1,50,83,112/-	25
9	IIX1251ECSM2542	M/s. Premium Petro Products, Rajasthan	7590140 / 21.02.2022	Bitumen Grade VG30	1,50,83,112/-	25
10	IIX1251ECSM2547	M/s. Premium Petro Products, Rajasthan	7590134 / 21.02.2022	Bitumen Grade VG30	1,61,08,872/-	25
11	IIX1251ECSM2538	M/s. Prejag Petrochem, Surat	7417790 / 09.02.2022	Bitumen 60/70 VG30	1,65,33,832/-	25
12	IIX1251ECSM2536	M/s. Prejag Petrochem, Surat	7406434 / 08.02.2022	Bitumen Grade VG30	1,51,81,748/-	25
13	IIX1251ECSM2541	M/s. Prejag Petrochem, Surat	7418209 / 09.02.2022	Bitumen VG30	1,56,69,742/-	25
14	IIX1251ECSM2535	M/s. Neptune Petrochemicals Pvt. Ltd., Ahmedabad	7589934 / 21.02.2022	Bitumen Grade VG30	1,52,50,949/-	25
15	IIX1251ECSM2554	M/s. Neptune Petrochemicals Pvt. Ltd., Ahmedabad	7589353 / 21.02.2022	Bitumen Grade VG40	1,51,59,341/-	25
16	IIX1251ECSM2561	M/s. Neptune Petrochemicals Pvt. Ltd., Ahmedabad	7589354 / 21.02.2022	Bitumen Grade VG40	1,50,96,512/-	25
17	IIX1251ECSM2563	M/s. Malhotra Lubricants Pvt. Ltd., New Delhi	7401219 / 08.02.2022	BASE OIL	1,52,77,478/-	14
18	IIX1251ECSM2555	M/s. Madhusudan Organics Limited	7427240 / 09.02.2022	Bitumen Grade VG30	1,70,57,929/-	25
19	IIX1251ECSM2552	M/s. Madhusudan Organics	7427957 / 09.02.2022	Bitumen Grade VG30	1,55,98,530/-	25

		Limited				
20	IIX1251ECSM2556	M/s. Madhusudan Organics Limited	7427700/ 09.02.2022	Bitumen Grade VG30	1,71,28,533/-	25
21	IIX1251ECSM2562	M/s. Madhusudan Organics Limited	7427738/ 09.02.2022	Bitumen Grade VG40	60,74,035/-	10
22	IIX1251ECSM2551	M/s. Madhusudan Organics Limited	7427952/ 09.02.2022	Bitumen Grade VG40	90,47,027/-	15
23	IIX1251ECSM2533	M/s. Hexatron Industries Limited, Kachchh	7401755/ 08.02.2022	Bitumen Grade VG40	1,74,12,663/-	25
24	IIX1251ECSM2539	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	7406187/ 08.02.2022	Bitumen Grade VG30	1,78,88,997/-	25
25	IIX1251ECSM2543	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	7407087/ 08.02.2022	Bitumen Grade VG30	1,06,29,068/-	15
26	IIX1251ECSM2550	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	7406202/ 08.02.2022	Bitumen Grade VG30	71,55,599/-	10
27	IIX1251ECSM2544	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	7421349/ 09.02.2022	Bitumen Grade VG30	1,78,88,997/-	25
28	IIX1251ECSM2546	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	7406204/ 08.02.2022	Bitumen Grade VG30	1,78,88,997/-	25
29	IIX1251ECSM2534	M/s. OFB Tech Private Limited, Gandhidham	7475052/ 13.02.2022	Bitumen Grade VG30	1,71,82,844/-	25
30	IIX1251ECSM2537	M/s. Deep Jyoti Wax Traders Pvt Ltd., Kolkata	7420414/ 09.02.2022	Bitumen Grade VG30	1,60,99,904/-	25
31	IIX1251ECSM2540	M/s. Deep Jyoti Wax Traders Pvt Ltd., Kolkata	7420074/ 09.02.2022	Bitumen Grade VG30	1,61,26,835/-	30
<b>Total Containers</b>					<b>657</b>	

#### 4. **SEIZURES & PROVISIONAL RELEASE**

##### 4.1 **Seizure of vessel MV Golsan**

The vessel MV GOLSAN appears to have been used as conveyance for transporting the mis-declared goods held liable for confiscation under Section 111(m) of the Customs Act,

1962 and therefore, the vessel MV GOLSAN was also held liable for confiscation under the provisions of Section 115(2) of the Customs Act, 1962. The said vessel MV GOLSAN (IMO No. 9165815) along with the on board tools and tackles anchored at OTB (Outer Tuna Buoy) outside Kandla Port having Insured Value USD 64,00,000 and in Indian Rupees (@ Rs.76.05 USD) Rs. 48,67,20,000/- (Rupees Forty-Eight Crore, Sixty-Seven Lakh, Twenty Thousand only) was placed under seizure on 23-02-2022 vide seizure memo bearing F. No. CUS/SIIB/INT/168/2022-SIIB-O/o-Commr-Cus-Kandla (**RUD-15**) under the provisions of Section 110 (1) of Customs Act, 1962 on the reasonable belief that the same was liable for confiscation under Section 115(2) of the Customs Act, 1962. The seized vessel was handed over to Shri Omparkash R. Jadhav, Branch Manager, M/s. Armita (India) Shipping Pvt. Ltd., Gandhidham under the Supratnama dated 23-02-2022.

#### **4.2 Provisional release of vessel**

The vessel agent, M/s. Armita (India) Shipping Pvt. Ltd. requested to release the vessel MV GOLSAN (IMO No. 9165815) which was seized vide seizure memo F. No. CUS/SIIB/INT/168/2022-SIIB-O/o-Commr-Cus-Kandla dated 23.02.2022. As the vessel MV GOLSAN appears to have been used as a means of transport in the mis-declared goods and the said goods were liable for confiscation under section 111 (m) of the Customs Act, 1962. Further, the vessel MV GOLSAN was also liable for confiscation under the provisions of Section 115(2) of the Customs Act, 1962. As per the order of the competent authority, the vessel was ordered to be released provisionally under section 110A of the Custom Act 1962 on execution of Bond for the full insured value of the vessel secured by a Bank Guarantee, equivalent to 10% of the bond value. Accordingly, after submission of the bond for the full insured value of the vessel and against bank Guarantee, equivalent to 10% of the bond value, vessel was released provisionally vide letter dated 01.03.2022 having F. No. CUS/SIIB/INT/168/2022-SIIB-O/o-Commr-Cus-Kandla.

#### **4.3 Seizure of goods imported onboard vessel MV Golsan**

The goods unloaded at Kandla port covered under above mentioned 31 Bills of lading (Table-2) mis-declared in respect of Port of Loading and Origin of Goods along with the containers (657 containers) were placed under seizure vide seizure memo dated 23-02-2022 bearing F. No. CUS/SIIB/INT/168/2022-SIIB-O/o Commr-Cus-Kandla (**RUD-14**). Importers as detailed in Table-2 requested to release the goods provisionally which were seized on 23-02-2022.

#### **4.4 Provisional release of goods imported onboard vessel MV Golsan**

As per the orders of the competent authority, these goods were ordered to be released subject to furnishing Bond for the full value of the goods and against appropriate bank Guarantee, equivalent to 10% of the bond value. Necessary examination of those cargos was done and after submission of the Bond for the full value of the goods and against appropriate bank Guarantee, equivalent to 10% of the bond value, goods were released provisionally.

#### **4.5 Seizure of containers and provisional release**

The containers of the goods covered under the Table-2 were placed under seizure vide seizure memo dated 23.02.2023 along with the goods covered in those respective Bills of Lading. The container lines requested to release their containers, as the cargo was already de-stuffed from all the 657X20' containers. The competent authority acceded to their request and ordered release of these containers subject to furnishing the Bond for the full value of the containers i.e. Rs. 4,59,90,000/- (Rupees Four Crores, Fifty Nine Lakhs and Ninety Thousands only) and against appropriate bank Guarantee, equivalent to 10% of the bond value and after submission of the Bond for the full value of the containers and against bank Guarantee, equivalent to 10% of the bond value, containers were released provisionally.

#### **5. Further investigation and recording of statement of key Person:**

**5.1** Search was conducted at the premise of vessel agent, M/s. Armita India Shipping Pvt. Ltd., Office No. 104, 1<sup>st</sup> Floor, Riddhi Siddhi Arcade, Plot No. 13, Sector-8, Gandhidham, Kutch-370201 and the proceedings were recorded under Panchnama

dated 14-02-2022 and few documents which were found relevant for further investigation were seized.

**5.2** Further, summons under Section 108 of the Customs Act, 1962 was issued to M/s. Armita India Shipping Pvt. Ltd., to appear before the authority. Shri Omparkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham appeared on dated 23-02-2022 before Superintendent (SIIB), and tendered his statement (**RUD-16**). He inter-alia stated as follows:

- *The company, M/s. Armita India Shipping Pvt. Ltd., was incorporated in 2017 and had its head office in Mumbai. The company had branches in Gandhidham, Kutch and Uran (Navi Mumbai). The company is engaged in providing vessel agent services for the principal M/s. Hafez Darya Arya Shipping Company, Iran and working as container line agents for M/s. Hafez Darya Arya Shipping Company, Iran;*
- *M/s. Hafez Darya Arya Shipping Company is a company situated in Tehran, Iran and is engaged in the business of shipping line. The company has its own vessels & own containers, operating the vessels on lease;*
- *Their company in India is providing services exclusively to M/s. Hafez Darya Arya Shipping Company, Iran; all the operations regarding vessels and containers of M/s. Hafez Darya Arya Shipping Company, Iran are solely handled by their company;*
- *The current voyage i.e., voyage No. IIX1251E of vessel MV GOLSAN initiated from Bandar Abbas on 05-02-2022 and reached at outer anchorage of Kandla Port on 08-02-2022 and berthed on Jetty No. 11, Kandla International Container Terminal on 14-02-2022; the vessel was scheduled to discharge 657 X 20' loaded and 1X20' empty container at Kandla Port;*
- *M/s. Hafez Darya Arya Shipping Company, Iran are the principals for both, the vessel and containers during the current voyage No. IIX1251E and M/s. Hafez Darya Arya Shipping Company, Iran carries only their own containers;*
- *The vessel initiated its current voyage from Bandar Abbas on 05-02-2022 and its first port of call was Kandla port.*
- *On being asked that the vessel didn't visit Jebel Ali port and actual port of Loading was Bandar Abbas (Iran) and the Country of Origin (CoO) of the goods seemed to be Iran but in the Bills of Entry filed by the importers the Country of Origin (CoO) of the goods had been declared as UAE, he stated that their company was rendering services of vessel agents and container line agent exclusively to M/s. Hafez Darya Arya Shipping Company, Iran. They receive the documents such as Bills of Lading through online system from the Tehran Office of M/s. Hafez Darya Arya Shipping Company, Iran and on the basis of the same, IGM is prepared and filed for purpose of import cargo clearance. M/s. Hafez Darya Arya Shipping Company, Iran are vessel owners/lessee and also the owners of the containers. Their company in India gets the relevant documents for filing of IGM and on the basis of the same all the customs formalities are undertaken by us on behalf of the vessel owners and container line. He cannot comment on the Country of Origin (CoO) of the goods imported in the current voyage of MV GOLSAN as the Country of Origin is not mentioned in any of our documents i.e. IGM and Bills of Lading.*

- On showing Bills of Lading retrieved during the search at office of M/s. Armita India Shipping Pvt. Ltd., located at Gandhidham and from the Vessel MV GOLSAN on 14.02.2022, which shows that for every cargo two BL's are prepared, one from Bandar Abbas to Kandla and Second for Jebel Ali to Kandla, and other than the Port of Loading all the details in the corresponding Bills of Lading are same, Shri Omparkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham stated that initially, we at Gandhidham office had received online details regarding the arrival of shipment on MV GOLSAN and the data and Bills of Lading were pulled from our software ACTS, which had Port of Loading as Jabel Ali and Port of discharge as Kandla. Further after Customs inquiry, we sent emails to the Principals and in response they sent corresponding Bills of Lading in respect of each import consignment, wherein the entire details except the port of loading was same. The Port of loading in the corresponding Bills of Lading are mentioned as Bandar Abbas and Place of Delivery as Kandla, India.
- As per the information and documents available with us it is understood that the vessel sailed from Bandar Abbas to Kandla.

**5.3** Further, Statement of Shri Arash Delavar, Managing Director of M/s. Armita India Shipping Pvt. Ltd. was recorded under Section 108 of the Customs Act, 1962 on 24.02.2022 (**RUD-17**), vide which he, inter-alia, stated that:-

- The company, M/s. Armita India Shipping Pvt. Ltd., was incorporated in 2017 and has its head office in Mumbai. The company has branches in Gandhidham, Kutch, Uran (Navi Mumbai). The company is engaged in providing vessel agent services for the principal M/s. Hafez Darya Arya Shipping Company, Iran and working as container line agents for M/s. Hafez Darya Arya Shipping Company, Iran;
- M/s. Hafez Darya Arya Shipping Company is a company situated in Tehran, Iran engaged in the business of shipping line. The company has its own vessels & own containers, operating the vessels on lease;
- Their company in India is providing services exclusively for M/s. Hafez Darya Arya Shipping Company, Iran; all the operations regarding vessels and containers of for M/s. Hafez Darya Arya Shipping Company, Iran are solely handled by their company in India; the importers and exporter, who transit their cargo on the vessels of the principal are handled in India by them on behalf of the principal, M/s. Hafez Darya Arya Shipping Company, Iran and the amount collected for rendering services to importers and exporters is transferred to principals and their company raises invoice to the principal for the commission.
- The current voyage No. IIX1251E initiated from Bandar Abbas on 05.02.2022 and reached at outer anchorage of Kandla Port on 08.02.2022 and berthed on Jetty No. 11, Kandla International Container Terminal on 14.02.2022. The Vessel was scheduled to discharge 657X20' loaded and 1x20' empty container at Kandla Port.
- M/s. Hafez Darya Arya Shipping Company, Iran are the principles for both the vessel and containers during the current voyage No. IIX1251E.
- The vessel initiated its current voyage from Bandar Abbas on 05.02.2022 and its first port of call was Kandla port.

- On being asked regarding the Bills of Lading, where the port of loading is mentioned as Jebel Ali, UAE and the current voyage stated by him and last 10 Ports of Call, shows the actual port of loading as Bandar Abbas, he stated that their company was rendering services of vessel agents and container line agent exclusively to M/s. Hafez Darya Arya Shipping Company, Iran and that they receive the documents such as Bills of Lading through online system from the Tehran Office of M/s. Hafez Darya Arya Shipping Company, Iran and on the basis of the same, IGM is prepared and filed for purpose of import cargo clearance. M/s. Hafez Darya Arya Shipping Company, Iran are vessel owners/lessee and also the owners of the containers. Our company here in India gets the relevant documents for filing of IGM and on the basis of the same all the customs formalities are undertaken by us on behalf of the vessel owners and container line. I cannot comment on the Country of origin of the goods imported in the current voyage of MV GOLSAN as the Country of Origin is not mentioned in any of our documents i.e. IGM and Bills of Lading.
- On showing Bills of Lading retrieved during the search at office of M/s. Armita India Shipping Pvt. Ltd., located at Gandhidham and from the Vessel MV GOLSAN on 14.02.2022, which shows that for every cargo, two Bills of Lading are prepared, one from Bandar Abbas to Kandla and second from Jebel Ali to Kandla, and other than the Port of Loading, all the details in the corresponding Bills of Lading are same, and on being asked to explain, Shri Arash Delavar (Nationality: Iranian), Managing Director of M/s. Armita India Shipping Pvt. Ltd. stated the procedure adopted by their principals in Iran about the booking of containers and the space in the vessel:
  - (1) The exporters send the e-mail to their principals company, M/s. Hafez Darya Arya Shipping Company, Iran to inquire the freight from Bandar Abbas to Kandla;
  - (2) The Principals company, M/s. Hafez Darya Arya Shipping Company, Iran sends the quotation to the exporters;
  - (3) On confirmation of the acceptance of the quotation, the principals company, M/s. Hafez Darya Arya Shipping Company, Iran issues a Freight Proforma number to the clients/exporters;
  - (4) Our principals company, M/s. Hafez Darya Arya Shipping Company, Iran has an online site and the exporters on receiving the Freight Proforma number can reach at the site and upload the details of their inquiry;
  - (5) The company issues the Booking number to the clients/exporters and release empty containers to them for stuffing;
  - (6) The exporters approach the Customs department and get the Customs declaration and as well as warehouse receipt for the export cargo lying in the customs area;
  - (7) On the basis of Customs documents and having the booking number the containers line up for loading on the vessel;
  - (8) After loading on the vessel the exporters put up request to issue Bill of Lading to container line agents as per the details filed by them in the online site, wherein the port of Loading is always mentioned as Bandar Abbas. The container line agents are directly connected to the principal, M/s. Hafez Darya Arya Shipping Company, Iran;

(9) On the basis of the Bill of Lading issued by the Principals, the Shipping Bill by the Customs Authorities, Iran is prepared and issued to the exporters;

(10) The exporters/shippers/forwarders/CHA, who so ever has the access to the company online site and change the port of loading/load and in the instant case of MV GOLSAN, all the exporters changed the port of loading as Jebel Ali;

(11) Thereafter, the exporters/shippers/forwarders/CHA return back/surrender the first Bill of Lading to same agent and request for second amended Bill of Lading by submitting Letter of Indemnity and the first BL becomes null & void;

- First Bill of Lading is issued by the principals container line agents on the basis of Shipping orders submitted with the exporters;
- The second amended Bill of Lading requires Letter of Indemnity from the exporter or the booking parties for making amendment in the Bill of Lading and the same is submitted with container line agents;
- As per the information and documents available with us it is understood that the vessel sailed from Bandar Abbas to Kandla.
- On showing the statement dated 14.02.2022 of Captain of the Vessel MV GOLSAN during the current voyage No. IIX1251E & statement dated 23.02.2022 of Shri Omparkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham, he agreed with their statements.

6. Further, summon under Section 108 of the Customs Act, 1962 was issued to M/s. Armita India Shipping Pvt. Ltd., to appear before the authority and to submit details of freight. Shri Omparkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham appeared on dated 21.06.2023 before the superintendent (SIIB), and tendered his statement (**RUD-18**).

#### **7. Investigation of Importers:**

Thereafter, summons were issued to all the importers who imported the cargo in vessel MV GOLSAN and to be discharged at Kandla Port, which were seized by this office vide seizure memo dated 14.02.2022, as mentioned above in Table-2. The statements of all the importers were recorded under Section 108 of the Customs Act, 1962 and the details of the same are as under:-

**Table-3**

<b>Sr. No.</b>	<b>Importer Name</b>	<b>Bill of Loading Nos.</b>	<b>Bill of Entry No. &amp; Date</b>	<b>Cargo Description</b>	<b>Name of Importer Representative/Authorized Person along with Designation in firm/company &amp; Date of Statement</b>	<b>RUD No.</b>
1	SHYAM SUNDER SURENDER KUMAR	IIX1251ECSM 2549	7401929 / 08.02.20 22	Rock Salt in Lumps	Shri Ankur Khadaria, Authorized Person, M/s. Shayam Sunder Surender Kumar, dated 07.03.2022	19
		IIX1251ECSM 2560	7397193 / 07.02.20 22	Rock Salt in Lumps		
		IIX1251ECSM 2540	7420074 / 09.02.20	Bitumen Grade VG30		

			22			
2	PREJAG PETROCHEM	IIX1251ECSM 2538	7417790 / 09.02.20 22	Bitumen 60 70 VG30	Shri Bhoor Nath, Account Manager, M/s. Prejag Petrochem dated 02.03.2022	<b>20</b>
		IIX1251ECSM 2536	7406434 / 08.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2541	7418209 / 09.02.20 22	Bitumen VG30		
3	DEEP JYOTI WAX TRADERS PVT LTD	IIX1251ECSM 2537	7420414 / 09.02.20 22	Bitumen Grade VG30	Shri Amit Agarwal, Director, M/s. Deep Jyoti Wax Traders Pvt. Ltd., dated 02.03.2022	<b>21</b>
		IIX1251ECSM 2540	7420074 / 09.02.20 22	Bitumen Grade VG30		
4	OFB Tech Private Limited, Gandhidham	IIX1251ECSM 2534	7475052 / 13.02.20 22	Bitumen Grade VG30	Shri Soumya Ranjan Manik, Authorized Person, M/s. OFB Tech Pvt. Ltd. (High Seas Purchaser) dated 03.03.2022	<b>22</b>
5	MADHUSUD AN ORGANICS LIMITED	IIX1251ECSM 2555	7427240 / 09.02.20 22	Bitumen Grade VG30	Shri Prasanta Kumar Samantra, Accounts Manager, M/s. Mahdusudan Organics Limited dated 02.03.2022	<b>23</b>
		IIX1251ECSM 2552	7427957 / 09.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2556	7427700 / 09.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2562	7427738 / 09.02.20 22	Bitumen Grade VG40		
		IIX1251ECSM 2551	7427952 / 09.02.20 22	Bitumen Grade VG40		
6	VARDHMAN TRADING CO	IIX1251ECSM 2545	7420858 / 09.02.20 22	Bitumen 60 70 (Total 25 Conatine rs)	Shri Anshul Jain, Proprietor, M/s. Vardhman Trading Co., dated 02.03.2022	<b>24</b>
7	HEXATRON INDUSTRIES LIMITED	IIX1251ECSM 2533	7401755 / 08.02.20 22	Bitumen Grade VG40	Shri Tapan Rasiklal Thacker, Authorized Person, M/s. Hexatron Industries Limited, dated 03.03.2022	<b>25</b>
8	FUTURE UNIVERSAL	IIX1251ECSM 2539	7406187 /	Bitumen Grade	Shri Shikhar Gaddh, Authorized Person,	<b>26</b>

	PETROCHEM PRIVATE		08.02.20 22	VG30	M/s. Future Universal Petrochem (P) Ltd. dated 02.03.2022	
		IIX1251ECSM 2543	7407087 / 08.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2550	7406202 / 08.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2544	7421349 / 09.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2546	7406204 / 08.02.20 22	Bitumen Grade VG30		
9	PREMIUM PETRO PRODUCTS	IIX1251ECSM 2548	7590130 / 21.02.20 22	Bitumen Grade VG30	Shri Mahender Singh Regar, Executive (Operations), M/s. Premium Petro Products, dated 08.03.2022	<b>27</b>
		IIX1251ECSM 2542	7590140 / 21.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2547	7590134 / 21.02.20 22	Bitumen Grade VG30		
10	SUHAIL BROTHERS	IIX1251ECSM 2553	7587536 / 21.02.20 22	Bitumen 80 100	Mr. Mohammad Ibrahim Kathoo, Partner, M/s. Suhail Brothers dated 02.03.2022	<b>28</b>
11	V R PETROCHEM INDIA LLP	IIX1251ECSM 2557	7586116 / 21.02.20 22	Bitumen	Shri Harshadbhai Chauhan, Executive (Operations), M/s. V R Petrochem India LLP, dated 08.03.2022	<b>29</b>
12	Raj kamal Industrial Pvt Ltd	IIX1251ECSM 2558	7403228 / 08.02.20 22	BASE OIL	Shri Meet Bhadresh Mehta, Director, M/s. Rajkamal Industrial Pvt Ltd, dated 02.03.2022	<b>30</b>
13	MALHOTRA LUBRICANTS PVT LTD	IIX1251ECSM 2563	7401219 / 08.02.20 22	BASE OIL	Shri Sandeep Malhotra, Director, M/s. Malhotra Lubricants Pvt. Ltd., dated 08.03.2022	<b>31</b>
14	NEPTUNE PETROCHEM ICALS PVT LTD	IIX1251ECSM 2535	7589934 / 21.02.20 22	Bitumen Grade VG30	Shri Ronak Sonecha, Imports Manager, M/s. Neptune Petrochemicals Pvt. Ltd., dated 03.03.2022	<b>32</b>
		IIX1251ECSM 2554	7589353 / 21.02.20 22	Bitumen Grade VG40		

		IIX1251ECSM 2561	7589354 / 21.02.20 22	Bitumen Grade VG40		
15	VEVELON PETROCHEM PRIVATE LIMITED	IIX1251ECSM 2559	7417788 / 09.02.20 22	Bitumen 60 70	Shri Dinesh Mishra, Manager (Finance), M/s. Vevelon Petrochem Pvt. Ltd., dated 08.03.2022	<b>33</b>

**7.1 Statement of Dinesh Mishra, Manager (Finance) of M/s. Vevelon Petrochem Private Limited, situated at D-915, 9<sup>th</sup> Floor, Capital Building, G-Block, Mumbai – 400051 recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 08-03-2022 wherein he inter-alia stated that:-**

- They imported Bitumen from UAE. For importing Bitumen, the shipper/supplier is contacted over phone to get the price of the petroleum products. The shipper sends the proforma invoice according to the agreed price of the goods. The proforma invoice is accepted and sent back to the shipper in UAE. The payment is sent through bank to the shipper in UAE. The payment terms with the supplier/shipper is 30 days after delivery.
- For each consignment, they receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading from UAE. These documents are then submitted to their CHA for filing of the Bill of Entry.
- They placed the orders with the shipper M/s. SMVS General Trading, LLC, Dubai, UAE. Their contract as per the proforma invoice with the shipper/supplier was CFR, which meant that the cost includes cost of the cargo and the freight. It was not brought in their knowledge by the shipper that they are loading the cargo from Bandar Abbas port as the documents received from the shippers reflects that the port of Loading is Jebel Ali and all other documents such as Commercial Invoice, Packing List, Bill of Lading sent to them by the shippers carries the port of loading as Jebel Ali.
- Bill of Lading No. IIX1251ECSM2559 dated 05/02/2022 which mentioned Port of Loading as Jabel Ali, UAE was provided to them by their shipper M/s. SMVS General Trading, LLC, Dubai, UAE. The Bills of Lading having same number and port of loading as Bandar Abbas shown to him was not in their knowledge.
- That they had not made any request for switch of Bill of Lading.
- That at the time of recording of statement, they had not made payment to M/s. SMVS General Trading, LLC, Dubai, UAE for the cargo imported vide Bill of Lading No. IIX1251ECSM2559 dated 05/02/2022 as they were having payment terms with the supplier/shipper of 30 days after receiving the cargo. They were receiving import from the same supplier since the inception of the company. Although the payment of the instant cargo was not made but he wanted to submit the banking documents for the last two import consignments which established that the payment was made in the UAE for the import cargo.
- That they are in contact with shipper in UAE and importing bitumen on regular basis. The proforma invoices are sent by the shipper/supplier to them and the accepted proforma invoices are sent back to the shippers. The body of the proforma invoice carries all the terms of the deal and it

is specifically mentioned that the cargo imported is on CFR terms. It means that the order was placed in UAE and the shipper had the responsibility to deliver the cargo at agreed port. In the instant case the cargo was agreed to be delivered at the Kandla port. Once the order is received by the shipper UAE, they process the export documents and send to them for further formalities in India.

- They had made banking transaction in UAE according to the proforma invoice in the earlier import consignments. The vessel, container line were in the scope of the shipper. They had been provided the Country of Origin certificate by the shipper. They were bound to believe what had been informed by the shipper.
- They had never placed purchase orders for bitumen in Iran and they had never made payments in Iran.

**7.2 Statement of Shri Sandeep Malhotra S/o Shri Jagmohan M. Malhotra, Director of M/s. Malhotra Lubricants Private Limited, situated at AC 41, Tagore Garden, New Delhi-110027, recorded before Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 08.03.2022.**

- We are placing orders for importing base oil and bitumen from UAE. In the instant case, they had imported 14 containers of Base oil.
- For each consignment, they receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading from UAE. These documents are then submitted to their CHA for filing of the Bill of Entry.
- They had placed order with M/s. Wadi Aljawarih Wholesalers LLC, Dubai, UAE. Their contracts as per the proforma invoice was CFR, which meant that the cost included cost of the cargo and the freight. It was not brought to their knowledge by the suppliers/ shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Packing List, Bill of Lading sent to them by the shipper carried the port of loading as Jebel Ali.
- They had been provided the Bill of Lading No. IIX1251ECSM2563 by their shipper M/s. Wadi Aljawarih Wholesalers LLC, Dubai, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bill of Lading shown to him, wherein Port of Loading was mentioned as Bandar Abbas, Iran was not in their knowledge.
- That they had not made any request for switch of Bill of Lading.
- They had made partial payment to M/s. Wadi Aljawarih Wholesalers LLC, Dubai, UAE for the goods imported vide Bill of Lading No. IIX1251ECSM2563 dated 05/02/2022
- They had never placed purchase orders for the petrochemical products in Iran and that they had never made any payment in Iran.
- They were in contact with supplier in UAE and importing base oil from UAE on regular basis. The proforma invoice was sent by the shippers to us and the accepted proforma invoices were sent back to the shippers carried the terms of the deal on the body of the proforma invoice that the cargo was imported on CFR terms. It meant that the order was placed with the shipper/supplier and they had the responsibility to deliver the cargo at agreed port, in their case they were importing the cargo at Kandla and Mundra ports. Once the terms

in the proforma invoice were agreed upon by the supplier and the consignee, the shipper processed the export documents and sent it to them for further formalities in India.

- Their company had made banking transaction in UAE, Dubai according to the bank details mentioned in the proforma invoices. The vessel, container line were in the scope of the shipper. They had been provided the Country of Origin certificate by the shipper and they were bound to believe what have been informed by the shipper.
- They had never placed purchase orders for bitumen in Iran and they had never made payments in Iran.

**7.3 Statement of Shri Harshadbhai Chauhan S/o Shri Chimanlal Chauhan, Executive (Operations) of M/s. V R Petrochem India LLP situated at Block No. 17 8e 18, Manjusar Sokhda Road, Manjusar, Vadodara-391775 recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 08.03.2022.**

- They imported Bitumen from UAE and not any other country. For importing Bitumen, the shipper/supplier is contacted over phone to get the price of the petroleum products. The shipper sends the proforma invoice according to the agreed price of the goods. The proforma invoice is accepted and sent back to the shipper in UAE. The payment is sent through bank to the shipper in UAE. The payment terms with the supplier/shipper are 100% advance. On receiving the payment the shipper loads the cargo in the vessel.
- For each consignment, they received (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading from UAE. These documents are then submitted to their CHA for filing of the Bill of Entry.
- They placed the orders with the shipper M/s. Greenwood General Trading FZE, Fujairah, UAE. Their contract as per the proforma invoice with the shipper/supplier was CFR, which meant that the cost includes cost of the cargo and the freight. It was not brought in their knowledge by the shipper that they were loading the cargo from Bandar Abbas port as the documents received from the shippers reflects that the port of Loading is Jebel Ali and all other documents such as Commercial Invoice, Packing List, Bill of Lading sent to them by the shippers carries the port of loading as Jebel Ali.
- Bill of Lading No. IIX1251ECSM2557 dated 05/02/2022 was provided by their shipper M/s. Greenwood General Trading FZE, Fujairah, UAE. The Bill of Lading having same number and port of loading as Bandar Abbas shown to him was not in their knowledge.
- That they had not made any request for switch of Bill of Lading.
- They had made payment to M/s. Greenwood General Trading FZE, Fujairah, UAE for the goods imported vide Bills of Lading No. IIX1251ECSM2557 dated 05/02/2022.
- They were in contact with supplier in UAE and importing Bitumen from UAE on regular basis. The proforma invoice was sent by the shippers to us and the accepted proforma invoices were sent back to the shippers carried the terms of the deal on the body of the proforma invoice that the cargo was imported on CFR terms. It meant that the order was placed with the shipper/supplier and they had the responsibility to deliver the cargo at agreed port. Once the order is

received by the shipper UAE, they process, export documents and send to us for further formalities in India.

- The supplier/shipper after negotiating the terms and conditions of the deal, made all the arrangements for the delivery of cargo at the agreed port in India. As per the terms and conditions the cargo is to be delivered in India on CFR basis.
- Their company had made banking transaction in UAE according to the proforma invoices in the instant and the earlier consignments. The vessel, container line were in the scope of the shipper. They had been provided the Country of Origin certificate by the shipper and they were bound to believe what have been informed by the shipper.
- They had never placed purchase orders for bitumen in Iran and they had never made payments in Iran.

**7.4 Statement of Mahender Singh Regar S/o Chhotu Ram Regar Executive (Operations) of M/s. Premium Petro Products, situated at 1/3, Hathroi Market. Opp. Gopal Bari, Ajmer Road, Jaipur, Rajasthan-302001 recorded before the Superintendent (SUB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 08.03.2022.**

- They imported Bitumen from UAE and not any other country. For importing Bitumen, the shipper/supplier is contacted over phone to get the price of the petroleum products. The shipper sends the proforma invoice according to the agreed price of the goods. The proforma invoice is accepted and sent back to the shipper in UAE. The payment is sent through bank to the shipper in UAE. The payment terms with the supplier/shipper are 100% advance. On receiving the payment the shipper loads the cargo in the vessel.
- For each consignment, they received (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading from UAE. These documents are then submitted to their CHA for filing of the Bill of Entry.
- They had placed orders with 1) M/s. Bright Fortune Pte Limited, Singapore (2) M/s. NPT Trading LLC, Dubai, UAE. Their contract as per the proforma invoices with the shippers/suppliers was CFR, which meant that the cost included the cost of the cargo and the freight. It was not brought in their knowledge by the shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers reflected that the port of Loading was Jebel Ali and all other documents such as Commercial Invoice, Packing List, Bill of Lading were sent to them by the shippers carries the port of loading as Jebel Ali.
- That they had been provided Bills of Lading No. (1) 11X1251ECSM2542 (M/s. Bright Fortune PTE Limited, Singapore) (2) IIX1251ECSM2548 (M/s. Bright Fortune PTE Limited, Singapore) (3) IIX1251ECSM2547 (M/s. NPT Trading LLC, Dubai, UAE) by their shippers wherein port of loading was mentioned as Jebel Ali. The Bills of Lading having same number and port of loading as Bandar Abbas shown to him were not in their knowledge.
- They did not make any request for any switching of Bills of Lading.
- Their firm had already made payment for the cargo imported vide Bill of Lading No. (1) IIX1251ECSM2542 M/s. Bright Fortune PTE Limited, Singapore (2) IIX1251ECSM2548 M/s. Bright Fortune PTE Limited,

*Singapore (3) I1X1251ECSM2547 M/s. NPT Trading LLC, Dubai, UAE. The payment to M/s. Bright Fortune PTE Limited, Singapore was made in US dollars in Singapore and payment to M/s. NPT Trading LLC, Dubai, UAE was made in AED currency.*

- *They were in contact with supplier in Singapore and UAE and importing Bitumen from UAE on regular basis. The proforma invoices were sent by the shippers to us and the accepted proforma invoices were sent back to the shippers which carried the terms of the deal on the body of the proforma invoice that the cargo was imported on CFR terms. It meant that the order was placed with the shipper/supplier in Singapore/UAE and they had the responsibility to deliver the cargo at agreed port. In the instant case, the cargo was agreed to be delivered at Kandla Port. Once the order was received by the shipper UAE, they processed, export documents and send to us for further formalities in India.*
- *Their company had made banking transaction in UAE & Singapore. The vessel, container line were in the scope of the shipper. They had been provided the Country of Origin certificate by the shipper and they were bound to believe what have been informed by the shipper.*
- *They had never placed purchase orders for bitumen in Iran and they had never made payments in Iran.*

**7.5 Statement of Shri Ankur Khadaria authorized person of M/s. Shayam Sunder Surender Kumar, Main Market, Tehsii-Nohar, Distt. Hanumangarh-335523 recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 07.03.2022 wherein he inter-alia stated that:**

- *They imported Rock Salt from UAE & Iran. For importing Rock Salt, the shipper/supplier is contacted over phone to get the price of the Rock Salt. The shipper sends the proforma invoice according to the agreed price of the goods on mail or whatsapp. The proforma invoice is accepted and sent back to the shipper in UAE. The payment is sent through bank to the shipper in UAE through mail or whatsapp. The 100% advance payment is sent through bank to the shipper in UAE. As per the terms agreed by both the parties in the proforma invoice, the shipper loads the cargo in the vessel.*
- *For each consignment, they received (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading from UAE. These documents are then submitted to their CHA for filing of the Bill of Entry.*
- *They had placed orders with M/s. Balaji Global Trading LLC, Dubai, UAE. Their contract as per the proforma invoices with the shippers/suppliers was CFR, which meant that the cost included the cost of the cargo and the freight. It was not brought in their knowledge by the shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers reflected that the port of Loading was Jebel Ali and all other documents such as Commercial Invoice, Packing List, Bill of Lading were sent to them by the shippers carries the port of loading as Jebel Ali.*
- *They placed order with the shipper M/s. Balaji Global Trading LLC, Dubai, UAE and they provided them with the Bills of Lading No. (1) IIX1251ECSM2560 (2) IIX1251ECSM2549 dated 05/02/2022 wherein the port of loading was mentioned as Jebel Ali.*

- They did not make any request for any switching of Bills of Lading.
- Their firm had made payment to M/s. Balaji Global Trading LLC, Dubai, UAE for the goods imported vide Bills of Lading No. (1) 11X1251ECSM2560 (2) 11X1251ECSM2549 dated 05/02/2022.
- They had never made payment in Iran and had never placed purchase order for Rock Slat in Iran.

**7.6 Statement of Shri Soumya Ranjan Manik Authorized Person of M/s. OFB Tech Pvt. Ltd, 6th Floor, Tower A, Global Business Park, M G Road, Gurgaon-122001, was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 03.03.2022 wherein he inter-alia stated that:-**

- M/s. OFB Tech Pvt Ltd was engaged in trading of Bitumen. The goods are procured from the local market and purchased under High seas Sale agreement for the purpose of trading.
- M/s. OFB Tech Pvt Ltd was not importing the bitumen from outside the country but purchasing the bitumen under High seas Sale agreement.
- Their company had come into contact with the original importer M/s. Ecos Daily Way LLP, Shop No. 25, Vipul Agora, M.G.Road, Gurgaon, Haryana-122002 in December 2021 and started purchasing the bitumen through High seas sale agreement. Their company placed the order with the original importer M/s. Ecos Daily Way LLP and the importer informed their company regarding the tentative arrival of the import cargo. Thereafter, the high seas sale agreement was prepared as per the agreed terms of both the parties and the sale was finalized.
- All the documents submitted by them to CHA were given by M/s. Ecos Daily Way LLP. Their High Sea Sale contract was Ex-Kandla basis and accordingly they had received invoice from M/s. Ecos Daily Way LLP, Gurgaon. It was not brought in their knowledge by the shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers reflects that the port of Loading is Jebel Ali and all other documents such as Original Commercial Invoice, Packing List, Certificate of Analysis, Country of Origin, Bill of Lading received by us by M/s. Ecos Daily Way LLP, Gurgaon the shippers carries the port of loading as Jebel Ali.
- They had been provided the Bill Of Lading No. IIX1251ECSM2534 dated 05/02/2022 wherein Port of Loading was mentioned as Jebel Ali, UAE and all other supporting documents for filling of Bill of Entry were received from the High Sea Sale Supplier M/s. Ecos Daily Way LLP. The Bills of Lading having same numbers & descriptions shown to him wherein Port of Loading was mentioned as Bandar Abbas, Iran was not in their knowledge.
- They had made all the payment to M/s. Ecos Daily Way LLP, Shop No. 25, Vipul Arora, M. G. Road, Gurgaon, Haryana-122002 and the same was mentioned in the High seas sale agreement dated 08/02/2022.
- As stated earlier, they had purchased the goods on high Sea Sale basis from M/s. Ecos Daily Way LLP and they had provided all the documents to them for this shipment as per the terms and conditions decided in High Sea Sale Contract. The container line, the vessel and all other sundry responsibility lied with the shippers/suppliers.

- The vessel, container line were in the scope of the shipper. They had been provided the Country of Origin certificate by the supplier. They were bound to believe what had been informed by the supplier.
- Generally they cross verify all the documents like Quantity of goods, invoice value, terms of invoice. Bill of lading terms, Container number and Country of origin etc. during the high seas sale agreement but the aspect regarding the port of loading didn't come to their notice.

**7.7 Statement of Shri Tapan Rasiklal Thacker authorized person of M/s. Hexatron Industries Limited, Survey No. 923, Paiki 01, Anjar Sim, Viliadge-Vidi, Taluka Anjar, Kutch-370110 was recorded before Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 03.03.2022 wherein he inter-alia stated that:-**

- The company M/s. Hexatron Industries Limited, Kutch was importing the bitumen from UAE only. Their company is not importing any other goods from any other country.
- They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.
- They had placed orders with M/s. Pluton Energy FZE, Shaijah, UAE. Their contract as per the proforma invoices was CFR, which meant that the cost included the cost of the cargo and the freight. It was not brought in our knowledge by the supplier/shipper that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Commercial Invoice, Packing List, Bill of Lading, Certificate Of Origin sent to them by the shipper carried the port of loading as Jebel Ali.
- They had been provided the Bill Of Lading No. IIX1251ECSM2533 by their shippers M/s. Pluton Energy FZE, Shaijah, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bill of Lading having same numbers shown to me wherein Port of Loading was mentioned as Bandar Abbas, Iran was not in their knowledge.
- They never made any request for switch of the Bill of Lading with the supplier.
- Their company had made payment to M/s. Pluton Energy FZE, Sharjah, UAE for the goods imported vide Bills of Lading No. IIX1251ECSM2533 dated 05-02-2022.
- They had never placed purchase orders for the bitumen in Iran.
- As per the terms and conditions decided in the proforma invoice, the container line, the vessel and all other sundry responsibility lies with the shipper.

**7.8 Statement of Mr. Mohammad Ibrahim S/o Late Mr. Mohammad Safdar, Partner of M/s. Suhail Brothers, Near Islamia School, Shalina Chinar Bagh, Srinagar, Jammu 86 Kashmir -190005 was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 02.03.2022 wherein he inter-alia stated that:**

- They were placing orders for importing bitumen from UAE. In the instant case, they had imported 25 containers of Bitumen.

- They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.
- They had placed order with M/s. SMVS General trading LLC, Dubai, UAE. Their contract as per the proforma invoice were CFR, which meant that the cost included cost of the cargo and the freight. It was not brought in our knowledge by the supplier/shipper that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Packing List, Bill of Lading sent to them by the shipper carried the port of loading as Jebel Ali.
- They had been provided the Bill Of Lading No. IIX1251ECSM2553 by their shipper M/s. SMVS General trading LLC, Dubai, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bill of Lading shown to him wherein Port of Loading was mentioned as Bandar Abbas, Iran was not in their knowledge.
- They never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper M/s. SMVS General trading LLC, Dubai, UAE and they provided them with the Bill of Lading No. IIX1251ECSM2553 dated 05/02/2022.
- They had made payment to M/s. SMVS General trading LLC, Dubai, UAE for the goods imported vide Bills of Lading No. IIX1251ECSM2553 dated 05/02/2022.
- They had never placed purchase orders for the petrochemical products in Iran and had never made any payment in Iran.
- The supplier/ shippers after receiving the payment as per the conditions of the Proforma invoices made all the arrangements for the delivery of the cargo at the agreed port in India. As per the terms and conditions decided in the proforma invoice, the container line, the vessel and all other sundry responsibility lies with the shipper.

**7.9 Statement of Shri Prasanta Kumar Samantra S/o Late Bhudeb Samanta, Accounts Manger of M/s. Madhusudan Organics Limited, 5, Gopal Doctor Road, Kolkata- 700023 was recorded before Superintendent (SUB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 02.03.2022 wherein he inter-alia stated that:-**

- Their firm was importing the bitumen & Base oil from UAE only. Their firm was not importing any other goods from any other country. In the instant case, they had imported 100 containers of Bitumen.
- They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which were then sent to their CHA for filing Bills of Entry.
- They had placed orders with (1) M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE (2) Al Kashaf Petroleum and Petrochemical Trading LLC, Dubai, UAE. Their contract as per the proforma invoices were CFR, which meant that the cost included the cost of the cargo and the freight. It was not brought in their knowledge by the suppliers/ shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Packing List, Bill of Lading sent to me by the shipper carried the port of loading as Jebel Ali.

- They had been provided the Bills Of Lading No. (1) IIX1251ECSM2551 (2) IIX1251ECSM2555 (3) IIX1251ECSM2556 (4) 1IX1251ECSM2562 (5) IIX1251ECSM2552 by their shippers (1) M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE (2) Al Kashaf Petroleum and Petrochemical Trading LLC, Dubai, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bills of Lading having same numbers shown wherein Port of Loading was mentioned as Bandar Abbas, Iran was not in their knowledge.
- They never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper (1) M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE (2) AL Kashaf Petroleum and Petrochemical Trading LLC, Dubai, UAE and they provided us with the Bills of Lading No. (1) IIX1251ECSM2551 (2) IIX1251ECSM2555 (3) IIX1251ECSM2556 (4) 1IX1251ECSM2562 (5) IIX1251ECSM2552 dated 05/02/2022 wherein the port of loading was mentioned as Jebel Ali.
- They had never placed purchase orders for the bitumen in Iran and had never made any payment in Iran.
- They were in contact with suppliers/shippers in UAE. The supplier/shippers after receiving the payment as per the conditions of the Proforma invoices made all the arrangements for the delivery of the cargo at the agreed port in India.
- As per the terms and conditions decided in the proforma invoice, the container line, the vessel and all other sundry responsibility lied with the shipper.
- The proforma invoice was sent by the shippers to them and the accepted proforma invoices were sent back to the shippers, which carried the terms of the deal on the body of the proforma invoice that the cargo was imported on CFR terms. It meant that the order was placed with the shipper/supplier and they had the responsibility to deliver the cargo at agreed port, In our case they were importing the cargo at Kandla & Mundra ports. Once the terms in the proforma invoice were agreed upon by the supplier and the consignee, the shipper processed the export documents and sent it to them for further formalities in India.
- The vessel, container line were in the scope of the shipper. We had been provided the Country of Origin certificate by the shipper. We were bound to believe what had been informed by the shipper.

**7.10 Statement of Shri Anshul Jain Proprietor of M/s. Vardhman Trading Co., Near Electric Substation, Industrial area, Gangyal, Jammu-180010 was recorded before the Superintendent (SIIB), Custom House, Kandia under Section 108 of the Customs Act, 1962 on 02.03.2022 wherein he inter-alia stated that:-**

- Their firm was importing the raw material from UAE, China & Taiwan on regular basis.
- They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.
- They had placed order with M/s. Pluton Energy FZE, Shaijah, UAE. Their contract as per the proforma invoice was CIF, which means that the cost includes cost of the cargo, insurance and the freight. It was not brought in their knowledge by the supplier/shipper that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all

other documents such as *Packing List, Bill of Lading* sent to them by the shipper carried the port of loading as *Jebel Ali*.

- They had been provided the *Bill Of Lading* No. *IIX1251ECSM2545* by their shipper M/s. *Pluton Energy FZE, Sharjah, UAE* wherein Port of Loading was mentioned as *Jebel Ali, UAE*. The *Bill of Lading* shown to him wherein Port of Loading was mentioned as *Bandar Abbas, Iran* was not in their knowledge.
- They never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper M/s. *Pluton Energy FZE, Sharjah, UAE* and they provided them with the *Bill of Lading* No. *IIX1251ECSM2545* dated 05/02/2022.
- Their company had made payment to M/s. *Pluton Energy FZE, Shaijah, UAE* for the goods imported vide Bills of Lading No. *IIX1251ECSM2545* dated 05/02/2022.
- They had never placed purchase orders for the petrochemical products in Iran and had never made any payment in Iran.
- They were in contact with suppliers in UAE and importing base oil & bitumen on regular basis. The proforma invoice was sent by the shippers to them and the accepted proforma invoices were sent back to the shippers, carried the terms of the deal on the body of the proforma invoice that the cargo was imported on *CIF* terms. It meant that the order was placed with the shipper/ supplier and they had the responsibility to deliver the cargo at agreed port, in their case they were importing the cargo at *Kandla & Mundra*. Once the terms in the proforma invoice were agreed upon by the supplier and the consignee, the shipper processed the export documents and sent to them for further formalities in India.
- Their company had made banking transaction in UAE, Dubai according to the bank details mentioned in the proforma invoices. The vessel, container line were in the scope of the shipper. They had been provided the Country of Origin certificate by the shipper. They were bound to believe what had been informed by the shipper.

**7.11 Statement of Shri Bhoor Nath S/o Shri Babu Nath, Accounts Manger of M/s. Prejag Petrochem, G-4, ICC Building, Near Kadiwala School, Ring Road, Surat-395002 was recorded before Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 02.03.2022 wherein he inter-alia stated that:-**

- Their firm was importing the bitumen from UAE only. Their firm was not importing any other goods from any other country.
- They were placing orders for importing bitumen from UAE. In the instant case, they had imported 75 containers of Bitumen.
- They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.
- They had placed orders with (1) M/s. *Long Worth Goods Wholesalers LLC, Dubai, UAE* (2) *NPT Trading LLC, Dubai, UAE*. Our contract as per the proforma invoices are *CFR*, which means that the cost includes cost of the cargo and the freight. It was not brought in our knowledge by the suppliers/ shippers that they were loading the cargo from *Bandar Abbas* port as the documents received from the shippers also reflected that the port of Loading was *Jebel Ali* and all other documents such as *Packing*

*List, Bill of Lading sent to them by the shipper carried the port of loading as Jebel Ali.*

- *That they had been provided the Bill Of Lading No. IIX1251ECSM2536, IIX1251ECSM2538 & IIX1251ECSM2541 by our shippers (1) M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE (2) NPT Trading LLC, Dubai, UAE wherein Port of Loading is mentioned as Jebel Ali, UAE. The Bills of Lading No. IIX1251ECSM2536, IIX1251ECSM2538 & IIX1251ECSM2541 shown to him wherein Port of Loading is mentioned as Bandar Abbas, Iran is not in their knowledge.*
- *They had never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper (1) M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE (2) NPT Trading LLC, Dubai, UAE and they provided them with the Bills of Lading No. IIX1251ECSM2536, IIX1251ECSM2538 & IIX1251ECSM2541 dated 05/02/2022.*
- *They had never placed purchase orders for the bitumen in Iran and had never made any payment in Iran*
- *They were in contact with a suppliers/shippers in UAE. The supplier/shippers after receiving the payment as per the conditions of the Proforma invoices made all the arrangements for the delivery of the cargo at the agreed port in India. As per the terms and conditions decided in the proforma invoice, the container line, the vessel and all other sundry responsibility lied with the shipper.*

**7.12 Statement of Shri Shikhar Gaddh S/o Shri Rajiv Gaddh, Authorized Person of M/s. Future Universal Petrochem (P) Ltd, 412, Vill-Gadhauli, Near Tejli Sports Complex, Yamuna Nagar, Haryana-135001 recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 02.03.2022.**

- *Our firm was importing the raw material from UAE on regular basis.*
- *They were placing orders for importing Bitumen from UAE. In the instant case, they had imported 100 containers of Bitumen.*
- *They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.*
- *They had placed order with M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE. Their contracts as per the proforma invoice was CFR, which meant that the cost included cost of the cargo and the freight. It was not brought in their knowledge by the supplier/shipper that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Packing List, Bill of Lading sent to me by the shipper carried the port of loading as Jebel Ali.*
- *They had been provided the Bills Of Lading No. IIX1251ECSM2539, IIX1251ECSM2543, IIX1251ECSM2544, IIX1251ECSM2546 & IIX1251ECSM2550 all dated 05.02.2022 by their shipper M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bills of Lading shown to him wherein Port of Loading was mentioned as Bandar Abbas, Iran was not in their knowledge.*
- *They never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper M/s. Long Worth Goods*

Wholesalers LLC, Dubai, UAE and they provided them with the Bills Of Lading No. IIX1251ECSM2539, IIX1251ECSM2543, IIX1251ECSM2544, IIX1251ECSM2546 & 11X1251ECSM2550 all dated 05.02.2022.

- As per contract their company had made 22.5% advance payment to M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE for the goods imported vide Bills Of Lading No. IIX1251ECSM2539, IIX1251ECSM2543, IIX1251ECSM2544, IIX1251ECSM2546 86 IIX1251ECSM2550 all dated 05.02.2022.
- They had never placed purchase orders for the bitumen in Iran and had never made any payment in Iran
- They were in contact with a supplier/shipper in UAE. The supplier/shippers after receiving the payment as per the conditions of the Proforma invoices made all the arrangements for the delivery of the cargo at the agreed port in India. As per the terms and conditions decided in the proforma invoice, the container line, the vessel and all other sundry responsibility lied with the shipper.
- Their company had made banking transaction in UAE, Dubai according to the bank details mentioned in the proforma invoices. The vessel, container line were in the scope of the shipper. They had been provided the Country of Origin certificate by the shipper. They were bound to believe what had been informed by the shipper.

**7.13 Statement of Shri Amit Agarwal S/o Late Shri Arjun Lai Agarwal, Director of M/s. Deep Jyoti Wax Traders Private Limited, 157, Netaji Subhash Road, 3<sup>rd</sup> Floor, Room No. 184, Kolkata-700001 was recorded before the Superintendent (SUB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 02.03.2022 wherein he inter-alia stated that:-**

- Their firm was importing the raw material from UAE, South Korea, Taiwan & China on regular basis.
- They were placing orders for importing base oil and bitumen from UAE. In the instant case, they had imported 55 containers of Bitumen.
- They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.
- They had placed order with (1) M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE (2) Bethesda Industrial Solvents Trading, Dubai, UAE. Their contract as per the proforma invoice was CIF, which meant that the cost includes cost of the cargo, insurance and the freight. It was not brought in our knowledge by the suppliers/shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Packing List, Bill of Lading sent to them by the shipper carries the port of loading as Jebel Ali.
- They had been provided the Bill of Lading No. IIX1251ECSM2540 & 11X1251ECSM2537 by their shipper M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bill of Lading shown to him wherein Port of Loading was mentioned as Bandar Abbas, Iran was not in their knowledge.
- They never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper (1) M/s. Long Worth Goods

*Wholesalers LLC, Dubai, UAE (2) Bethesda Industrial Solvents Trading, Dubai, UAE. The exporters provided them with the Bills of Lading No. IIX1251ECSM2540 86 IIX1251ECSM2537 dated 05/02/2022.*

- *Their company had made partial payment to (1) M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE (2) Bethesda Industrial Solvents Trading, Dubai, UAE for the goods imported vide Bills of Lading No. IIX1251ECSM2540 8b IIX1251ECSM2537 dated 05/02/2022.*
- *They had never placed purchase orders for the bitumen in Iran and had never made any payment in Iran*
- *They were in contact with suppliers in UAE and importing base oil & bitumen on regular basis. The proforma invoice was sent by the shippers to them and the accepted proforma invoices were sent back to the shippers, carried the terms of the deal on the body of the proforma invoice that the cargo was imported on CIF terms. It meant that the order was placed with the shippers/suppliers and they had the responsibility to deliver the cargo at agreed port. Once the terms in the proforma invoice were agreed upon by the supplier and the consignee, the shipper processed the export documents and sent to us for further formalities in India.*
- *Their company had made banking transaction in UAE, Dubai according to the bank details mentioned in the proforma invoices. The vessel, container lines were in the scope of the shipper. They had been provided the Country of Origin certificate by the shipper. They were bound to believe what had been informed by the shipper.*

**7.14 Statement of Shri Meet Bhadresh Mehta, Director of M/s. Rajkamal Industrial Private Limited, 401, Dev Arc Coiporate, Above Croma, Iscon Cross Roads, SG Highway, Ahmedabad-380015, was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 02.03.2022 wherein he inter-alia stated that:-**

- *Their firm was importing the raw material from UAE, South Korea, Singapore & USA on regular basis.*
- *They were placing orders for importing base oil and bitumen from UAE. In the instant case, they had imported 5 containers of Base oil.*
- *They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.*
- *They had placed order with M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE. Their contract as per the proforma invoice was CFR, which meant that the cost included cost of the cargo and the freight. It was not brought in their knowledge by the suppliers/shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Packing List, Bill of Lading sent to them by the shipper carries the port of loading as Jebel Ali.*
- *They had been provided the Bill Of Lading No. IIX1251ECSM2558 by their shipper M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bill of Lading shown to him wherein Port of Loading is mentioned as Bandar Abbas, Iran was not in their knowledge.*

- They never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE and they provided them with the Bill of Lading No. IIX1251ECSM2558 dated 05/02/2022.
- Their company had made partial payment to M/s. Long Worth Goods Wholesalers LLC, Dubai, UAE for the goods imported vide Bills of Lading No. IIX1251ECSM2558 dated 05/02/2022.
- They had never placed purchase orders for the petrochemical products in Iran and had never made any payment in Iran.
- They were in contact with a supplier/shipper in UAE. The supplier/shippers after receiving the payment as per the conditions of the Proforma invoices made all the arrangements for the delivery of the cargo at the agreed port in India. As per the terms and conditions decided in the proforma invoice, the container line, the vessel and all other sundry responsibility lied with the shipper.
- They were in contact with suppliers in UAE and importing base oil & bitumen on regular basis. The proforma invoice was sent by the shippers to them and the accepted proforma invoices were sent back to the shippers, carried the terms of the deal on the body of the proforma invoice that the cargo was imported on CFR terms. It meant that the order was placed with the shipper/supplier and they had the responsibility to deliver the cargo at agreed port, in this case, they were importing the cargo at Kandla, Mundra & Nhava Sheva ports. Once the terms in the proforma invoice were agreed upon by the supplier and the consignee, the shipper processed the export documents and sent to them for further formalities in India.
- They had never placed purchase orders for the petrochemical products in Iran and had never made any payment in Iran.
- Their company had made banking transaction in UAE, Dubai according to the bank details mentioned in the proforma invoices. The vessel, container line were in the scope of the shipper. We had been provided the Country of Origin certificate by the shipper. We were bound to believe what had been informed by the shipper. Any further detail in the matter was out of our knowledge.

**7.15 Statement of Shri Ronak Sonecha, Imports Manager of M/s. Neptune Petrochemicals Private Limited, B-606, Mondeal Heights, Near Panchratna Party Plot, S.G. Highway, Ahmedabad was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 03-03-2022 wherein he inter-alia stated that:-**

- Their firm was engaged in trading of Bitumen.
- their firm was importing bitumen from UAE only. Their company was not importing any other goods from any other country.
- They were placing orders for importing bitumen from UAE. In the instant case, they had imported 75 containers of Bitumen. For placing the order, the shipper was contacted over phone to get the price of the Bitumen. The shipper sends the proforma invoice according to the agreed proceed of the goods on mail or whatsapp. The 100% payment was made within 30 days after the receipt of the goods and payment was sent through bank to the shipper in UAE. As per the terms agreed by both the parties in the proforma invoice, the shipper loads the cargo in the vessel.

- *They receive (1) Commercial Invoice (2) Packing List (3) Certificate of Origin (4) Certificate of Analysis (5) Bill of Lading for each import consignment from UAE which are then sent to their CHA for filing Bills of Entry.*
- *They had placed order with M/s. Renewable Energy FZE, Sharjah, UAE. Their contract as per the proforma invoice was CIF, which meant that the cost included cost of the cargo and the freight. It was not brought in their knowledge by the suppliers/shippers that they were loading the cargo from Bandar Abbas port as the documents received from the shippers also reflected that the port of Loading was Jebel Ali and all other documents such as Packing List, Bill of Lading sent to them by the shipper carries the port of loading as Jebel Ali.*
- *They had been provided the Bills Of Lading No. IIX1251ECSM2535, IIX1251ECSM2554 & IIX1251ECSM2561 by their shipper M/s. Renewable Energy FZE, Sharjah, UAE wherein Port of Loading was mentioned as Jebel Ali, UAE. The Bills of Lading shown to him wherein Port of Loading is mentioned as Bandar Abbas, Iran was not in their knowledge.*
- *They never made any request for switch of the Bills of Lading with the supplier. They placed order with the shipper M/s. Renewable Energy FZE, Sharjah, UAE and they provided them with the Bill of Lading No. IIX1251ECSM2535, IIX1251ECSM2554 & IIX1251ECSM2561 all dated 05-02-2022.*
- *They had never made any payment in Iran.*
- *They were in contact with a supplier/shipper in UAE. The supplier/shippers after receiving the payment as per the conditions of the Proforma invoices made all the arrangements for the delivery of the cargo at the agreed port in India. As per the terms and conditions decided in the proforma invoice, the container line, the vessel and all other sundry responsibility lied with the shipper.*
- *They were in contact with suppliers in UAE and importing bitumen on regular basis. The proforma invoice was sent by the shippers to them and the accepted proforma invoices were sent back to the shippers, which carried the terms of the deal on the body of the proforma invoice that the cargo was imported on CIF terms. It meant that the order was placed with the shipper/supplier and they had the responsibility to deliver the cargo at agreed port, in this case, they were importing the cargo at Kandla, Mundra & Nhava Sheva ports. Once the terms in the proforma invoice were agreed upon by the supplier and the consignee, the shipper processed the export documents and sent to them for further formalities in India.*
- *Their company had made banking transaction in UAE, Dubai according to the bank details mentioned in the proforma invoices. The vessel, container line were in the scope of the shipper. We had been provided the Country of Origin certificate by the shipper. They had been provided the Country of Origin certificate by the shipper. They were bound to believe what had been informed by the shipper. Any further detail in the matter was out of their knowledge.*

**8. Investigation of Custom Brokers:**

Summons were issued to the Custom Brokers to record their statement and for submission of documents in case of imports done through Vessel MV GOLSAN. The statements of all the Custom Brokers were recorded under Section 108 of the Customs Act, 1962 and the details of the same are as under:-

**Table-4**

<b>Sr. No.</b>	<b>Name of Custom Broker firm/perso n</b>	<b>Name of the Representative /Authorized Person &amp; Date of Statement</b>	<b>Name of the Importer</b>	<b>Bill of Entry No. &amp; Date</b>	<b>Description of Goods</b>
1	<b>M/s. Sarthee Shipping Co.</b>	Shri Amit Bhardwaj (F-Card Holder), Proprietor, M/s. Sarthee Shipping Co., dated 07.03.2022 <b>(RUD-34)</b>	M/s. Malhotra Lubricants Pvt. Ltd.	7401219 dated 08.02.2022	Base Oil, 14X20'
			M/s. Rajkamal Industrial Pvt. Ltd.	7403228 dated 08.02.2022	Base Oil, 05X20'
2	<b>M/s. D. L. Shipping Services</b>	Shri Inder Lachmandas Bhojwani (G-Card Holder & Partner), M/s. D. L. Shipping Services dated 07.03.2022 <b>(RUD-35)</b>	M/s. Future Universal Petrochem Pvt. Ltd.	7406187 dated 08.02.2022	Bitumen VG-30, 25X20'
				7406202 dated 08.02.2022	Bitumen VG-30, 10X20'
				7406204 dated 08.02.2022	Bitumen VG-30, 25X20'
				7407087 dated 08.02.2022	Bitumen VG-30, 15X20'
3	<b>M/s. Bright Shiptrans Pvt. Ltd.</b>	Shri Jayantilal Laljibhai Patel (G-Card Holder), M/s. Bright Shiptrans Pvt. Ltd., dated 07.03.2022 <b>(RUD-36)</b>	M/s. Madhusudan Organics Ltd.	7427700 dated 09.02.2022	Bitumen VG-30, 25X20'
				7427738 dated 09.02.2022	Bitumen VG-40, 10X20'
				7427240 dated 09.02.2022	Bitumen VG-30, 25X20'
				7427952 dated 09.02.2022	Bitumen VG-40, 15X20'
				7427957 dated 09.02.2022	Bitumen VG-30, 25X20'
			M/s. Deep Jyoti Wax Traders	7420074 dated	Bitumen VG-30, 30X20'

		Pvt. Ltd.	09.02.2022		
			7420414 dated 09.02.2022	Bitumen VG-30, 25X20'	
		M/s. Prejag Petrochem	7417790 dated 09.02.2022	Bitumen VG-30, 25X20'	
		M/s. Future Universal Petrochem Pvt. Ltd.	7421349 dated 09.02.2022	Bitumen VG-30, 25X20'	
		M/s. Vardhman Trading Company	7420858 dated 09.02.2022	Bitumen 60/70, 25X20'	
4	<b>M/s. Swayam Shipping Services</b>	Shri Bhavin G. Thakrar, Partner, M/s. Swayam Shipping Services dated 04.03.2022 <b>(RUD-37)</b>	M/s. Neptune Petrochemicals Pvt. Ltd.	7589353 dated 21.02.2022	Bitumen VG-40, 25X20'
				7589354 dated 21.02.2022	Bitumen VG-40, 25X20'
				7589934 dated 21.02.2022	Bitumen VG-30, 25X20'
5	<b>M/s. Daksh Shipping Service Pvt. Ltd.</b>	Mr. Turk Faisal, F-Card Holder, Director, M/s. Daksh Shipping Service Pvt. Ltd. <b>(RUD-38)</b>	M/s. OFB Tech Pvt. Ltd.	7475052 dated 13.02.2022	Bitumen VG-30, 25X20'
6	<b>M/s. Eiffel Logistics Pvt. Ltd.</b>	Shri Maheep Pratap Sahi, G- Card Holder, M/s. Eiffel Logistics Pvt. Ltd. <b>(RUD-39)</b>	M/s. Prejag Petrochem	7406434 dated 08.02.2022	Bitumen VG-30, 25X20'
				7418209 dated 09.02.2022	Bitumen VG-30, 25X20'
			M/s. Premium Petro Products	7590140 dated 21.02.2022	Bitumen VG-30, 25X20'
				7590130 dated 21.02.2022	Bitumen VG-30, 25X20'
				7590134 dated 21.02.2022	Bitumen VG-30, 25X20'
				M/s. VR Petrochem India LLP	7586116 dated 21.02.2022
			M/s. Vevelon Petrochem Pvt.	7417788 dated	Bitumen 60/70, 13X20'

			Ltd.	09.02.2022	
			M/s. Suhail Brothers	7587536 dated 21.02.2022	Bitumen 80/100, 25X20'
7	<b>M/s. SRS Cargo International</b>	Shri Pravin Kondappa, H-Card Holder, M/s. SRS Cargo International <b>(RUD-40)</b>	M/s. Hexatron Industries Limited	7401755 dated 08.02.2022	Bitumen VG-40, 25X20'
8	<b>M/s. Unique Spenditorer Pvt. Ltd.</b>	Shri Pravin Nagda, Managing Director, M/s. Unique Spenditorer Pvt. Ltd. <b>(RUD-41)</b>	M/s. Shyam Sunder Surender	7397193 dated 07.02.2022	Rock Salt in Lumps (Industrial Grade), 10X20'
				7401929 dated 08.02.2022	Rock Salt in Lumps (Industrial Grade), 10X20'

**8.1 Statement of Mr. Amit Bhardwaj S/o Late Mr. Abhay Kishan Bharadwaj, F-Card holder proprietor of M/s. Saarthee Shipping Co. having firms registered office situated at Office No. 1, 2<sup>nd</sup> Floor, Shah Avenue 1, Plot No. 211, Ward 12-B, Gandhidham-370201, was recorded before the Superintendent (SUB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 07.03.2022 wherein he inter-alia stated that:-**

- *Bill of Entry No. 7401219 dated 08-02-2022 on behalf of importer M/s Malhotra Lubricants Pvt. Ltd. and 7403228 dated 08-02-2022 on behalf of importer Rajkamal Industrial Pvt. Ltd. had been filed by their firm.*
- *They filed Bill of Entry on the basis of import documents provided by the importers and the Port of Load was mentioned mainly in the following documents and on the basis of the same all the information was filled in the Bill of Entry (1) Bill of Lading (2) Commercial Invoice (3) Packing List (4) Country of Origin Certificate (commodity specific) (5) Analysis Report (commodity specific). In the instant 01 import consignments for which the Bills of Entry was filed by their company was on the basis of mainly Bills of Lading No. IIX1251ECSM2563 dated 05-02-2022 and IIX1251ECSM2588 dated 05-02-2022 and in all the Bills of Lading and other import documents, Port of Loading was declared as Jebel Ali, UAE.*
- *Bill of Entry was filed on the basis of documents received from the importers. Further, they had been ensured by all the importers that they were making payment in UAE and it was understood that the documents provided by them were genuine and correct.*
- *Bill of Entry filed by the CHA was thoroughly on the basis of import documents and information provided by the importers. They were not at all in fault.*

**8.2 Statement of Shri Inder Lachmandas Bhojwani G-Card holder and partner of M/s. D. L. Shipping Services, having firms registered office situated at Office No. 1, 2<sup>nd</sup> Floor, Deepak Complex, Plot No. 315, Ward 12-B, Gandhidham-370201, was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 07.03.2022 wherein he inter-alia stated that:-**

- Bills of Entry No. 7406187, 7406202, 7406204 and 7407087 all dated 08/02/2022 had been filed by their firm for M/s Future Universal Petrochem. The commodity imported was Bitumen grade VG-30 in all these cases.
- The Bill of Entry is filed after the documents are received from the importer. On being confirmed regarding tentative arrival date of the vessel, the Bill of entry is filed on the basis of the import documents provided by the importer.
- In the instant 04 import consignments for which the Bills of Entry was filed by their company was on the basis of mainly Bills of Lading as follows: 7406187 dated 08-02-2022 Bill of Lading: IIX1251ECSM2539 dated 05.02.2022, 7406202 dated 08-02-2022 Bill of Lading: IIX1251ECSM2550 dated 05.02.2022, 7406204 dated 08-02-2022 IIX1251ECSM2546 dated 05-02-2022 and 7407087 dated 08-02-2022 IIX1251ECSM2543 dated 05-02-2022. In all these Bills of Lading and other import documents, Port of Loading was declared as Jebel Ali, UAE.
- Their Bill of Entry was filed on the basis of documents received from the importers. They had been ensured by all the importers that they were making payment in UAE and it was understood that the documents provided by them are genuine and correct.

**8.3 Statement of Shri Jayantilal Laljibhai Patel S/o Shri Laljibhai Patel, G-Card holder of M/s. Bright Shiptrans Private Limited, having firms registered office situated at Office No. 2, 2<sup>nd</sup> Floor, Arjan's Mall, Plot No. 118/119, Sector-8, Gandhidham-370201, was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 07.03.2022 wherein he inter-alia stated that:-**

- The had filed Bills of Entry No. 7427700, 7427738, 7427240, 7427952, 7427957 all dated 09-02-2022 on behalf of importer M/s Madhusudan Organics Ltd., 7420074 & 7420414 both dated 09-02-2022 on behalf of importer M/s Deep Jyoti Wax Traders Pvt. Ltd., 7417790 dated 09-02-2022 on behalf of importer M/s Prejag Petrochem, 7421349 dated 09-02-2022 on behalf of importer M/s Future Universal Petrochem and 7420858 dated 09-02-2022 on behalf of importer M/s Vardhman Trading Company.
- In the instant 10 import consignments for which the Bills of Entry were filed by their company was on the basis of mainly Bills of Lading as follows: 7427700 dated 09-02-2022 (IIX1251ECSM2556/05.02.2022) Madhusudan Organics Ltd., 7427738 09/02/2022 (IIX1251ECSM2562/05.02.2022) Madhusudan Organics Ltd., 7427240 09/02/2022 (IIX1251ECSM2555/05.02.2022) Madhusudan Organics Ltd., 7427952 09/02/2022 (IIX1251ECSM2551/05.02.2022) Madhusudan Organics Ltd., 7427957 09/02/2022 (IIX1251ECSM2552/05.02.2022) Madhusudan Organics Ltd., 7420074 09/02/2022 (IIX1251ECSM2540/05.02.2022) Deep Jyoti Wax Traders Pvt. Ltd., 7420414 09/02/2022 (IIX1251ECSM2537/05.02.2022) Deep Jyoti Wax Traders Pvt.Ltd., 7417790 09/02/2022 (IIX1251ECSM2538/05.02.2022) Prejag Petrochem, 7421349 09/02/2022 (IIX1251ECSM2544/05.02.2022) Future Universal Petrochem Pvt. Limited, 7420858 09/02/2022 (IIX1251ECSM2545/05.02.2022) Vardhman Trading Company. In all the Bills of Lading and other import documents, Port of Loading was declared as Jebel Ali, UAE.

- *Their Bills of Entry were filed on the basis of documents received from the importers. They had been ensured by all the importers that they were making payment in UAE and it was understood that the documents provided by them were genuine and correct.*

**8.4 Statement of Shri Bhavin G. Thakrar Partner of M/s. Swayam shipping Services having registered office situated at 202, Rajkamal-1, 2<sup>nd</sup> Floor, Plot No. 348, Ward 12-B, Gandhidham (Kutch)-370201, was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 04.03.2022 wherein he inter-alia stated that:-**

- *Their firm had filed Bill of Entry No. 7589353, 7589354 and 7589934 all dated 21/02/2022 on behalf of their importer M/s Neptune Petrochemicals Pvt. Ltd.*
- *In the instant import consignment for which the Bill of Entry was filed by their firm was on the basis of mainly Bill of Lading as follows: Bill of Entry No. 7589353 dated 21-02-2022 on the basis of Bill of Lading No. IIX1251ECSM2554 dated 05-02-2022, Bill of Entry No. 7589354 dated 21-02-2022 on the basis of Bill of Lading No. IIX1251ECSM2561 dated 05-02-2022 and Bill of Entry No. 7589934 dated 21-02-2022 on the basis of Bill of Lading No. IIX1251ECSM2535 dated 05-02-2022. In all the Bills of Lading and other import documents, Port of Load is declared as Jebel Ali, UAE.*
- *Bill of Entry filed by the CHA was thoroughly on the basis of import documents and information provided by the importers. They were not at all in fault.*
- *Their Bills of Entry were filed on the basis of documents received from the importers. They had been ensured by all the importers that they were making payment in UAE and it was understood that the documents provided by them were genuine and correct.*

**8.5 Statement of Mr. Turk Faisal,, F-Card holder and Director of M/s. Daksh Shipping Services Private Limited having registered office situated at 33, Ashapura Nagar, Old Port Road, Near Hero Showroom, Mundra, Kutch-370421, was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 04.03.2022 wherein he inter-alia stated that:-**

- *Their firm had filed Bill of Entry No. 7475052 dated 13-02-2022 on behalf of their importer M/s OFB Tech Private Limited.*
- *In the instant import consignment for which the Bill of Entry was filed by their company was on the basis of mainly Bills of Lading No. IIX1251ECSM2534 dated 05-02-2022 where port of loading was mentioned as Jebel Ali, UAE.*
- *Their Bill of Entry was filed on the basis of documents received from the importers. Further, they had been ensured by their importer that they were making payment in UAE and it was understood that the documents provided by them were genuine and correct. The importer M/s OFB Tech Private Limited had purchased the cargo from M/s ECOS Daily Way, LLP, Gurgaon through high seas sale.*
- *Bill of Entry filed by the CHA was thoroughly on the basis of import documents and information provided by the importers. They were not at all in fault.*

**8.6 Statement of Shri Maheep Pratap Shahi, G- card holder of M/s Eiffel Logistics Private limited having registered office at No. 57, Third Floor, Om Sri Sai Ram Plaza No. 75, Thambu Chetty Street, Mannady, Chennai Tamil Nadu, 600 001 and local office situated at Office No. 2, 2<sup>nd</sup> Floor, SHiv Shakti Complex, Plot No. 362, Sector-1/A, Gandhidham 370201 was recorded before Superintendent (SIIB), Custom House, Kandla under Section 108 of the Custom Act, 1962 on 14-03-2022 wherein he inter-alia stated that:-**

- Their firm had filed Bills of Entry No. 7406434 dated 08-02-2023 and 7418209 dated 09-02-2023 on behalf of their importers M/s Prejag Petrochem, Bills of Entry No. 7590140, 7590130, 7590134 all dated 21-02-2022 on behalf of their importer M/s Premium Petro Products, Bill of Entry No. 7586116 dated 21-02-2022 on behalf of their importer M/s VR Petrochem India LLP, Bill of Entry No. 7417788 dated 09-02-2022 on behalf of their M/s Vevelon Petrochem Pvt. Ltd. and 7587536 dated 21-02-2022 on behalf of their importer M/s Suhail Brothers.
- In the instant 08 import consignments for which the Bills of Entry were filed by their company was on the basis of mainly Bills of Lading No. as follows: Bill of Entry No. 7406434 on the basis of Bill of Lading No. IIX1251ECSM2536 dated 05-02-2022, Bill of Entry No. 7418209 on the basis of Bill of Lading No. IIX1251ECSM2541 dated 05-02-2022, Bill of Entry No. 7590140 on the basis of Bill of Lading No. IIX1251ECSM2542 dated 05-02-2022, Bill of Entry No. 7590130 on the basis of Bill of Lading No. IIX1251ECSM2548 dated 05-02-2022, Bill of Entry No. 7590134 on the basis of Bill of Lading No. IIX1251ECSM2547 dated 05-02-2022, Bill of Entry No. 7590116 on the basis of Bill of Lading No. IIX1251ECSM2557 dated 05-02-2022, Bill of Entry No. 7417788 on the basis of Bill of Lading No. IIX1251ECSM2559 dated 05-02-2022 and Bill of Entry No. 7587536 on the basis of Bill of Lading No. IIX1251ECSM2553 dated 05-02-2022. In all the Bills of Lading and other import documents, port of loading was declared as Jebel Ali, UAE.
- Their Bills of Entry were filed on the basis of documents received from the importers. They had been ensured by all the importers that they were making payment in UAE and it was understood that the documents provided by them were genuine and correct.
- Bill of Entry filed by the CHA was thoroughly on the basis of import documents and information provided by the importers. They were not at all in fault.

**8.7 Statement of Shri Pravin Nagda, Director of M/s. Unique Speditorer Pvt. Ltd., Gandhidham having registered office at Unique House, Plot No. 126, Sector-1A, Gandhidham (Kutch) was recorded before the Superintendent (SIIB), Custom House, Kandla under Section 108 of the Customs Act, 1962 on 21-06-2022 wherein he inter-alia stated that:-**

- Their firm had filed Bill of Entry No. 7397193 dated 07-02-2022 and 7401929 dated 08-02-2022 on behalf of their importer M/s Shyam Sunder Surender Kumar.
- In the instant import consignment for which the Bill of Entry was filed by their company on the basis of mainly Bills of Lading No. IIX1251ECSM2549 dated 05-02-2022 (for BE No. 7397193 dated 07-02-2022) and IIX1251ECSM2560 dated 05-02-2022 (for BE No. 7401929 dated 08-02-2022) where port of loading was mentioned as Jebel Ali, UAE.

- Their Bill of Entry was filed on the basis of documents received from the importers.
- Bill of Entry filed by the CHA was thorough on the basis of import documents and information provided by the importers. They were not at all in fault.

## 9. LEGAL PROVISIONS:

### Section 14 of the Customs Act, 1962:-

**14. Valuation of goods** (1) For the purposes of the Customs Tariff Act, 1975 (51 of 1975), or any other law for the time being in force, the value of the imported goods and export goods shall be the transaction value of such goods, that is to say, the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation, or, as the case may be, for export from India for delivery at the time and place of exportation, where the buyer and seller of the goods are not related and price is the sole consideration for the sale subject to such other conditions as may be specified in the rules made in this behalf:

**PROVIDED** that such transaction value in the case of imported goods shall include, in addition to the price as aforesaid, any amount paid or payable for costs and services, including commissions and brokerage, engineering, design work, royalties and licence fees, costs of transportation to the place of importation, insurance, loading, unloading and handling charges to the extent and in the manner specified in the rules made in this behalf:

### Section 30 of the Customs Act, 1962

30. *Delivery of import manifest or import report.* -

(2) The person delivering the import manifest or import report shall at the foot thereof make and subscribe to a declaration as to the truth of its contents.

### Section 46 of the Customs Act, 1962:-

#### **Entry of goods on importation**

(1) The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting [electronically] on the customs automated system] to the proper officer a bill of entry for home consumption or warehousing (in such form and manner as may be prescribed):

(2) Save as otherwise permitted by the proper officer, a bill of entry shall include all the goods mentioned in the bill of lading or other receipt given by the carrier to the consignor.

[(3) The importer shall present the bill of entry under sub-section (1)[before the end of the day (including holidays) preceding the day] on which the aircraft or vessel or vehicle carrying the goods arrives at a customs station at which such goods are to be cleared for home consumption or warehousing:

(4) The importer while presenting a bill of entry shall [xxx] 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.]

**Section 110 of the Customs Act, 1962:-**

**110. Seizure of goods, documents and things**

- (1) If the proper officer has reason to believe that any goods are liable to confiscation under this Act, he may seize such goods:

**110A. Provisional release of goods, documents and things seized [or bank account provisionally attached] pending adjudication**

Any goods, documents or things seized [or bank account provisionally attached] under section 110, may, pending the order of the [adjudicating authority], be released to the owner [or the bank account holder] on taking a bond from him in the proper form with such security and conditions as the [adjudicating authority] may require.]

**Section 111 of the Customs Act, 1962:-**

**111. Confiscation of improperly imported goods, etc.**

The following goods brought from a place outside India shall be liable to confiscation:

(a)....

(b)....

(c)....

(d) any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;

(e)...

(f) any dutiable or prohibited goods required to be mentioned under the regulations in an [arrival manifest or import manifest] or import report which are not so mentioned;

(g)...

(h)....

(i)....

(j)....

(k)....

(l)....

(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;]

**Section 112 of the Customs Act, 1962:-**

**112. Penalty for improper importation of goods, etc.**

Any person,

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

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

shall be liable-

(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty [not exceeding the value of the goods or five thousand rupees], whichever is the greater;

[(ii) in the case of dutiable goods, other than prohibited goods, 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:

### **Section 114 of the Customs Act, 1962:-**

#### **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.]

### **Section 115 of the Customs Act, 1962:-**

#### **115. Confiscation of conveyances**

(1) The following conveyances shall be liable to confiscation:-

(a)...

(b)...

©....

(d)...

(e)....

(2) 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:

### **Section 117 of the Customs Act, 1962:-**

#### **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.]

### **Section 147 of the Customs Act, 1962:-**

#### **147. Liability of principal and agent**

(1) Where this Act requires anything to be done by the owner, importer or exporter of any goods, it may be done on his behalf by his agent.

(2) Any such thing done by an agent of the owner, importer or exporter of any goods shall, unless the contrary is proved, be deemed to have been

done with the knowledge and consent of such owner, importer or exporter, so that in any proceedings under this Act, the owner, importer or exporter of the goods shall also be liable as if the thing had been done by himself.

(3) When any person is expressly or impliedly authorised by the owner, importer or exporter of any goods to be his agent in respect of such goods for all or any of the purposes of this Act, such person shall, without prejudice to the liability of the owner, importer or exporter, be deemed to be the owner, importer or exporter of such goods for such purposes [including liability thereof under this Act]:

**Section 148 of the Customs Act, 1962:-**

**148. Liability of agent appointed by the person in charge of a conveyance**

(1) Where this Act requires anything to be done by the person in charge of a conveyance, it may be done on his behalf by his agent.

(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 fulfillment 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.

**THE SEA CARGO MANIFEST AND TRANSHIPMENT REGULATIONS, 2018**

**[Notification No. 38/2018-Customs (NT), dt. 11-5-2018] (As amended vide Noti. No. 109/2021-Cus. (NT), dt. 31-12-2021, w.e.f.31-12-2021)**

(2) *Definitions.*

(a)...

(b)...

(c) "authorised carrier" means an authorised sea carrier, authorised train operator or a custodian, registered under regulation 3 and postal authority;

(d) "authorised sea carrier" means the master of the vessel carrying imported goods, export goods and coastal goods or his agent, or any other person notified by the Central Government;

**10. Responsibilities of the authorised carrier under these regulations**

(1) An authorised carrier shall-

h) advise his client to comply with the provisions of the Act and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner or Assistant Commissioner of Customs as the case may be

(2) The authorised carrier, after intimation to the Commissioner of Customs, may outsource any other function, required to be carried out by him under these regulations, to person on his behalf. The authorised carrier and such person shall be liable for any act of commission or omission while transacting business under these regulations.

11. Suspension of operations or revocation of registration of an authorised carrier (1) The jurisdictional Commissioner of Customs may revoke the registration of the authorised carrier, for failure to comply with any provisions of the regulations.

13. *Imposition of penalty*

*An authorised carrier who contravenes any provision of these regulations shall be liable to a penalty which may extend to rupees fifty thousand.*

**THE CUSTOMS BROKERS LICENSING REGULATIONS, 2018**  
**[Notification No. 41/2018-Customs (NT), dt. 14-5-2018]**  
**(As amended vide GSR 471(E), dt. 24-6-2022)**

**2. Definitions.**

- a) ...
- b) ...
- c) ...
- d) "Customs Broker" means a person licensed under these regulations to act as an agent on behalf of the importer or an exporter for purposes of transaction of any business relating to the entry or departure of conveyances or the import or export of goods at any Customs Station including audit;

**10. Obligations of Customs Broker**

A Customs Broker shall-

- (a) obtain an authorization from each of the companies, firms or individuals by whom he is for the time being employed as a Customs Broker and produce such authorization whenever required by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;
- (b) transact business in the Customs Station either personally or through an authorised employee duly approved by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;
- (c) not represent a client in any matter to which the Customs Broker, as a former employee of the Central Board of Indirect Taxes and Customs gave personal consideration, or as to the facts of which he gained knowledge, while in Government service;
- (d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;
- (e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;
- (f) not withhold information contained in any order, instruction or public notice relating to clearance of cargo or baggage issued by the Customs authorities, as the case may be, from a client who is entitled to such information;

**18. Penalty**

- (1) The Principal Commissioner or Commissioner of Customs may impose penalty not exceeding fifty thousand rupees on a Customs Broker or F-card holder who contravenes any provisions of these regulations or who fails to comply with any provision of these regulations.
- (2) The Deputy Commissioner or an Assistant Commissioner of Customs may impose penalty not exceeding ten thousand rupees on a G-card holder who contravenes any provisions of these regulations in connection with the proceedings against the Customs Broker.

(3) The imposition of penalty or any action taken under these regulations shall be without prejudice to the action that may be taken against the Customs Broker or F-card holder or G-card holder under the provisions of the Customs Act, 1962 (52 of 1962) or any other law for the time being in force.

**10.** The investigation in this matter was initiated by SIIB, Custom House, Kandla on 14-02-2022. In this regard, an extension for one year under Section 28BB of the Customs Act, 1962 was accorded on 09-02-2024.

**11. Now therefore, in the light of the aforesaid facts, M/s. Hafez Darya Arya Shipping Company, Iran is hereby called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

(a) The vessel MV GOLSAN along with on board tools and tackles anchored at OTB (Outer Tuna Buoy) outside Kandla Port having Insured Value Insured Value USD 64,00,000 and in Indian Rupees (@ Rs. 76.05 per USD) Rs. 48,67,20,000/- (Rupees Forty eight crore, sixty seven lakhs twenty thousand only) seized on 23.02.2022 vide seizure memo F.N. CUS/SIIB/INT/168/2022-SIIB-O/o-Commr-Cus-Kandla under the provisions of Section 110(1) of Customs Act, 1962 should not be confiscated under Section 115(2) of the Customs Act, 1962.

(b) Penalty should not be imposed under Section 112(b)(ii) & 114AA of the Customs Act 1962.

It is to be noted that in respect of the above charges imposed, the vessel agent, M/s. Armita India Shipping Pvt. Ltd. is liable for the all the fulfillment of all the obligation and pay the penalties imposed, if any, under Section 148(2) of the Customs Act 1962.

**12. Now therefore, in the light of the aforesaid facts, vessel Agent of the vessel MV GOLSAN, M/s. Armita India Shipping Pvt. Ltd. is hereby called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

(a) Penalty should not be imposed under the provision of the Sea Cargo Manifest and Transshipment Regulations (SCMTR), 2018 as amended from time to time.

(b) Penalty should not be imposed under Section 112(b)(ii) & 114AA of the Customs Act 1962.

**13. Now therefore, in the light of the aforesaid facts, the container line, M/s. Hafez Darya Arya Shipping Company, Iran, whose containers were seized along with the goods under seizure memo dated 23<sup>rd</sup> Feb 2022 and whose details are given in the TABLE-2 are hereby called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

(a) the containers as seized vide seizure memo dated 23<sup>rd</sup> Feb. 2022 should not be confiscated under section 111(m) of the Customs Act 1962.

(b) Penalty should not be imposed under section 112(b)(ii) & 114AA of the Customs Act 1962.

(c) Penalty should not be imposed upon under section 117 of the Customs Act, 1962.

**14. Now therefore, in the light of the aforesaid facts, the container line representative in India, M/s. Armita India Shipping Pvt. Ltd., Gandhidham, whose containers were seized along with the goods under seizure memo dated**

**23<sup>rd</sup> Feb 2022 and whose details are given in the Table-2 are hereby called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

- (a) Penalty should not be imposed under section 112(b)(ii) & 114AA of the Customs Act 1962.
- (b) Penalty should not be imposed upon under section 117 of the Customs Act, 1962.

**15. Now therefore, in the light of the aforesaid facts, all the importers whose goods were seized under seizure memo dated 23<sup>rd</sup> Feb 2022 as mentioned in table-2 are hereby called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

- (a) the goods as seized vide seizure memo dated 23<sup>rd</sup> February 2022 should not be confiscated under section 111(m) of the Customs Act 1962.
- (b) Port of loading declared as Jabel Ali, UAE in their respective bills of entry should not be rejected and Bandar Abbas, Iran should not be considered as port of loading.
- (c) Country of origin of the goods declared as UAE/otherwise in respect of Bill of entry filed should not be rejected and Iran should not be considered as Country of origin of goods.
- (d) The duty should not be demanded and recovered as per the details given in Annexure – B to this notice.
- (e) Penalty should not be imposed under section 114AA of the Customs Act 1962.
- (f) Penalty should not be imposed under section 112(a)(ii) of the Customs Act, 1962.
- (g) The bonds submitted by the respective importers at the time of provisional release of goods should not be enforced;
- (h) The bank guarantees submitted by the respective importers at the time of provisional release of goods should not be en-cashed;

**16. Now therefore, in the light of the aforesaid facts, all the Custom Brokers who filed the respective Bill of Entry on behalf of their respective importers in respect of the goods seized under seizure memo dated 23rd Feb 2022 and whose details are given in the TABLE- 4 are hereby called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

- (a) Penalty should not be imposed under section 117 of the Customs Act 1962.

**17. Now therefore, in the light of the aforesaid facts, Shri Arash Delavar, Managing Director of M/s. Armita India Shipping Pvt. Ltd. is hereby called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

- (a) Penalty should not be imposed under section 112(b)(ii) & 114AA of the Customs Act 1962.

**18. Now therefore, in the light of the aforesaid facts, Shri Omparkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham is hereby**

**called upon to show cause to the Commissioner of Customs, Kandla Custom House, Kutch, Gujarat as to why:-**

(a) Penalty should not be imposed under section 112(b)(ii) & 114AA of the Customs Act 1962.

**19. RECORD OF PERSONAL HEARING-**

**19.1** Opportunities of personal hearing were provided to the noticees on 03.06.2025, 11.06.2025 and 24.06.2025.

**19.2** Shri Amal P.Dave appeared for personal hearing on 11.06.2025 on behalf of 11 noticees as given below:-

- (a) M/s. Neptune Petrochemicals Pvt. Ltd.,
- (b) M/s. Raj Kamal Industries
- (c) M/s. VR Petrochem India LLP,
- (d) M/s. Premium Petro Products
- (e) M/s. Prejag Petrochem
- (f) M/s. Madhusudhan Organics Ltd.,
- (g) M/s. Future Universal Petrochem Pvt. Ltd.,
- (h) M/s. Suhail Brothers
- (i) M/s. Deep jyoti Wax Traders Pvt. Ltd.,
- (j) M/s. Vevelon Petrochem pvt. Ltd.,
- (k) M/s. OFB Tech Pvt. Ltd

During the course of personal hearing, he reiterated the submissions made in respect of the noticees and requested to drop the proceedings considering the submission and also referred to decision of jurisdictional Tribunal.

**19.3** Miss Shweta Garge, Advocate appeared for personal hearing on 04.06.2025 on behalf of the following noticees:-

- (a) M/s. Malhotra Lubricants Pvt. Ltd.,
- (b) M/s. Sarthee Shipping Co.
- (c) M/s. Swayam Shipping Services
- (d) M/s. Bright Shiptrans Pvt. Ltd.,
- (e) M/s. Eiffel Logistics Pvt. Ltd

During the course of hearing, she reiterated the submission made in the reply. She stated that the Bill of Entry was filed as per the import documents provided by the supplier wherein port of load and COO was mentioned as Jebel Ali, UAE. She also stated that the revenue department has no brought any evidence to prove any role played by the importer and the CHA.

**19.4** Shri Santosh Upadhyay, Advocate and Miss Deepti Upadhyay, Advocate appeared for personal hearing on 04.06.2025 on behalf of the following noticees:-

- (a) M/s. Hafez Darya Arya Shipping company, Iran
- (b) M/s. Armita India Shipping Pvt. Ltd.,
- (c) Shri Arash Delavar,
- (d) Shri Om Prakash Jadhav

During the course of personal hearing, they reiterated the submission and requested to drop the proceedings.

**20. WRITTEN SUBMISSION-**

Written submissions made in the instant matter have been taken on record and have been discussed in the findings.

**DISCUSSION AND FINDINGS-**

**21.** I have gone through the Show Cause Notice, defense submission, records of personal hearing and the facts available on records, the main issue to be decided in the present case is whether there is mis-declaration of country of origin / Port of

Loading in the Bill of entries filed by the importer through Custom Brokers and if yes, whether they are liable for payment of differential duty on the additional freight.

**22.** I find that on the basis of intelligence gathered by SIIB, Custom House Kandla to the effect that a vessel MV GOLSAN (IMO No 9165815, Flag: Iran) had arrived at Kandla Port as its first port of call from Bandar Abbas, Iran under voyage No. IIX1251E but the vessel agent, M/s. Armita (India) Shipping Pvt. Ltd., had filed IGM No 2303423 dated 07.02.2022 for 32 bills of lading in this regard, mentioning the Port of Loading as Jebel Ali, UAE before the Customs authorities. The IGM and the bills of lading entailed 657 containers loaded with the Bitumen (of various grades), Rock Salt in lumps form, Base Oil and 1 empty container. These bills of lading and IGM filed by M/s Armita India Shipping Pvt. Ltd. mis-declared the Port of Loading as Jebel Ali (UAE) while the actual port of loading was Bandar Abbas, Iran. The Country of Origin (CoO) of the goods was actually Iran had been mis-declared as UAE in the documents filed before the Custom Authorities at Kandla Port.

**23.** There were 32 Bills of Lading (31 for importing various commodities and 1 Bill of lading for flat rack empty container) for which IGM had been filed by the vessel agent, M/s. Armita (India) Shipping Pvt. Ltd. showing the port of loading as Jabel Ali, UAE. Information suggests that the vessel agent, M/s. Armita (India) Shipping Pvt. Ltd. had mis-declared the port of loading as Jabel Ali, UAE in respect of those 31 Bills of Lading filed before the Customs Authorities at Kandla Port under the IGM No. 2303423 dated 07.02.2022. The details of those 31 Bills of Lading in which port of loading was mis-declared as Jabel Ali, UAE at the place of Bandar Abbas Port, Iran are as under:-

**TABLE-1**

<b>Sr. No.</b>	<b>Name of the importer</b>	<b>Bill of Loading</b>	<b>Cargo description</b>
1	SHYAM SUNDER SURENDER KUMAR	IIX1251ECSM2549	ROCK SALT IN LUMPS
2	DEEP JYOTI WAX TRADERS PVT LTD	IIX1251ECSM2537	Bitumen Grade VG30
3	PREJAG PETROCHEM	IIX1251ECSM2541	Bitumen VG30
4	DEEP JYOTI WAX TRADERS PVT LTD	IIX1251ECSM2540	Bitumen Grade VG30
5	SHYAM SUNDER SURENDER KUMAR	IIX1251ECSM2560	ROCK SALT IN LUMPS
6	ECOS DAILY WAY LLP	IIX1251ECSM2534	Bitumen Grade VG30
7	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2555	Bitumen Grade VG30
8	PREJAG PETROCHEM	IIX1251ECSM2538	Bitumen 60 70 VG30
9	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2562	Bitumen Grade VG40
10	PREJAG PETROCHEM	IIX1251ECSM2536	Bitumen Grade VG30
11	VARDHMAN TRADING CO	IIX1251ECSM2545	Bitumen 60 70
12	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2552	Bitumen Grade VG30
13	HEXATRON INDUSTRIES LIMITED	IIX1251ECSM2533	Bitumen Grade 40
14	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2539	Bitumen Grade VG30
15	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2543	Bitumen Grade VG30
16	PREMIUM PETRO PRODUCTS	IIX1251ECSM2548	Bitumen Grade VG30
17	PREMIUM PETRO PRODUCTS	IIX1251ECSM2542	Bitumen Grade VG30

18	SUHAIL BROTHERS	IIX1251ECSM2553	Bitumen 80 100
19	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2550	Bitumen Grade VG30
20	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2544	Bitumen Grade VG30
21	FUTURE UNIVERSAL PETROCHEM PRIVATE	IIX1251ECSM2546	Bitumen Grade VG30
22	V R PETROCHEM INDIA LLP	IIX1251ECSM2557	Bitumen
23	RAJ KAMAL INDUSTRIAL PVT LTD	IIX1251ECSM2558	BASE OIL
24	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2551	Bitumen Grade VG40
25	MALHOTRA LUBRICANTS PVT LTD	IIX1251ECSM2563	BASE OIL
26	NEPTUNE PETROCHEMICALS PVT LTD	IIX1251ECSM2535	Bitumen Grade VG30
27	PREMIUM PETRO PRODUCTS	IIX1251ECSM2547	Bitumen Grade VG30
28	VEVELON PETROCHEM PRIVATE LIMITED	IIX1251ECSM2559	Bitumen 60 70
29	MADHUSUDAN ORGANICS LIMITED	IIX1251ECSM2556	Bitumen Grade VG30
30	NEPTUNE PETROCHEMICALS PVT LTD	IIX1251ECSM2554	Bitumen Grade VG40
31	NEPTUNE PETROCHEMICALS PVT LTD	IIX1251ECSM2561	Bitumen Grade VG40

**EVIDENCES REFERRED IN THE SHOW CAUSE NOTICE-**

**24.** During the inquiry conducted at the vessel, it was found that the vessel had not visited Jabel Ali Port, UAE during the current voyage i.e., voyage No. IIX125E. The master of the vessel, Mr. Davoodreza Fahandezh Saadi also confirmed the same during the course of his statement recorded on 14-02-2022 (RUD-2).

**25.** During the statement, it was further revealed that master of the vessel had taken over the charge of the vessel MV Golsan since 26.11.2021 from Bandar Abbas, Iran. He further confirmed that for the said voyage the route was Bandar Abbas to Kandla Port and Kandla Port to Bandar Abbas.

**26.** Further during the rummaging and Checking of vessel MV Golsan the following documents were submitted by the master of Vessel:-

- g. *A copy of Health Certificate for Covid-19 dated 05-02-2022 issued by Ministry of Health and Medication Education, Islamic Republic of Iran to the Vessel MV Golsan (RUD-3).*
- h. *Garbage Disposal Receipt dated 04-02-2022 issued by Islamic Republic of Iran, Ports & Maritime Organization (RUD-4).*
- i. *Statement of vessel clearance, dated 05-02-2022 issued to MV GOLSAN by "Police Administration of Islamic Republic of Iran, Immigration office of Shahid Rajaee Port Abbas" (RUD-5). It is the clearance certificate received from Immigration Department of Iran at the time of departure of the vessel from Bandar Abbas Port, Iran.*
- j. *Process verbal of vessels clearance arrival dated 05.02.2022 issued by "I.R. of Iran Customs Administration" (RUD-6). This is the clearance certificate received from Customs of Iran.*
- k. *Volume of water receipt dated 05.02.2022 issued to MV GOLSAN by Port Maritime Organization; I.R. of Iran (RUD-7) shows the receiving of fresh water in the Vessel before leaving for the current voyage.*

- l. Port clearance certificate dated 05.02.2022 issued by Ports & Maritime Organization, I.R. of Iran (**RUD-8**) at Shahid Rajaie Port, Bandar Abbas.
- m. The list of last 10 Port of Calls of the vessel submitted by him before the Customs was correct to the best of his knowledge (**RUD-9**)
- n. The vessel MV Golsan had last visited Jabel Ali Port on 13.06.2021 and at that time, the Captain of the vessel was Captain Mr. Yurity Yeryonov and the vessel had not visited Jabel Ali Port since then.
- o. The Port Clearance from Jabel Ali to Bandar Abbas dated 15.06.2021 submitted by him (**RUD-10**).

**27.** On perusal of the above documents, it is crystal clear that the vessel MV GOLSAN undertaking voyage No IIX125E had departed from Bandar Abbas, Iran and Mr. Davoodreza Fahandezh Saadi, Captain of the vessel MV Golsan, in his statement dated 14.02.2022 corroborated that in the present voyage, the vessel had started from Bandar Abbas on 05-02-2022 and had not visited Jabel Ali Port, UAE during the Voyage No IIX1251E i.e. current voyage of the vessel.

**28.** During the course of search at the premises of M/s. Armita India Shipping Pvt. Ltd., Gandhidham (the vessel agent & representative of container line), copies of some of the Bills of Lading pertaining to cargo under question were retrieved, wherein Port of Loading was mentioned as Bandar Abbas alongwith the copies of corresponding but seemingly ‘altered’ Bills of Lading, wherein the Port of Loading was mentioned as Jebel Ali, UAE (**RUD-13**). Therefore, it is clear that all the contents were same in both sets of Bills of Lading except the “Port of Loading” which appears to have been altered from “Bandar Abbas” to “Jabel Ali, UAE” by the vessel agents namely M/s. Armita (India) Shipping Pvt. Ltd who eventually filed these “altered” and “forged” documents before Customs authorities. Thus, the mis-declaration pertaining to the port of loading as Jabel Ali, UAE in respect of the 31 Bills of Lading filed before the Customs Authorities at Kandla Port under the IGM No. 2303423 dated 07-02-2022 appears to have been committed by the vessel agent M/s. Armita (India) Shipping Pvt. Ltd who were the acting as vessel agent of their principal i.e. M/s Hafiz Darya Arya Shipping Co.

#### **STATEMENTS OF VARIOUS PERSONS INVOLVED-**

**29.** Shri Omparkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham during statement on 23-02-2022, inter-alia, stated that their company was rendering services of vessel agents and container line agent exclusively to M/s. Hafez Darya Arya Shipping Company, Iran. They received the documents such as Bills of Lading through online system from the Tehran Office of M/s. Hafez Darya Arya Shipping Company, Iran and on the basis of the same, IGM was prepared and filed for purpose of import cargo clearance. M/s. Hafez Darya Arya Shipping Company, Iran are vessel owners/lessee and also the owners of the containers. Their company in India gets the relevant documents for filing of IGM and on the basis of the same all the customs formalities are undertaken by them on behalf of the vessel owners and container line. He did not comment on the Country of Origin (CoO) of the goods imported in the current voyage of MV GOLSAN as the Country of Origin is not mentioned in any of their documents i.e. IGM and Bills of Lading. He further stated that on being inquired about the port of loading mentioned in IGM, they sent an email to the principals at Iran and their head office at Mumbai to make available the relevant documents that might satisfy the

inquiry. In response to their email the principals sent them the corresponding Bills of Lading in respect of each import consignment, wherein the entire details except the port of loading was same. The Port of loading in the corresponding Bills of Lading are mentioned as Bandar Abbas and Place of Delivery as Kandla, India.

**30.** Statement of Shri Arash Delavar, Managing Director of M/s. Armita India Shipping Pvt. Ltd. was recorded under Section 108 of the Customs Act, 1962 on 24.02.2022 (**RUD-17**), vide which he, inter-alia, stated that:-

- *The company, M/s. Armita India Shipping Pvt. Ltd., was incorporated in 2017 and has its head office in Mumbai. The company has branches in Gandhidham, Kutch, Uran (Navi Mumbai). The company is engaged in providing vessel agent services for the principal M/s. Hafez Darya Arya Shipping Company, Iran and working as container line agents for M/s. Hafez Darya Arya Shipping Company, Iran;*
- *M/s. Hafez Darya Arya Shipping Company is a company situated in Tehran, Iran engaged in the business of shipping line. The company has its own vessels & own containers, operating the vessels on lease;*
- *Their company in India is providing services exclusively for M/s. Hafez Darya Arya Shipping Company, Iran; all the operations regarding vessels and containers of for M/s. Hafez Darya Arya Shipping Company, Iran are solely handled by their company in India; the importers and exporter, who transit their cargo on the vessels of the principal are handled in India by them on behalf of the principal, M/s. Hafez Darya Arya Shipping Company, Iran and the amount collected for rendering services to importers and exporters is transferred to principals and their company raises invoice to the principal for the commission.*
- *The current voyage No. IIX1251E initiated from Bandar Abbas on 05.02.2022 and reached at outer anchorage of Kandla Port on 08.02.2022 and berthed on Jetty No. 11, Kandla International Container Terminal on 14.02.2022. The Vessel was scheduled to discharge 657X20' loaded and 1x20' empty container at Kandla Port.*
- *M/s. Hafez Darya Arya Shipping Company, Iran are the principles for both the vessel and containers during the current voyage No. IIX1251E.*
- *The vessel initiated its current voyage from Bandar Abbas on 05.02.2022 and its first port of call was Kandla port.*
- *On being asked regarding the Bills of Lading, where the port of loading is mentioned as Jebel Ali, UAE and the current voyage stated by him and last 10 Ports of Call, shows the actual port of loading as Bandar Abbas, he stated that their company was rendering services of vessel agents and container line agent exclusively to M/s. Hafez Darya Arya Shipping Company, Iran and that they receive the documents such as Bills of Lading through online system from the Tehran Office of M/s. Hafez Darya Arya Shipping Company, Iran and on the basis of the same, IGM is prepared and filed for purpose of import cargo clearance. M/s. Hafez Darya Arya Shipping Company, Iran are vessel owners/lessee and also the owners of the containers. Our company here in India gets the relevant documents for filing of IGM and on the basis of the same all the customs formalities are undertaken by*

us on behalf of the vessel owners and container line. I cannot comment on the Country of origin of the goods imported in the current voyage of MV GOLSAN as the Country of Origin is not mentioned in any of our documents i.e. IGM and Bills of Lading.

- On showing Bills of Lading retrieved during the search at office of M/s. Armita India Shipping Pvt. Ltd., located at Gandhidham and from the Vessel MV GOLSAN on 14.02.2022, which shows that for every cargo, two Bills of Lading are prepared, one from Bandar Abbas to Kandla and second from Jebel Ali to Kandla, and other than the Port of Loading, all the details in the corresponding Bills of Lading are same, and on being asked to explain, Shri Arash Delavar (Nationality: Iranian), Managing Director of M/s. Armita India Shipping Pvt. Ltd. stated the procedure adopted by their principals in Iran about the booking of containers and the space in the vessel:

- (12) The exporters send the e-mail to their principals company, M/s. Hafez Darya Arya Shipping Company, Iran to inquire the freight from Bandar Abbas to Kandla;
- (13) The Principals company, M/s. Hafez Darya Arya Shipping Company, Iran sends the quotation to the exporters;
- (14) On confirmation of the acceptance of the quotation, the principals company, M/s. Hafez Darya Arya Shipping Company, Iran issues a Freight Proforma number to the clients/exporters;
- (15) Our principals company, M/s. Hafez Darya Arya Shipping Company, Iran has an online site and the exporters on receiving the Freight Proforma number can reach at the site and upload the details of their inquiry;
- (16) The company issues the Booking number to the clients/exporters and release empty containers to them for stuffing;
- (17) The exporters approach the Customs department and get the Customs declaration and as well as warehouse receipt for the export cargo lying in the customs area;
- (18) On the basis of Customs documents and having the booking number the containers line up for loading on the vessel;
- (19) After loading on the vessel the exporters put up request to issue Bill of Lading to container line agents as per the details filed by them in the online site, wherein the port of Loading is always mentioned as Bandar Abbas. The container line agents are directly connected to the principal, M/s. Hafez Darya Arya Shipping Company, Iran;
- (20) On the basis of the Bill of Lading issued by the Principals, the Shipping Bill by the Customs Authorities, Iran is prepared and issued to the exporters;
- (21) The exporters/shippers/forwarders/CHA, who so ever has the access to the company online site and change the port of loading/load and in the instant case of MV GOLSAN, all the exporters changed the port of loading as Jebel Ali;
- (22) Thereafter, the exporters/shippers/forwarders/CHA return back/surrender the first Bill of Lading to same agent and request for second amended Bill of Lading by submitting Letter of Indemnity and the first BL becomes null & void;

- *First Bill of Lading is issued by the principals container line agents on the basis of Shipping orders submitted with the exporters;*
- *The second amended Bill of Lading requires Letter of Indemnity from the exporter or the booking parties for making amendment in the Bill of Lading and the same is submitted with container line agents;*
- *As per the information and documents available with us it is understood that the vessel sailed from Bandar Abbas to Kandla.*
- *On showing the statement dated 14.02.2022 of Captain of the Vessel MV GOLSAN during the current voyage No. IIX1251E & statement dated 23.02.2022 of Shri Om Parkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham, he agreed with their statements.*

**31.** I further find that various statements of importers and custom brokers have also been recorded, which are reproduced in brief facts above. In view of the above evidences and statements, it is clear that the actual port of loading of goods was Bandar Abbas, Iran whereas they have mis-declared the same as Jebel Ali, UAE. The vessel owner/Container liner in connivance with their agents in India changed the Port of Loading of goods.

**32.** Now I proceed to discuss the role of each and penalties thereupon.

#### **CHARTERER/OWNER OF THE VESSEL-**

**33.** In the instant case, IM/s. Hafez Darya Arya Shipping Company, Iran is the main company, who has its own vessels and operates the vessels on lease and for the Vessel MV GOLSAN (IMO 9165815), Voyage no. IIX1251E. M/s. Hafez Darya Arya Shipping Company, Iran is the Charterer/Vessel Owner/lessee. During the Course of the inquiry conducted at the vessel MV GOLSAN, the statement of the Captain of the Vessel MV GOLSAN, Mr. Davoodreza Fahandezh Saadi was recorded under section 108 of the Customs Act, 1962 on 14.02.2022, wherein he inter-alia stated that the present voyage route was from Bandar Abbas to Kandla Port, Kandla Port to Bandar Abbas and all the requisite clearance (**RUD-3 to RUD-8**) were obtained at Bandar Abbas Port, Iran and the Charterer provided the copy of 31 numbers of Bill of Lading through e-mail and all the cargo loaded from Bandar Abbas Port, Iran and that the vessel had not visited Jabel Ali Port, UAE during the current Voyage.

**33.1.** From the statement recorded and documents retrieved from the vessel, it is evident that the subject goods were loaded from the Bandar Abbas Port, Iran and the vessel started its voyage no IIX1251E from the Bandar Abbas Port, Iran and its first port of call was Kandla Port. The vessel MV GOLSAN had not visited the Jabel Ali Port, UAE during the voyage no. IIX1251E.

**33.2.** Thus, the said Vessel MV GOLSAN was liable for confiscation under the section 115(2) of the Customs Act 1962 as the said vessel MV GOLSAN was used as a means of transport in the smuggling of any goods or in the carriage of any smuggled goods. The section 115(2) of the Customs Act 1962 states that:

#### **115. Confiscation of conveyances:**

(1) *The following conveyances shall be liable to confiscation:-*

*(2) 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.*

***Smuggling is defined in the Customs Act 1962 under section 2(39) which states that:***

**2. Definitions.**

*(39) "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113;*

**33.3.** The Captain of the vessel MV GOLSAN, Mr. Davoodreza Fahandezh Saadi followed the instruction given by his charterer/ owner, M/s. Hafez Darya Arya Shipping Company, Iran. The vessel MV GOLSAN (IMO No. 9165815) along with on board tools and tackles anchored at OTB (Outer Tuna Buoy) outside Kandla Port having Insured Value USD 64,00,000 and in Indian Rupees (@Rs. 76.05 USD) Rs. 48,67,20,000/- (Rupees Forty-Eight Crore, Sixty-Seven Lakh, Twenty Thousand only), which was seized on 23.02.2022 vide seizure memo F.N. CUS/SIIB/INT/168/2022-SIIB-O/o-Commr-Cus-Kandla under the provisions of Section 110(1) of Customs Act, 1962 on the reasonable belief that the same was liable for confiscation under Section 115(2) of the Customs Act, 1962.

**33.4.** Further, investigations have pointed that the owner/charterer of the vessel MV GOLSAN, M/s. Hafez Darya Arya Shipping Company, Iran, have knowingly and intentionally have not taken due precaution while transacting business by his vessel agent, M/s. Armita India Shipping Pvt. Ltd, in submission of documents and other details to the Custom Authorities.

**33.5.** As per the Sea Cargo Manifest And Transhipment Regulations 2018 (as amended from time to time) states that "authorised carrier" means an authorised sea carrier, authorised train operator or a custodian, registered under regulation 3 and postal authority; and authorized sea carrier as "authorised sea carrier" means the master of the vessel carrying imported goods, export goods and coastal goods or his agent, or any other person notified by the Central Government.

**33.6.** As per the definitions given in the Sea Cargo Manifest and Transhipment Regulations 2018, the captain of the vessel appoints the vessel agent to transact his custom related business. In this matter, if any lapse or contravention is done by the vessel agent, the owner/charterer of the vessel who appoints the captain of the vessel and who gives instruction to his captain of the vessel and captain due to his call of duty abides those instructions given by the charterer/owner. Hence the owner/charterer of the Vessel is equally responsible for his act done on behalf of him. In this instant case, M/s. Hafez Darya Arya Shipping Company, Iran is responsible for the act of omission/commission done by the captain agent and on behalf captain, the act done by the vessel agent.

**33.7.** Further, Rule 10 of the Sea Cargo Manifest And Transhipment Regulations 2018 provides the responsibilities of the authorized carrier under the regulations. Rule 10 (h) of the Sea Cargo Manifest And Transhipment Regulations 2018 further provides that the authorized carrier advise his client to comply with the provisions of the Act and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner or Assistant Commissioner of Customs as the case may be.

**33.8.** In the instant case, the owner/charterer of the vessel, M/s. Hafez Darya Arya Shipping Company, Iran appointed M/s. Armita India Shipping Pvt. Ltd as his vessel agent to transact the customs related business with the custom, authorities. As the IGM filed by the M/s. Armita India Shipping Pvt. Ltd, vessel agent mis-declared the imported cargo in respect of the

Country of their Origin. It was their duty (Owner/Charterer of the vessel) to bring this contravention before the Deputy/Assistant Commissioner of the Customs but they failed to do so.

**33.9.** From the above facts, it is evident that the owner/charterer of the vessel M/s. Hafez Darya Arya Shipping Company, Iran failed to intimate the contravention and thus contravened the provisions of the Sea Cargo Manifest And Transhipment Regulations 2018 and with the collusion of his agents, Container Line and other stakeholders, they remained silent on the forgery done by the container lines and other persons in issuing the forge Bills of Lading by declaring the port of loading as Jabel Ali, UAE in place of Bandar Abbas Port, Iran.

**33.10.** It is clear that the owner/charterer of the vessel, M/s. Hafez Darya Arya Shipping Company, Iran is equal partner in this forgery done and let the vessel agent, M/s. Armita India Shipping Pvt. Ltd filed the incorrect IGM with the mis-declared port of loading of the imported goods.

**33.11.** M/s. Hafez Darya Arya Shipping vide their submission dated 03.04.2025, interalia, stated that after loading on the vessel, the exporters put up request to issue Bill of lading to container line agents as per the details filed by them in the online site, wherein the port of loading is always mentioned as Bandar Abbas. The container line agents are directly connected to M/s. Hafez Darya Arya Shipping Company, Iran. On the basis of BL issued by them, the Shipping bill by the Customs Authorities, Iran is prepared and issued to the exporters. The exporters/shippers/forwarders/CHA who so ever has access to the company online site can change the port of loading/load and in the instant case of MV Golsan, all the exporters changed the port of loading as Jebel Ali. Thereafter, the exporters/Shippers/forwarders/CHA return back/surrender the first Bill of lading by submitting Letter of Indemnity and the first BL becomes null and void. The first BL is issued by Hafez Darya on the basis of Shipping Orders submitted with the exporters. The second amended BL requires Letter of Indemnity from the exporter or the booking parties for making amendment in the BL and the same is submitted with container Line agents. Then the vessel arrives in India and all the procedures related to filing of IGM by their agent in India basis switch BL copies provided by their clients.

**33.12.** In this regard, I find that the crux of the matter is whether the procedure described by M/s. Hafez Darya Arya Shipping Company in their submission dated 03.04.2025 — involving the issuance of two Bills of Lading (BLs), with a change in port of loading from Bandar Abbas to Jebel Ali via amended/switch BLs — is correct or it raises legal concerns under Indian Customs law and international maritime norms.

**33.13.** A switch bill of lading is often used when a “triangle trade” takes place. A Switch Bill of Lading is simply the second set of bills of lading that may be issued by the carrier or their agent “in exchange for” or “substituting” the full first set of bills of lading originally issued when the shipment was effected. Switch bills of lading may be requested or required for a few different reasons.

- (a) When there has been a change in the original trading conditions ;
- (b) Goods have been resold (probably high-seas sale) and the discharge port has now changed to another port ;
- (c) The seller (who could be an intending agent) does not wish the name of the actual exporter to be known to the consignee in case the consignee strikes a deal with the exporter directly ;

**33.14.** Thus, changing the Port of Loading in a switch BL is legally impermissible if it misrepresents the factual loading location; does not match the vessel's actual voyage or port call records; is intended to circumvent trade restrictions, duties, or sanctions; contradicts original documents such as the manifest, stowage plan, or captain's report. Carriage of Goods by Sea Act & Hague-Visby Rules also Emphasize shipper/carrier duty to issue BL reflecting actual shipment facts. Switch BLs do not allow changing the Port of Loading unless the cargo was actually loaded at the new port.

**33.15.** I find that MV GOLSAN (Voyage No. IIX1251E) sailed directly from Bandar Abbas to Kandla without calling at Jebel Ali. However, in several Bills of Lading filed as part of the Import General Manifest (IGM) in India, the port of loading was declared as Jebel Ali. This constitutes misdeclaration under Customs Act, 1962, which attract penalties under the Act. The submission that exporters or their agents changed the Port of Loading online through the shipping company's digital portal, and that a second amended BL was issued based on a Letter of Indemnity, does not provide legal immunity from such mis-declaration. Allowing unauthorised access to change BL data online without re-verification by the shipping line compromises the authenticity of the BL. The responsibility for the accuracy of the BL lies with the shipping line and its Indian agent, and any misrepresentation renders them liable under the Customs Act. Although switch BLs are recognized in maritime commerce, they cannot be used to misrepresent material facts such as the actual port of loading, especially where such misrepresentation may be intended to circumvent trade restrictions, duties, or regulatory controls. The deliberate alteration of origin data undermines the integrity of customs declarations. In view of the above, the conduct of M/s. Hafez Darya Arya Shipping Company and its agent M/s. Armita India Shipping Pvt. Ltd. warrants action under the Customs Act, and the filing of incorrect IGM based on false BLs constitutes contravention of the Customs Act, 1962.

**33.16.** I find that they have further submitted that importers in these shipments requested for the Switch Bill of lading due to India's bilateral relations with Iran wherein it is ascertained that ever since the United States imposed sanctions on Iran, India could not engage in dollar denominated trade with Iran.

**33.17.** I find that the argument of the noticee further corroborates the findings of the department they were well aware of the change in Port of loading and they failed to intimate the department which implies that one of the reasons for change in Port of loading in BLs was to bypass the restrictions/sanctions imposed upon Iran by the United States.

**33.18.** In view of the above discussion and findings, I hold that they have rendered the goods liable for confiscation under Section 111 of the Customs Act, 1962 and are therefore liable to be penalized under section 112 & 114AA of the Customs Act, 1962 for knowingly or intentionally making, signing or using, or causing to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of his business for the purposes of this Act.

#### **ROLE PLAYED BY VESSEL AGENT**

**34.** During the course of investigation, a search was conducted at the office premises of M/s. Armita India Shipping Pvt. Ltd., Gandhidham (the Vessel

Agent & representative of Container line) and few documents were retrieved from their premise and proceeding were recorded under the Panchnama dated 14.02.2022 drawn at premises of M/s. Armita India Shipping Pvt. Ltd., Gandhidham. During the search proceedings, some of the copies of Bills of Lading were retrieved, wherein Port of Loading was mentioned as Bandar Abbas alongwith the copies of corresponding altered Bills of Lading, wherein Port of Loading was mentioned as Jebel Ali, UAE.

**34.1.** Statement of Shri Omprakash R. Jadhav, Manager & authorized person of M/s. Armita India Shipping Pvt. Ltd., Gandhidham was recorded on the 23.02.2022 and he inter-alia stated that M/s. Armita India Shipping Pvt. Ltd. has appointed to act as Vessel Agent/Liner on behalf of Vessel Operator i.e. M/s. Hafez Darya Arya Shipping Company and after receiving Arrival Notice, Import Manifest and Bill of Lading of the containers from Vessel Operator, they prepared Import General Manifest (IGM) and then submitted it to EDI System. He also stated that the vessel initiated its current voyage from Bandar Abbas on 05.02.2022.

**34.2.** Statement of Mr. Arsh Delavar, Iranian, Managing Director, M/s. Armita India Shipping Pvt. Ltd. was also recorded on the 24.02.2022 and he inter-alia also stated that the vessel initiated its current voyage from Bandar Abbas on 05.02.2022.

**34.3.** In light of the above, it is clearly visible that the vessel agent was well in knowledge that the vessel MV GOLSAN departed from the Bandar Abbas Port, Iran having the first port of call as Kandla Port and while filing the IGM No 2303423 dated 07.02.2022 they have suppressed those information and mis-declared the POL in respect of the cargo as mentioned in the Table-2. Accordingly, contravened the provisions of the Indian Custom Act 1962.

**34.4.** Further, the Sea Cargo Manifest and transhipment Regulations 2018, states that:

**Rule 10:**

(1)(h) *“To advise his client to comply with the provisions of the Act and in case of non-compliance, **shall bring the matter to the notice of the Deputy Commissioner or Assistant Commissioner of Customs as the case may be”***

*3[(2) The authorised carrier, after intimation to the Commissioner of Customs, may outsource any other function, required to be carried out by him under these regulations, to person on his behalf. The authorised carrier and such person shall be liable for any act of commission or omission while transacting business under these regulations.]*

**Rule 11.** Suspension of operations or revocation of registration of an authorised carrier (1) The jurisdictional Commissioner of Customs may revoke the registration of the authorised carrier, for failure to comply with any provisions of the regulations.

**Rule 13. Imposition of penalty**

a) An authorised carrier who contravenes any provision of these regulations shall be liable to a penalty which may extend to rupees fifty thousand.

**34.5.** As the vessel agent have contravened the provisions of Rule 10 (1)(h) of the sea cargo manifest and mis-declared the POL in the IGM 2303423 dated 07.02.2022, is liable for the penalty under the Rule 13 of the Sea Cargo manifest and transhipment Regulations 2018. In addition to this, the vessel agent has also contravened the provision of the Customs Act by providing the incorrect details before the customs authority and hence, the vessel

agent is liable for penalty under section 112 & 114AA of the Customs Act 1962.

**34.6.** Further, as the vessel agent, M/s. Armita India Shipping Pvt. Ltd. works as agent of the person in charge of the conveyance i.e. Vessel MV GOLSAN so by the virtue of the Section 148 of the Customs Act 1962, the vessel agent is liable for the fulfillment in respect of the matter in question of all the obligation imposed on the Charterer/Owner of the vessel.

**34.7.** I find that the submission of the noticee from Para No. 1 to 10 of their submission is same as that of M/s. Hafez Darya which is already discussed above. Further, they have further argued in Para no. 11 of their submission that they have not monetarily benefitted in any manner whatsoever and Armita Shipping Pvt. Ltd also filed 'online declaration of the vessel clearly indicating the 'last port of call as Bandar Abbas".

**34.8.** Thus, it is clear that they were well aware that the port of loading was Bandar Abbas and not Jebel Ali and despite that they have filed incorrect details in the IGM filed by them.

#### **ROLE PLAYED BY CONTAINER LINE:**

**35.** In the instant case, M/s. Hafez Darya Arya Shipping Company, Iran provided services of the Container Line, and M/s. Armita India Shipping Pvt. Ltd. handles all the containers works in India as container line agent on behalf of the principal, M/s. Hafez Darya Arya Shipping Company, Iran. The container line, M/s. Hafez Darya Arya Shipping Company, Iran has issued two separate Bills of Lading, on the initial Bill of Lading, the Port of Loading was mentioned as Bandar Abbas, IRAN, thereafter, an altered Bill of Lading was issued for the same containers covered under same Bill of Lading and mentioned the Port of Loading as Jebel Ali, UAE.

**35.1.** Statement of Shri Omprakash R. Jadhav, Manager & authorized person of M/s. Armita India Shipping Pvt. Ltd., Gandhidham and Mr. Arsh Delavar, Iranian, Managing Director, M/s. Armita India Shipping Pvt. Ltd. were recorded under Section 108 of the Customs Act 1962 in which they have accepted that the port of loading is Bandar Abbas, Iran and due to their principal line agent instructions, they had changed the original Bills of Lading and issued the Bills of Lading mentioning the POL as Jabel Ali, UAE even though they were aware of the same.

**35.2.** Merely accepting the forgery done by them does not mitigate the gravity of the act of commission done by them. It is their duty to abide by the rules and regulation under which they are doing their business but they have ignored the provisions of the customs act 1962 intentionally and issued the forged bill of lading to the vessel agent and the importers. This should be considered as a gross violation of the provisions of the Custom Act 1962. As they have forged the documents and submitted the incorrect details by issuing false B/L, renders the said containers liable for confiscation under section 111(m) of the Customs Act 1962.

**35.3.** Further, the forgery done by the container line with the collusion of the Vessel agent, charterer/owner of the vessel, captain of the vessel and other stake holders is gross in nature and while tendering the statement, they followed the instruction given by the principal container line/shipper and they forgot that there is an act (Custom Act 1962) which is in force and they should also follow the provisions of the act but they failed to do so.

**35.4.** Thus the containers line, whose containers were seized vide seizure memo dated 23<sup>rd</sup> February 2022 should be liable for the penalty under section

114AA of the Customs Act 1962 as they knowingly issued the false B/L having the details of the POL as Jabel Ali Port, UAE even when they were clearly aware that the port of loading in the instant case is Bandar Abbas, Iran. The penalty imposed should be such that they realize their mistake and gross violation done on their part.

**35.5.** Further the decision taken by M/s. Armita India Shipping Pvt. Ltd. by following the instruction of their principal container lines and keeping the custom act in abeyance renders themselves personally liable and hence they should be personally penalized under section 117 of the Custom Act 1962 in addition to the penal provision imposed under section 112 & 114AA of the Custom Act 1962.

**35.6.** Further, for the role played by Shri Om Prakash Jadhav and Shri Arash Delavar, they are also liable for penal action under Section 112 and 114AA of the Customs Act, 1962 as proposed in the show cause notice.

**ROLE PLAYED BY IMPORTERS:**

**36.** All the importer vide their respective statements have inter-alia submitted that they were not aware about the said ongoing forgery of documents done by the container lines in corroboration with the vessel agent, just to evade the responsibility of theirs. Merely saying that they have placed the order with their overseas shipper and the container lines come under the scope of the shipper does not reduce their responsibility. It was their responsibility to obtain the correct information from the container lines and shippers and submit such correct details as envisaged in the section 46 of the customs Act, 1962. Merely by saying that they were not aware about the forgery, they cannot escape from their liability/duty/responsibility to furnish the correct details to the Custom Authority. While doing the agreement with the shipper, they should have ensured that the correctness of the description and importing/exporting the goods as were required but they failed to do so and it appears that either they have not taken due diligence or they were colluding with the shipper in the said forgery citing the restriction imposed on the Iran.

**36.1.** Equal onus lies on the importer to declare the correct details while filing the Bill of Entry before the Customs Authority and the section 46 (4A) also provides that the importers who presents the bill of entry shall ensure (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 but they have failed to do so and submitted the incorrect details to the customs but all the importers have not followed the provisions of the custom Act 1962 and they were just trying to hide their responsibility by passing the ball of responsibility to the court of the overseas shipper and container lines.

**36.2.** Shri Amal P.Dave appeared for personal hearing on behalf of 11 importers and submitted that the proposal levelled in the SCN are completely against the settled legal precedents as set by the Hon'ble Tribunal. The Hon'ble Tribunal in the matter of M/s. Agarwal Industrial Corporation Ltd. reported at 2020(2) TMI 235 where the case of the department was that the shipments were loaded from Iran and the assessee declared the COO to be UAE and hence the goods should be confiscated alongwith imposition of penalties. The Hon'ble Tribunal came to the conclusion that when the description of the goods was correct and the assessee did not claim any concessional rate of duty on the basis of the country of origin and when there was no proof that the assessee was involved in the manipulating the COO documents, then there was no reason for confiscation of the goods under Section 111(m) and resultantly imposing penalties under S.112(a) and 114AA of the Act.

**36.3.** In this regard, I find that M/s. Hafez Darya and M/s. Armita Shipping in their submissions dated 03.04.2025, vide Para 8, has submitted that the importers in these shipments have requested for the switch Bill of Lading due to India's bilateral relations with Iran due to US sanctions on Iran. They have also submitted that exporters changed the port of load. Thus it is clear that the importers were actively engaged in the import of goods by mis-declaring the origin of goods in order to bypass the sanctions/restrictions imposed on the Iranian origin goods. Having found the involvement of the importers, I find that the said judgement is not applicable in the instant case.

**36.4.** They have also relied on the another case M/s. Aspam Petronergy Pvt. Ltd reported at 2024(3) TMI 1187, wherein the jurisdictional Tribunal came to a conclusion that even when the port of origin was declared as UAE and the goods may have originated from Iran, the issue of mis-declaration of COO was technical in nature and when the assessee was not a party to any mis-declaration, no penalty can be imposed. However, in the instant case, it is already discussed that the importers had active role in mis-declaration of the COO of the origin of goods and Port of Loading in order to bypass the sanctions/restrictions imposed on Iranian goods.

**36.5.** Accordingly, all the importers whose goods were seized are liable for confiscation by the virtue of the section 111(m) of the Customs Act 1962 and all the importer (mentioned in Table-2) who have failed to provide the correct information before the customs authority and mis-declared the port of loading as Bandar Abbas, Iran rather Jabel Ali port, UAE in respect of the cargo covered under the Table-2 have contravened the provisions of the Customs Act and thus they have rendered themselves liable for the penalty under section 114AA of the Customs Act 1962.

#### **VALUATION OF THE IMPORTED GOODS-**

**36.6.** Further, section 14 of the Custom Act, 1962 talks about the valuation of the goods. It further states that for the purposes of the Customs Tariff Act, 1975 or any other law for the time being in force, the value of the imported goods and export goods shall be the transaction value of such goods, that is to say, the price actually paid or payable for the goods when sold for export to India for delivery at the time and place of importation, or, as the case may be, for export from India for delivery at the time and place of exportation, where the buyer and seller of the goods are not related and price is the sole consideration for the sale subject to such other conditions as may be specified in the rules made in this behalf:

**36.7.** Provided that such transaction value in the case of imported goods shall include, in addition to the price as aforesaid, any amount paid or payable for costs and services including commissions and brokerage, engineering, design work, royalties and license fees, costs of transportation to the place of importation, insurance, loading, unloading and handling charges to the extent and in the manner specified in the rules made in this behalf:

**36.8.** In the instant case, the importers have declared Jabel Ali, Port as port of loading of goods but the investigation carried out suggests that the goods were actually loaded from the Bandar Abbas so in this case the assessable value declared before the custom authority are incorrect. The importers in this instant case have termed the payment as CFR (Cost and Freight) or CIF(Cost, Insurance and freight). This shows that whatever freight or insurance are calculated and covered under the assessable value are from the mis-declared port of loading i.e. Jabel Ali Port, UAE but as per the investigation, this should be from actual port of loading i.e. Bandar Abbas Port, Iran. Accordingly, the freight difference

and the additional insurance charges thereupon between Bandar Abbas to Kandla & Jabel Ali to Kandla are required to be added in the declared assessable value and differential duty (as per Annexure-B) is required to be recovered from the importers under section 28 of the Custom Act, 1962.

**36.9.** The importers (as mentioned in Table-2) have not followed the provisions of section 14 of the Customs Act, 1962 in its true sense. Accordingly, all the importers as mentioned in Table-2 should be liable for penalty under section 112 of the Customs Act, 1962 as proposed in the notice.

**36.10.** With regard to penal action under Section 114A of the Customs Act, 1962, I find that they are liable for penal action under Section 114A as they are liable to pay differential duty under S.28(4) of the Customs Act, 1962. Interms of fifth proviso to Section 114A, once penalty is imposed under S. 114A, no penalty is imposable under S. 112 of the Customs Act, 1962.

**36.11.** The freight has been ascertained based on email (RUD-43) dated 08.02.2023 received from the vessel agent office and accordingly, the differential duty has been arrived.

#### **ROLE PLAYED BY CUSTOM BROKERS**

**37.** From the statement of the Custom Brokers, it is seen that they have taken the required documents from their respective importers and on the basis of those documents; they have filed the Bills Of Entry before the Custom Authority. They have done all the work as required by them to fulfill their responsibility as Custom Brokers but they have not observed due diligence while obtaining the said documents and details from their respective importers as envisaged in the Customs Broker Licensing Rules 2018 as amended and they filed the Bills of Entry with the incorrect details i.e., port of loading as Jabel Ali, Port, UAE rather than Bandar Abbas Port, Iran on behalf of the importers leading to contravention of the provisions of the Customs Act 1962 & Customs Broker Licensing Rules 2018 as amended.

**38.** In this regard, I find that in the era of trade facilitation and where majority of the goods are RMS facilitated, the Customs Broker has assumed a very important role with respect to the correct documentation and clearances of the import/export consignment. This role has been well defined in the form of various obligations, under Rule 10 of the Customs Broker Licence Regulation, 2018. The relevant extract of the said Rule is given below:-

“10. Obligations of Customs Broker.—A Customs Broker shall —

- (d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;
- (e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;
- (m) discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay;”

**39.** Clearly, the Customs Broker is duty bound to be well aware of all the requirements and compliances required in respect of the imported goods. The argument of the Customs brokers that they file the import documents (Bills of Entry) on the basis of documents provided by the importers has no merit and I reject the same. The Customs brokers either knowingly filed the wrong Bills of Entry having the incorrect details i.e. port of loading as Jabel Ali, Port, UAE rather than Bandar Abbas Port, Iran or had acted in very negligent and callous manner. The role and responsibilities of Customs Brokers are well defined in the CBLR, 2018. They are not entrusted with the task of mere data entry or document filing. They are licensed persons under CBLR, 2018

to act as an agent on behalf of the importer and with such licence comes greater responsibilities as obligations enshrined under Rule 10 as discussed above. They act as an important link between the importers/exporters and the custom authorities. The law mandates that they should be abreast with all the latest information/compliances regarding custom clearances and also to impart the knowledge to their client.

**40.** In view of the above, I am of the considerate view that the Customs Broker can't shy away from the responsibilities and obligations cast upon them under Regulation 10 of CBLR, 2018. In this regard, I rely upon various judgements:-

(i) Hon'ble CESTAT, Mumbai in the case of M/s. Eagle Transport Services Vs. Commissioner of Customs, Mumbai in 1997 (96) E.L.T.469(Tribunal) wherein though the matter was different yet the ration of judgement can be applied to the present case. In this case, the Hon'ble CESTAT, Mumbai has held at Para no. 7 (relevant portion) that

*"A Custom House Agent has a significant role to play in the clearance of goods through Customs and Port Trust. Such clearance involves application of either specialised laws and detailed procedures often conduct complexed. It is not possible for every layman to have the requisite knowledge and the time to personally undertake such clearances. It is for this reason that Custom House Agents have been licensed. The Regulations of 1984 provide for stringent conditions to be fulfilled before a person is appointed as licensee. The applicant must be financially sound. He must have experience of clearance through Customs. Before he is granted permanent licence he has to qualify an examination in which his knowledge of relevant procedures is vested. Regulation 14 places various obligations on a Custom House Agent. The object of these to ensure that the Custom House Agent acts honestly and efficiently in the conduct of his business. It is not difficult to foresee the consequences that would aim the Custom House Agent does not co-act in such a manner. The Custom House Agent makes various representations before the Custom House on behalf of the importer and exporter relating to the nature of the goods conditions under which they were imported their value etc. The statements that he makes and the information that he provide are crucial for assessing the goods to duty and deciding whether the import is prohibited or not. The Custom House Agent thus can the status of a professionally qualified person akin to an advocate, Chartered Accountant or number of other professions which requires a minimum standards of knowledge for minimum standards of conduct. If the Custom House Agent acts negligently or dishonestly, the Custom House can be defrauded money due to the Government, and in good faith permit import or export of prohibited goods."*

(ii) The Hon'ble Supreme Court in the case of Commissioner of Customs Vs. K.M. Ganatra and Co. in civil appeal no. 2940 of 2008 upheld the observation of Hon'ble CESTAT Mumbai in M/s. Noble Agency vs. Commissioner of Customs, Mumbai that:

*"A Custom Broker occupies a very important position in the Customs Houses and was supposed to safeguard the interests of both the importers and the Customs department. A lot of trust is kept in CHA by the importers as well as by the Government agencies. To ensure appropriate discharge of such trust, the relevant regulations are framed. Regulation 14 (now Rule 10) of the CHA Licensing Regulations lists out obligations of the CHA. **Any contravention of such obligations even without intent would be sufficient to invite upon the CHA the punishment listed in the Regulations.** Any deliberate contravention of the law has to be dealt with most seriously."*

(iii) The Hon'ble CESTAT Delhi in case of M/s. Rubal Logistics Pvt. Ltd Versus Commissioner of Customs (General) 2019-TIOL-2073-CESTAT-DEL wherein the Hon'ble Tribunal (in Para 6.1) opined that:-

*"Para 6.1. These provisions requires the Customs Brokers to exercise due diligence to ascertain the correctness of any information and to advise the client accordingly. Though the CHA was accepted as having no mens rea of the noticed mis-declaration but from his own statement acknowledging the negligence on his part to properly ensure the same, we are of the opinion that CHA definitely has committed violation of the above mentioned Regulations. These regulations caused a mandatory duty upon the CHA, who is an important link between the customs Authorities and the importer/exporter. Any dereliction/lack of due diligence since has caused the Exchequer loss in terms of evasion of Customs Duty, the original adjudicating authority has rightly imposed the penalty upon the appellant herein."*

41. In a regime of trade facilitation, a lot of trust is being placed on the Customs Broker who directly deals with the importers/exporters. Failure to comply with the regulations by the Customs Broker mandated in CBLR, 2018 gives room for unscrupulous persons to get away with import-export violations and revenue frauds. The CBs deliberately and knowingly indulged themselves in the clearance of imported goods by mis-declaring the port of loading. They have also violated section 46 of the Customs Act, 1962. Therefore, their acts of commission and omission, all the Customs Brokers are held liable for penal action as proposed in the Show cause notice.
42. It makes all the customs brokers detailed in Table-4 of the SCN, personally liable for the penalty under section 117 of the Customs Act 1962.

### **CONFISCATION OF GOODS-**

43. I find that the goods unloaded at Kandla port covered under subject 31 Bills of lading (Table-1) mis-declared in respect of Port of Loading and Origin of Goods are liable for confiscation under Section 111 (m) of the Customs Act, 1962.
44. I find that the goods were released on provisional basis on furnishing of Bond equal to the 10% value of the goods and Bank Guarantee equal to 10% of the bond value. Thus, the redemption fine is imposable on the importers being the owner of goods.

### **CONFISCATION OF VESSEL-**

45. I find that the vessel MV Golsan was used as conveyance for transporting the mis-declared goods held liable for confiscation under Section 111(m) of the Customs Act, 1962 and therefore, the vessel MV GOLSAN is also held liable for confiscation under the provisions of Section 115(2) of the Customs Act, 1962.
46. I find that the vessel was ordered to be released provisionally on execution of Bond equal to the full insured value of the vessel and Bank Guarantee, equivalent to 10% of the bond value. Since the vessel was released on provisional basis, the Redemption fine is imposable on the owner of vessel.

### **CONFISCATION OF CONTAINERS-**

47. The containers of the goods covered under the Table-2 were placed under seizure vide seizure memo dated 23.02.2023 along with the goods covered in those respective Bills of Lading. The container lines requested to release their containers, as the cargo was already de-stuffed from all the 657X20' containers. The competent authority acceded to their request and ordered release of these containers subject to furnishing the Bond for the full value of the containers i.e. Rs. 4,59,90,000/- (Rupees Four Crores, Fifty Nine Lakhs and Ninety Thousands only) and against appropriate bank Guarantee, equivalent to 10% of the bond value and after submission of the Bond for the full value of the containers and against bank Guarantee, equivalent to 10% of the bond value, containers were released provisionally.
48. Since the containers were released on provisional basis, the redemption fine is imposable upon the owner of containers.
49. In view of the above discussion and findings, I hereby pass the following order:-

#### **49.1. ORDER IN RESPECT OF M/S. HAFEZ DARYA ARYA SHIPPING COMPANY, IRAN, BEING THE VESSEL OWNER-**

- (a) I order to confiscate the vessel MV GOLSAN along with on board tools and tackles anchored at OTB (Outer Tuna Buoy) outside Kandla Port having Insured Value Insured Value USD 64,00,000 and in Indian Rupees (@ Rs. 76.05 per USD) Rs. 48,67,20,000/- (Rupees Forty eight crore, sixty seven lakhs twenty thousand only) under Section 115(2) of the Customs Act, 1962.

Since the vessel was released provisionally, I impose redemption fine of Rs. 4,86,72,000/- (Rupees Four Crore Eighty Six Lakhs Seventy Two thousand only) under Section 125 of the Customs in lieu of confiscation.

- (b) I impose penalty of Rs. 5,00,000/- (Rupees Five lakhs only) under Section 112(b)(ii) of the Customs Act, 1962.
- (c) I impose penalty of Rs. 1,00,00,000/- (Rupees One Crore only) under Section 114AA of the Customs Act, 1962.
- (d) In respect of the above fine and penalties imposed upon M/s. HAFEZ Darya, the vessel agent, M/s. Armita India Shipping Pvt. Ltd. is liable for fulfillment of all the obligation and pay the penalties/fine imposed under Section 148(2) of the Customs Act 1962.
- (e) I order to enforce the Bond executed by them and encash the Bank guarantee submitted by them during the provisional release.

**49.2. ORDER IN RESPECT OF M/S. ARMITA INDIA SHIPPING PVT. LTD., BEING THE VESSEL AGENT-**

- (a) I impose penalty of Rs. 50,000/- (Rupees Fifty Thousand only) under the provision of the Sea Cargo Manifest and Transshipment Regulations (SCMTR), 2018 as amended from time to time.
- (b) I impose penalty of Rs. 5,00,000/- (Rupees Five lakhs only) under Section 112(b)(ii) of the Customs Act, 1962.
- (c) I impose penalty of Rs. 1,00,00,000/- (Rupees One Crore only) under Section 114AA of the Customs Act, 1962.

**49.3. ORDER IN RESPECT OF M/S. HAFEZ DARYA ARYA SHIPPING COMPANY, IRAN, BEING THE CONTAINER LINER-**

- (a) I order to confiscate the containers as seized vide seizure memo dated 23<sup>rd</sup> Feb. 2022 having total value of Rs. 4,59,90,000/- under section 111(m) of the Customs Act 1962.

Since the containers have been released on provisional basis, I impose redemption fine of Rs. 50,00,000/- (Rupees Fifty Lakhs only) in lieu of confiscation under Section 125 of the Customs Act, 1962.

- (b) I impose penalty of Rs. 5,00,000/- (Rupees Five lakhs only) under Section 112(b)(ii) of the Customs Act, 1962.
- (c) I impose penalty of Rs. 1,00,00,000/- (Rupees One Crore only) under Section 114AA of the Customs Act, 1962.
- (d) I impose penalty of Rs. 4,00,000/- (Rupees Four Lakhs only) under section 117 of the Customs Act, 1962.
- (e) I order to encash the Bank Guarantees and enforce the Bonds executed by them during the provisional release.
- (f) In respect of the above fine and penalties imposed upon M/s. HAFEZ Darya, the vessel agent, M/s. Armita India Shipping Pvt. Ltd. is liable for fulfillment of all the obligation and pay the penalties/fine imposed under Section 148(2) of the Customs Act 1962.

**49.4. ORDER IN RESPECT OF M/S. ARMITA INDIA SHIPPING PVT. LTD., BEING THE REPRESENTATIVE OF HAFEZ DARYA-**

- (a) I impose penalty of Rs. 5,00,000/- (Rupees Five lakhs only) under Section 112(b)(ii) of the Customs Act, 1962.
- (b) I impose penalty of Rs. 50,00,000/- (Rupees Fifty Lakhs only) under Section 114AA of the Customs Act, 1962.
- (c) I impose penalty of Rs. 4,00,000/- (Rupees Four Lakhs only) under section 117 of the Customs Act, 1962.

#### 49.5. ORDER IN RESPECT OF IMPORTERS-

(a) I order to confiscate the goods as seized vide seizure memo dated 23<sup>rd</sup> February 2022 under section 111(m) of the Customs Act 1962.

Since the goods have been released provisionally I impose redemption fine under Section 125 of the Customs Act, 1962 as given below in the Table.

(b) I reject the port of loading declared as Jabel Ali, UAE in their respective bills of entry and order to consider Bandar Abbas, Iran as port of loading.

(c) I reject the Country of origin of the goods declared as UAE/otherwise in respect of Bill of entry filed and order to consider Iran as Country of origin of goods.

(d) I reject the declared assessable value and order to re-determine the same as per Annexure-B to the show cause notice.

(e) I determine and confirm the duty and order to recover the same as per the details given in Annexure – B to the Show cause notice and given in the table below, under Section 28(4) of the Customs Act, 1962 alongwith applicable interest under Section 28AA of the Customs Act, 1962.

(f) I impose penalty equal to the duty plus interest confirmed above at (e) under Section 114A of the Customs Act, 1962 upon respective importers.

(g) I don't impose penalty under Section 112 of the Customs Act, 1962 in terms of fifth proviso to Section 114A of the Customs Act, 1962.

(h) I impose penalty under Section 114AA of the Customs Act, 1962 upon various importers as given below in the table.

(i) I order to enforce the bonds submitted by the respective importers at the time of provisional release of goods;

(j) I order to enforce the bank guarantees submitted by the respective importers at the time of provisional release of goods;

Sr. No .	Bill of Lading	Name of Importer	Goods Description	Redetermine d Assessable value	Total Differenti al Duty being demande d (in INR)	Redemption fine (in Rs.)	Penalty under Section 114AA (in Rs.)
1	IIX1251ECSM255 9	M/s. Vevelon Petrochem Pvt. Ltd., Mumbai	Bitumen 60/70	85,98,526	1,02,429	1,00,000 (One Lakh)	1,00,000 (One Lakh)
2	IIX1251ECSM254 5	M/s. Vardhman Trading Co., Jammu & Kashmir	Bitumen 60/70	1,87,34,687	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
3	IIX1251ECSM255 7	M/s. V R Petrochem India LLP, Vadodara	Bitumen	1,81,48,713	1,97,759	1,97,000 (One lakh Ninety Seven Thousand)	1,97,000 (One lakh Ninety Seven Thousand)
4	IIX1251ECSM255 8	M/s. Raj Kamal industries Pvt.	BASE OIL	52,31,815	39,396	39,000 (Thirty Nine Thousand)	39,000 (Thirty Nine Thousand)

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		Ltd.					
5	IIX1251ECSM254 8	M/s. Premium Petro Products, Rajasthan	Bitumen Grade VG30	1,58,90,620	1,97,759	1,97,000 (One lakh Ninety Seven Thousand)	1,97,000 (One lakh Ninety Seven Thousand)
6	IIX1251ECSM254 2	M/s. Premium Petro Products, Rajasthan	Bitumen Grade VG30	1,58,90,620	1,97,759	1,97,000 (One lakh Ninety Seven Thousand)	1,97,000 (One lakh Ninety Seven Thousand)
7	IIX1251ECSM254 7	M/s. Premium Petro Products, Rajasthan	Bitumen Grade VG30	1,69,16,380	1,97,759	1,97,000 (One lakh Ninety Seven Thousand)	1,97,000 (One lakh Ninety Seven Thousand)
8	IIX1251ECSM253 8	M/s. Prejag Petrochem, Surat	Bitumen 60/70 VG30	1,73,38,155	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
9	IIX1251ECSM253 6	M/s. Prejag Petrochem, Surat	Bitumen Grade VG30	1,59,86,071	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
10	IIX1251ECSM254 1	M/s. Prejag Petrochem, Surat	Bitumen VG30	1,64,74,065	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
11	IIX1251ECSM253 5	M/s. Neptune Petrochemicals Pvt. Ltd., Ahmedabad	Bitumen Grade VG30	1,60,58,457	1,97,759	1,97,000 (One lakh Ninety Seven Thousand)	1,97,000 (One lakh Ninety Seven Thousand)
12	IIX1251ECSM255 4	M/s. Neptune Petrochemicals Pvt. Ltd., Ahmedabad	Bitumen Grade VG40	1,59,66,849	1,97,759	1,97,000 (One lakh Ninety Seven Thousand)	1,97,000 (One lakh Ninety Seven Thousand)
13	IIX1251ECSM256 1	M/s. Neptune Petrochemicals Pvt. Ltd., Ahmedabad	Bitumen Grade VG40	1,59,04,020	1,97,759	1,97,000 (One lakh Ninety Seven Thousand)	1,97,000 (One lakh Ninety Seven Thousand)
14	IIX1251ECSM256 3	M/s. Malhotra Lubricants Pvt. Ltd., New Delhi	BASE OIL	1,57,27,899	1,10,308	1,10,000 (One Lakh Ten thousand)	1,10,000 (One Lakh Ten Thousand)
15	IIX1251ECSM255 5	M/s. Madhusudan Organics Limited	Bitumen Grade VG30	1,78,62,252	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
16	IIX1251ECSM255 2	M/s. Madhusudan Organics Limited	Bitumen Grade VG30	1,64,02,853	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
17	IIX1251ECSM255 6	M/s. Madhusudan Organics Limited	Bitumen Grade VG30	1,79,32,856	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
18	IIX1251ECSM256 2	M/s. Madhusudan Organics Limited	Bitumen Grade VG40	63,95,764	78,791	78,000(Seventy Eight Thousand)	78,000(Seventy Eight Thousand)
19	IIX1251ECSM255 1	M/s. Madhusudan Organics Limited	Bitumen Grade VG40	95,29,621	1,18,187	1,18,000 (One Lakh Eighteen Thousand)	1,18,000 (One Lakh Eighteen Thousand)
20	IIX1251ECSM253 9	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	Bitumen Grade VG30	1,86,93,320	1,96,979	1,96,000 (One lakh Ninety Six Thousand)	1,96,000 (One lakh Ninety Six Thousand)
21	IIX1251ECSM254 3	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	Bitumen Grade VG30	1,11,11,662	1,18,187	1,18,000 (One Lakh Eighteen Thousand)	1,18,000 (One Lakh Eighteen Thousand)
22	IIX1251ECSM255 0	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	Bitumen Grade VG30	74,77,328	78,791	78,000(Seventy Eight Thousand)	78,000(Seventy Eight Thousand)
23	IIX1251ECSM254 4	M/s. Future Universal	Bitumen Grade VG30	1,86,93,320	1,96,979	1,96,000 (One lakh Ninety Six	1,96,000 (One lakh Ninety Six

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		Petrochem Pvt. Ltd., Haryana				Thousand)	Thousand)
24	IIX1251ECSM254 6	M/s. Future Universal Petrochem Pvt. Ltd., Haryana	Bitumen Grade VG30	1,86,93,320	1,96,979	1,96,000 (One lakh Ninety Six Thousands)	1,96,000 (One lakh Ninety Six Thousands)
25	IIX1251ECSM253 4	M/s.OFB Tech Private Limited, Gandhidham	Bitumen Grade VG30	1,79,87,167	1,96,979	1,96,000 (One lakh Ninety Six Thousands)	1,96,000 (One lakh Ninety Six Thousands)
26	IIX1251ECSM253 7	M/s. Deep Jyoti Wax Traders Pvt Ltd., Kolkata	Bitumen Grade VG30	1,69,04,227	1,96,979	1,96,000 (One lakh Ninety Six Thousands)	1,96,000 (One lakh Ninety Six Thousands)
27	IIX1251ECSM254 0	M/s. Deep Jyoti Wax Traders Pvt Ltd., Kolkata	Bitumen Grade VG30	1,70,92,023	2,36,374	2,36,000(Two Lakhs Thirty Six thousand)	2,36,000(Two Lakhs Thirty Six thousand)
28	IIX1251ECSM255 3	M/s. Suhail Brothers, Jammu & Kashmir	Bitumen 80/100	1,65,76,917	1,97,759	1,97,000 (One lakh Ninety Seven Thousands)	1,97,000 (One lakh Ninety Seven Thousands)
29	IIX1251ECSM253 3	M/s. Hexatron Industries Limited, Kachchh	Bitumen Grade VG40	1,82,16,986	1,96,979	1,97,000 (One lakh Ninety Seven Thousands)	1,97,000 (One lakh Ninety Seven Thousands)
30	IIX1251ECSM254 9	M/s. Shyam Sunder Surender Kumar, Rajasthan	Rock Salt in Lumps	19,39,185	17,695	17,000(Seventeen Thousands)	17,000(Seventeen Thousands)
31	IIX1251ECSM256 0	M/s. Shyam Sunder Surender Kumar, Rajasthan	Rock Salt in Lumps	19,45,530	17,695	17,000(Seventeen Thousands)	17,000(Seventeen Thousands)

#### **49.6. ORDER IN RESPECT OF CUSTOM BROKERS-**

I impose penalty of Rs. 4,00,000/- (Rupees Four Lakhs only) each under Section 117 of the Customs Act, 1962 upon all the custom brokers as given below:-

- (a) M/s. Sarthee Shipping Co.
- (b) M/s. D. L. Shipping Services
- (c) M/s. Bright Shiptrans Pvt. Ltd.
- (d) M/s. Swayam Shipping Services
- (e) M/s. Daksh Shipping Service Pvt. Ltd.
- (f) M/s. Eiffel Logistics Pvt. Ltd.
- (g) M/s. SRS Cargo International
- (h) M/s. Unique Spenditorer Pvt. Ltd.

#### **49.7. ORDER IN RESPECT OF SHRI OMPARKASH JADHAV, BRANCH MANAGER, M/S. ARMITA INDIA SHIPPING PVT. LTD.-**

- (a) I impose penalty of Rs. 5,00,000/- (Rupees Five lakhs only) under Section 112(b)(ii) of the Customs Act, 1962.
- (b) I impose penalty of Rs. 5,00,000/- (Rupees Five Lakhs only) under Section 114AA of the Customs Act, 1962.

**49.8. ORDER IN RESPECT OF SHRI ARASH DELAVAR, MANAGING DIRECTOR  
OF M/S. ARMITA INDIA SHIPPING PVT. LTD.**

- (a) I impose penalty of Rs. 5,00,000/- (Rupees Five lakhs only) under Section 112(b)(ii) of the Customs Act, 1962.
- (b) I impose penalty of Rs. 10,00,000/- (Rupees Ten Lakhs only) under Section 114AA of the Customs Act, 1962.

**50.** This order is issued without prejudice to any action that can be taken under this Act or any other law for the time being in force.

**(M. Ram Mohan Rao)  
Commissioner  
Custom House, Kandla**

**BY SPEED POST A.D. /BY EMAIL**

F.No. GEN/ADJ/COMM/86/2025-Adjn-O/o Commr-Cus-Kandla

DIN-20250771ML000000D0B7

**To,**

1. M/s. Hafez Darya Arya Shipping Company, Iran.
2. M/s. Armita India Shipping Pvt. Ltd., Office No. 104, 1<sup>st</sup> Floor, Riddhi Siddhi Arcade, Plot No. 13, Sector-8, Gandhidham, Kutch-370201
3. M/s. Vevelon Petrochem Private Limited, situated at D-915, 9th Floor, Capital Building, G-Block, Mumbai – 400051
4. M/s. V R Petrochem India LLP situated at Block No. 17 8e 18, Manjusar Sokhda Road, Manjusar, Vadodara-391775
5. M/s. Premium Petro Products, situated at 1/3, Hathroi Market. Opp. Gopal Bari, Ajmer Road, Jaipur, Rajasthan-302001
6. M/s. Shayam Sunder Surender Kumar, Main Market, Tehsii-Nohar, Distt. Hanumangarh-335523
7. M/s. Hexatron Industries Limited, Survey No. 923, Paiki 01, Anjar Sim, Viliadge-Vidi, Taluka Anjar, Kutch-370110
8. M/s. Suhail Brothers, Near Islamia School, Shalina Chinar Bagh, Srinagar, Jammu 86 Kashmir -190005
9. M/s. Madhusudan Organics Limited, 5, Gopal Doctor Road, Kolkata-700023
10. M/s. Vardhman Trading Co., Near Electric Substation, Industrial area, Gangyal, Jammu-180010
11. M/s. Future Universal Petrochem (P) Ltd, 412, Vill-Gadhauli, Near Tejli Sports Complex, Yamuna Nagar, Haryana-135001
12. M/s. Deep Jyoti Wax Traders Private Limited, 157, Netaji Subhash Road, 3rd Floor, Room No. 184, Kolkata-700001

**13.** M/s. Rajkamal Industrial Private Limited, 401, Dev Arc Coiporate, Above Croma, Iscon Cross Roads, SG Highway, Ahmedabad-380015

**14.** M/s. Prejag Petrochem, G-4, ICC Building, Near Kadiwala School, Ring Road, Surat- 395002

**15.** M/s. OFB Tech Pvt. Ltd, 6th Floor, Tower A, Global Business Park, M G Road, Gurgaon- 122001

**16.** M/s. Malhotra Lubricants Private Limited, situated at AC 41, Tagore Garden, New Delhi-110027

**17.** M/s. Neptune Petrochemicals Private Limited, B-606,Mondeal Heights, Near Panchratna Party Plot, S.G. Highway, Ahmedabad

**18.** M/s. Saarthee Shipping Co. , Office No. 1, 2nd Floor, Shah Avenue 1, Plot No. 211, Ward 12-B, Gandhidham-370201

**19.** M/s. D. L. Shipping Services, having firms registered office situated at Office No. 1, 2nd Floor, Deepak Complex, Plot No. 315, Ward 12-B, Gandhidham-370201

**20.** M/s. Bright Shiptrans Private Limited, having firms registered office situated at Office No. 2, 2nd Floor, Arjan's Mall, Plot No. 118/119, Sector-8, Gandhidham-370201

**21.** M/s. Swayam shipping Services having registered office situated at 202, Rajkamal-1, 2nd Floor, Plot No. 348, Ward 12-B, Gandhidham (Kutch)-370201

**22.** M/s Eiffel Logistics Private limited having registered office at No. 57, Third Floor, Om Sri Sai Ram Plaza No. 75, Thambu Chetty Street, Mannady, Chennai Tamil Nadu, 600 001 and local office situated at Office No. 2, 2nd Floor, Shiv Shakti Complex, Plot No. 362, Sector-1/A, Gandhidham 370201

**23.** M/s. Unique Speditorer Pvt. Ltd., Gandhidham having registered office at Unique House, Plot No. 126, Sector-1A, Gandhidham (Kutch)

**24.** M/s. Daksh Shipping Services Private Limited having registered office situated at 33, Ashapura Nagar, Old Port Road, Near Hero Showroom, Mundra, Kutch-370421

**25.** Shri Arash Delavar, Managing Director of M/s. Armita India Shipping Pvt. Ltd

**Copy to:**

1. The Chief Commissioner, Gujarat Customs Zone, Ahmedabad for Review.
2. The Assistant Commissioner, SIIB, Kandla for information
3. The Superintendent (EDI/TRC), Custom House Kandla, for necessary action.
4. Guard File