



Office of The Commissioner of Customs
New Custom House, Near Balaji Temple,
New Kandla - 370210
Tel.-02836-271468-469 Fax-02836-
271467
E-mail: commr-cuskandla@nic.in



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F.No.: GEN/ADJ/ADC/2406/2025-Adjn-O/o Commr-Cus-Kandla

Date : 30.12.2025

SHOW CAUSE NOTICE
(ISSUED UNDER SECTION 124 OF THE CUSTOMS ACT, 1962)

Whereas, M/s Palmon Exports Kasez (IEC: 0304048151) Shed No. 186-187, Sector-1, Kandla Special Economic Zone, Gandhidham - 370230, bearing GST Registration 24AAHFP4369G1Z4 (registered from 26/07/2017) (**hereinafter referred to as M/s Palmon for the sake of brevity**), appears to have imported goods declared as Walnut in Bill of Lading no. OLEJAMUNBRQ609 dated 12.11.2024 and Bill of Lading no. OLEJAMUNBRQ607 dated 12.11.2024 (**RUD-1**) from M/s Graburdeal General Trading LLC, 702 Green Tower, Riggatal Buteen, Deira, Dubai, UAE. As per the GST registration, M/s Palmon Exports Kasez is a Partnership Firm and engaged in business activities relating to non-wovens, felt, textile fabrics, linoleum, floor coverings, textile wall coverings and storage and warehousing services.

2. Whereas, on the basis of specific intelligence, both consignments imported under IGM No. 2393069 dated 14.11.2024 & Bills of Lading No. OLEJAMUNBRQ609 dated 12.11.2024 and OLEJAMUNBRQ607 dated 12.11.2024, stuffed in Container No. KKFU 7720865/40' & OOLU8344400/40' loaded from Jebel Ali, UAE and discharged at Mundra Port by vessel BIG LILLY/02444E and destined for KASEZ (Port Code: INKDL6), were intercepted at Mundra Port. The details of goods as per the Bills of Lading are as under:

Table – 1: Details of Import as per Bill of Lading

Sr. No.	Name of Consignee [Importer]	Bill of Lading No. & Date	Goods Description	Quantity (KG)	No of Packages	Container details
1	Palmon Exports KASEZ	OLEJAMUNBRQ607 dated 12.11.2024	Walnut	23840	596	OOLU8344400
2	Palmon Exports KASEZ	OLEJAMUNBRQ609 dated 12.11.2024	Walnut	26640	666	KKFU7720865

3.1 Whereas, the Customs officers at Mundra carried out the examination of goods under panchnama proceedings dated 30.12.2024 (**RUD-2**) at M/s Saurastra Freight Pvt Ltd, Bharat CFS Zone-1, MPSEZ, Mundra and at M/s Mundhra CFS, Adani Port & SEZ, Mundra respectively. The importer was informed about the examination schedule, but neither the importer nor any person authorized by importer appeared by for examination. The summary of examination is as under:

Table – 2: Details of examination:

Sr No	Bill of Lading No. & Date	Goods declared in Bill of Lading	Actual Goods found during examination	Container No & Size	Weight declared in Bill of Lading	Net weight as per the weighment slip of CFS	No of Packages
1	OLEJAMUNBRQ607 dated 12.11.2024	Walnut	Areca nuts	OOLU8344400/40'	23840	24210	596
2	OLEJAMUNBRQ609 dated 12.11.2024	Walnut	Split Areca nuts	KKFU7720865/40'	26640	26050	666

3.1.1 During the examination, the goods were found to be **Areca Nuts**, total weight 50,260 Kgs, instead of the declared item “Walnut” in the Bill of Lading as well as Import General Manifest (IGM).

3.2 Whereas, the goods “Areca Nuts” imported by the Importer were seized under Seizure Memo dated 31.12.2024 (**RUD-3**) in terms of Section 110 of the Customs Act, 1962 and were handed over to the custodian M/s Saurastra Freight Pvt Ltd, Bharat CFS Zone-1, MPSEZ, Mundra and M/s Mundhra CFS, Adani Port & SEZ, Mundra, for safe custody.

3.2.1 Further, the samples drawn during the Panchanama proceedings dated 30.12.2024 were forwarded via letter dated 01.01.2025 to CRCL, New Delhi for testing. Vide test report dated 14.02.2025 & 28.02.2025 (**RUD-4**) the samples were confirmed to be as **areca nuts**.

S. No	Bill of Lading no.	Container No.	Result	Quality
1	OLEJAMUNBRQ607	OOLU8344400	Roasted Areca Nuts	Fit for human consumption
2	OLEJAMUNBRQ609	KKFU7720865	Roasted Areca Nuts	Not Fit for human consumption

3.3 As per Notification dated 05.08.2016 issued from F. No. C.1/1/2009-SEZ [S.O. 2667(E)], the jurisdictional Commissioner of Customs has been authorized to carry out investigation, inspection, search or seizure in a Special Economic Zone or Unit for offences under the Customs Act, 1962. Since the import in question pertains to a SEZ Unit, vide letter dated 08.01.2025 (**RUD-5**), the case records were transferred to this office for further necessary action.

3.4 As per Notification No. 85/2024-Customs (N.T.) dated 13.12.2024, the tariff value of Areca Nuts is fixed at 6448 USD per MT. Accordingly, for a total quantity of 50,260 Kgs, the value of the goods works out to **₹ 2,77,37,706/- (Rupees Two Crore Seventy-seven Lakh Thirty-Seven Thousand Seven Hundred and Six only)**.

Table – 3: Calculation of Assessable Value of Areca Nuts

Goods Found	Quantity	Tariff Value	Exchange Rate (₹)	Value of the goods (₹)
Areca Nuts	50,260 Kgs	6448 USD / MT	85.59	2,77,37,706/-

3.4.1 The valuation and tariff notification establish that the seized goods are of substantial value and attract high incidence of customs duty, which, when read with the mis-declaration, strongly supports the inference of a deliberate attempt to smuggle prohibited goods.

3.5 Whereas, an email dated 09.01.2025 was received on behalf of Palmon Export Kasez (netravm@gmail.com) (RUD-6) claiming that -

"Plz inform them in writing that palmon export kasez had no LOA for doing any activity till date. Hence there is no chances of importing any such said container. Somebody had missed our IEC and other electronic mode. Plz sent back material to foreign exporter or sale it immediately before quality of nuts spoiled. Shelf life of asnuts will be 5-6 month only. Plz sale goods immediately at market price as per custom act 1962 and deposit the sale proceeds after deducting custom duty and penalties to treasury of Govt of India."

3.5.1 Further, vide letter dtd 15.01.2025 (RUD-7) M/s Palmon Exports Kasez claimed that they have not imported the said consignment; that they have signed a MOU dtd. 11.11.2024 for processing of in-shell walnuts with below parties:-

- (i) Processor M/s. Palmon Export Kasez ;
- (ii) Importer M/s Sunshine Food Trading LLC Dubai and acting through
- (iii) Co-ordinator M/s. HNH Overseas Pvt. Ltd., Office No.1238, First Floor, Rang Mahal, S P Mukherjee Marg, Behind Novelty Cinema, New Delhi - 110006;
- (iv) Exporter Party is M/s Empire Nuts USA

M/s. Palmon Export claimed that M/s HNH Overseas Private Limited had given a cheque of Rs 5 lakhs towards the said MOU but when they produced the Cheque in bank, it did not clear; the bank returned the cheque with reason "Insufficient Funds"; that on receiving the email from Preventive Officer, Customs Mundra for 100% examination of said 02 containers, they informed the same to Shri Hardesh Sharma of HNH Overseas Pvt Ltd and sent a mail to Customs Mundra informing that the goods did not belong to M/s Palmon Exports KASEZ; that they sent a request letter dated 27.09.2024 to Development Commissioner, KASEZ for processing of Walnut; that they have sent letters dated 26.11.2024 & 02.12.2024 to Shipping Lines for surrender of containers; that they have sent letter dated 17.12.2024 to Development Commissioner for re-export of 02 containers. M/s. Palmon Export attached below enclosures with the letter:

Annexure No	Details
1	MOU dated 07.10.2024
2	Contract letter addressing M/s Palmon Exports KASEZ to process walnut by M/s Sunshine Foodstuff Trading LLC
3	Cheque of Rs 5 lakh by HNH Overseas towards MOU & Bank Letter of non-clearance of Cheque due to insufficient balance.
4	Mail from customs for presence during examination & reply by M/s Palmon Exports KASEZ
5	Request letter dated 27.09.2024 to Development Commissioner, KASEZ for processing of Walnut
6	Letters dated 26.11.2024 & 02.12.2024 to Shipping lines for surrender of Containers
7	Letter dated 17.12.2024 to Development Commissioner for re-export of 02 containers

8	Complaint (in Gujarati Language) filed to Police, Kutch against Shri Hardesh Sharma of M/s HNH Overseas Pvt Ltd
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Further, vide email dated 05.03.2025 (**RUD-8**) (sunielahori@gmail.com) Sunil Lahori, Partner, M/s Palmon Exports Kasez requested for disposal of goods, being perishable in nature.

3.6 Whereas, Summons under Section 108 of the Customs Act, 1962 were issued to M/s Palmon Exports Kasez for recording of statements and submission of relevant documents. However, neither any partner of M/s. Palmon Export nor any Authorized Representative of M/s. Palmon Export appeared and further no relevant documents were submitted. The details of summons issued to them are as under (**RUD-9**):

Table – 5: Summons Issued to M/s Palmon Export Kasez.

Sr. No.	To	Date
1	M/s Palmon Exports Kasez	06.03.2025
2	M/s Palmon Exports Kasez	19.03.2025
3	M/s Palmon Exports Kasez	03.04.2025
4	M/s Palmon Exports Kasez	21.04.2025
5	M/s Palmon Exports Kasez	02.09.2025

3.6.1 Whereas, in response to Summons dated 06.03.2025 & 19.03.2025, vide email dated 28.03.2025 (**RUD-10**), (sunielahori@gmail.com) Mr Sunil Lahori, Partner, M/s Palmon Exports Kasez repeated earlier submission dated 15.01.2025 and further claimed that due to ill health (submitted ultrasound reports of Abdomen & Pelvis and Neck), he was unable to appear for summons and other local managing partner Mr. Mukesh Joshi had a date in High Court. He further submitted that they would appear in 1st week of April 2025. He once again named Mr Hardesh Sharma of M/s HNH Overseas Pvt Ltd., as the main person behind areca nut imports.

3.6.2 Further, summons dated 03.04.2025 were issued, which were not complied with. Again, summons were issued on 21.04.2025. In response to these 02 summons, emails dated 12.05.2025 (sunielahori@gmail.com) (**RUD-11**) and 16.05.2025 (sunielahori@gmail.com) (**RUD-12**) were received from M/s Palmon Exports Kasez, with the claim that Mr Hardesh Sharma of HNH Overseas Pvt Ltd was the mastermind.

3.6.3 Whereas, Summons dated 02.09.2025 were again issued to M/s Palmon Exports Kasez for tendering the statement. Vide Email dated 10.09.2025 (sunielahori@gmail.com) (**RUD-13**) Mr Sunil Lahori submitted an affidavit calling it as final, with submission that:

- a) they have not issued any purchase order for the said import of said walnuts.
- b) they have signed a MOU with HNH Overseas to process the walnuts at their unit and applied for permission of the same from Development Commissioner, KASEZ, which is pending till date. The Director of M/s HNH Overseas, Mr Hardesh Sharma has imported the cargo without their knowledge.
- c) they came to know from the shipping company about the cargo & they immediately informed them to return the cargo to supplier; they also intimated the Development Commissioner, KASEZ for re-export of the said cargo; that Customs Officer informed them that on examination, walnuts and cashew nuts were found in the 02 containers and they had requested the Custom to sell the Walnuts and Cashewnuts, as both were perishable in nature.

d) they have filed a complaint with Gandhidham B Division Police Station against Mr. Hardesh Sharma of M/s HNH Overseas Pvt Ltd and investigation is in progress and FIR pending.

3.6.4 Whereas, vide Email dated 15.01.2025, Shri Sunil Lahori submitted that MOU dated 11.11.2024 was signed with M/s HNH Overseas Pvt Ltd, but as enclosure, he submitted the MOU dated 07.10.2024 whereas vide email dated 10.09.2025, in his final submission, he had submitted MOU dated 24.10.2024.

3.6.5 Whereas, the denial of ownership by Palmon Export, while being a self-serving statement, is not supported by any contemporaneous documentary evidence. In the context of the Bill of Lading, which clearly mentioned name of M/s Palmon Export as Consignee / Importer, there is no mention of any other Third Party, which establishes that the goods were imported by M/s. Palmon Export. The denial represents an attempt to dissociate themselves from a consignment with all hallmarks of smuggling. It is notable that the partners of M/s Palmon Exports KASEZ chose not to honour the summons issued. This sustained non-cooperation leads an inference that the importer deliberately avoided investigation of a mis-declared, prohibited consignment. Furthermore, vide letter dated 15.01.2025, Shri Sunil Lahori, Partner of M/s Palmon Exports KASEZ submitted that they had signed an MOU dated 11.11.2024 with M/s HNH Overseas & other parties, but the MOU submitted as enclosure was dated 07.10.2024. Vide Email dated 10.09.2025, M/s. Palmon Export again attempted to mislead the investigation by submitting that "*The Customs Officer informed them that on examination walnuts and cashew nuts were found in the 02 containers*" when in reality only areca nuts were found in these two containers.

3.6.6 Whereas, to ascertain the verification of genuineness of the importer, the letter dated 03.12.2025 was written to the AC, CGST, Gandhidham for verification of the registered premises of M/s Palmon Exports KASEZ, who vide letter dated 09.12.2025 (**RUD-14**) informed that: -

M/s. Palmon Exports (24AAHFP4369G1Z4), A/2, Shed no. 186-187, Kandla Special Economic Zone, KASEZ, Gandhidham, Kachchh, Gujarat, 370230 unit exist at declared premises and has been filing regular GST returns till date.

3.6.7 Thus the importer, M/s Palmon Exports KASEZ was found existing at the registered address and was found filing regular GST returns till date.

3.7 For further investigation, LOA and other documents submitted by M/s Palmon Exports Kasez were requested from Development Commissioner KASEZ. They provided copy of LOA vide email dated 05.06.2025 (**RUD-15**) and Bond submitted by M/s Palmon Exports. As per the LOA, M/s Palmon Exports did not have necessary permission to warehouse either Walnuts (which is declared in the BL) or Areca Nuts, which were found during examination.

3.8 Whereas, Summons under Section 108 of the Customs Act, 1962 were issued to M/s HNH Overseas Pvt Ltd, GF, 1238, Rang Mahal, S P Mukherji Marg, Behind Novelty Cinema, DELHI, New Delhi, North Delhi, Delhi, 110006, for recording of statements and submission of relevant documents. However, no one appeared on behalf of M/s HNH Overseas Pvt Ltd, nor were any relevant documents submitted. The chronology of summons is as under (**RUD-16**):

Table – 5: Summons Issued to M/s HNH Overseas Pvt Ltd.

Sr. No.	To	Date
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1	M/s HNH Overseas Pvt Ltd	17.10.2025
2	M/s HNH Overseas Pvt Ltd	13.11.2025

3.9 Whereas, to ascertain the verification of genuineness of M/s HNH Overseas Pvt Ltd, the letter dated 10.12.2025 was written to the Assistant Commissioner, Old Delhi for verification of the registered premises of M/s HNH Overseas Pvt Ltd, GF, 1238, Rang Mahal, S P Mukherji Marg, Behind Novelty Cinmea, Delhi -110006. Later on, the Jurisdictional CGST Commissionerate, Old Delhi vide letter dated 11.12.2025 (**RUD-17**), informed that: -

During the field visit conducted on 11.12.2025, the entity was found non-existent at the registered principal place of business. No business activity, signboard or authorized person was available at the premises, Local enquiries also confirmed that no such firm has operated at the said address for a considerable period.

3.10 Thus, M/s HNH Overseas Pvt Ltd has been found non-existent at the registered address. From the GSTIN portal, the registration of M/s HNH Overseas Pvt Ltd was also found suo-moto cancelled from 01.11.2024.

3.11 Whereas, letter dated 18.10.2025 & reminder dated 13.11.2025 (**RUD-18**) were written to Superintendent of Police, East Kutch for the current status of complaint filed by M/s Palmon Exports Kasez. No reply has been received from the SP Office, East Kutch.

3.12.1 Whereas, Summons under Section 108 of the Customs Act, 1962 were issued to M/s Boxpath Terminal Co. on 28.05.2025 & 12.06.2025 (**RUD-19**) for recording of statements and production of documents. Accordingly, statement of Shri Kochath Paravin, Partner of M/s Boxpath Terminal Co. was recorded on 18.06.2025(**RUD-20**) whereas he inter alia stated that:

- They had received a draft bill of lading with bill of lading No. OLEJAMUNBRQ607 from M/s Buraq Shipping Line LLP at T-13, 3rd Floor, Haware Centurian Complex, Sector-19A, Seawoods East, Navi Mumbai, 400706 with whom M/s Boxpath Terminal Co. had entered into agreement dated 01.04.2024 for handling sea cargo consignments for import and export. Accordingly, they filed IGM dated 13.11.2024.
- The vessel arrived on Mundra Port on 15.11.2024. On arrival of the vessel, M/s Boxpath did not contact either the consignee or the notify party for arrival of the consignment. As per the agreement entered into between M/s Boxpath Terminal Co. and M/s Buraq Shipping Line LLP, the responsibility of informing the consignee and the notify party lay with M/s Buraq Shipping Line LLP. On 19.11.2024, M/s Boxpath Terminal Co. received an email from M/s Buraq Shipping Line LLP mentioning therein that their client wanted to recall the container and sought status of the container and also enquired about the procedure for recall of the container.
- He only received the GST certificate of the consignee M/s Palmon Exports from M/s Buraq Shipping line through email dated 05.12.2024 but the Aadhaar's of the partners of the consignee have not been received till date.

In view of the above, it is quite apparent that the IGM was filed by M/s. Boxpathk Terminal Co. on the basis of the directions received by Ms Buraq Shipping Line LLP and all the communications to the consignee was made by M/s. Buraq Shipping Line LLP.

3.12.2 Whereas, Summons under Section 108 of the Customs Act, 1962 were issued to M/s Buraq Shipping Line LLP on 02.07.2025 & 10.07.2025 (**RUD-21**) for recording of statements and production of documents. Accordingly, statement of Shri Taufik Kadar Basha Shaikh, Director of M/s Buraq Shipping Line LLP was recorded on 18.07.2025 (**RUD-22**) whereas he inter alia stated that:

- They had received an email along with draft BL from M/s Ocean Link Express Shipping LLC, Dubai (with whom they have entered in agreement on 15.01.2020 for handling the sea cargo consignments) to file IGM in respect of the container no. OOLU8344400 imported by the consignee M/s Palmon Exports KASEZ from shipper M/s Grabudeal General Trading LLC (Copy of Draft BL submitted). The said email was sent to agent M/s Boxpathk Terminal Co. for filing of IGM at Mundra Port.
- The vessel arrived on Mundra Port on 15.11.2024. After arrival of the vessel, on 18.11.2024, consignee M/s Palmon Exports itself contacted M/s Buraq Shipping Line LLC through email id palmongroupkasez@gmail.com which was mentioned on the BL, for sending the containers back to the shipper. M/s Palmon Exports provided the reason that DC KASEZ had not allowed them permission for clearing of the consignments in KASEZ, therefore they can't receive the consignment. On 21.11.2024, M/s Buraq Shipping Line LLP provided list of documents required for recall of the containers. Complete documents (Aadhar Card of partners of the consignee) were not received, therefore the application for returning of the containers could not be placed with Customs Mundra.
- On 22.11.2024 M/s Buraq Line received email from shipper M/s Grabudeal General Trading LLC enclosing therewith letter dated 27.09.2024 from consignee M/s Palmon Exports mentioning therein that they had requested for permission of DC KASEZ for warehousing the imported goods imported under the BL OLEJAMUNBRQ607, which has not been received from DC KASEZ; therefore, they cannot accept the goods and requested for returning the containers to the shipper. The consignee also enclosed letter dated 27.09.2024 written to DC KASEZ informing them that they will receive walnuts from M/s Empire Nuts (USA) for processing and re-export to M/s Sunshine Foodstuff Trading LLC and its enclosures.
- The Aadhaar's of the partners of the consignee were not received; therefore, the application for returning the containers could not be placed with Customs Mundra. Further, on 16.12.2024, the work related to returning of the containers back to shipper was transferred to M/s PND Maritime.
- As per the documents available with them, which have been provided by M/s Ocean Link Express Shipping LLC, the consignee of the goods is M/s Palmon Exports, KASEZ located at Shed No. 187-187, Sector- 1, Kandla Special Economic Zone, Gandhidham, 370230 (Email: palmongroupkaseg@gmail.com).

- The consignee contacted Rizwan Sheikh, who looked after documentation for M/s Buraq Line Shipping LLC for clearance of consignment through mobile no. 9205764070. Further, Sh. Mukesh Prakashbhai Joshi (Mobile No. 9898008679) partner of M/s Palmon Exports was also in contact with Rizwan Sheikh. Rizwan Sheikh has left M/s Buraq Line Shipping LLC in December 2024.

In view of the above it appears that M/s Ocean Link Express Shipping LLC, Dubai was giving directions to M/s Buraq Shipping line LLP for filing the IGM and they sent the same details to their agent, M/s Boxpathar Terminal Co., at Mundra Port for filing IGM and the consignee in this case is M/s. Palmon Export Kasez. M/s. Palmon Export Kasez contacted M/s Buraq Shipping line LLP for recall of the container and the partner of M/s. Palmon Export Kasez, Shri Mukesh Joshi was in touch with Sh. Rizwan Sheikh (Ex-employee of M/s. Buraq Shiping Line LLC) for documentation purpose.

3.12.3 Whereas, Summons under Section 108 of the Customs Act, 1962, dated 25.05.2025, 12.06.2025, 02.07.2025, 10.07.2025, 02.09.2025 & 09.12.2025 (**RUD-23**) were issued to M/s Indu Shipping Line LLP, K-sons Complex, Office No-102, 1st floor, Plot No 108, Sector-8, behind OSLO Cinema, Gandhidham- 370201, for recording of statements and submission of relevant documents. The statement of Shri Meelapalli Naresh Venkateshwar Rao, Partner of M/s Indu Shipping Line LLP was recorded on 09.12.2025(**RUD-24**) whereas he inter alia stated that:

- On 13.11.2024, they received draft Bill of Lading bearing No. OLEJAMUNBRQ609 from M/s PND Maritime Pvt Ltd, Office No A-807, 8th Floor, Tower A, Bhutani Cyber Park, Sector-62, Noida-UP, who was their Principal and they were working as its agent in Gandhidham. On receipt of the draft BL, they filed IGM dated 14.11.2024 for the said BL with the details provided.
- The vessel arrived on Mundra Port on 15.11.2024. On arrival of the vessel, M/s Indu Shipping Line LLP did not contact either the consignee or the notify party for arrival of the consignment. Their Principal M/s PND Maritime Pvt Ltd contacted & informed the consignee and the notify party regarding the consignment.
- Later on, they contacted telephonically their Principal M/s PND Maritime Pvt Ltd for clearance of the container, which was unloaded from the vessel. M/s PND Maritime Pvt Ltd informed them that the importer had requested for the re-export of the container.
- As per the documents available with them, which have been provided by M/s PND Maritime Pvt Ltd, the consignee of the goods was M/s Palmon Exports, KASEZ located at Shed No. 186-187, Sector-1, Kandla Special Economic Zone, Gandhidham, 370230 Email-palmongroupkasez@gmail.com. Moreover, the shipper issued the invoice in the name of M/s. Palmon Export KASEZ, which authenticate the ownership of the goods (**RUD-25**).
- Their Principal M/s PND Maritime Pvt Ltd has sent a legal notice to M/s Palmon Exports KASEZ for recovery of transportation charges, port storage & SSR Charges and container recovery cost (total amount Rs. 4,11,210/-). But till date no payment has been received (**RUD-26**).

Thus, the IGM was filed by M/s. Indu Shipping Line LLP on the basis of the directions received by M/s. PND Maritime Pvt Ltd (its Principal) and all the communications to the consignee was made by M/s. PND Maritime Pvt Ltd.

3.12.4 Whereas, Summons under Section 108 of the Customs Act, 1962, dated 15.12.2025 (**RUD-27**) were issued to M/s PND Maritime Pvt Ltd, 8TH FLOOR, A-807, TOWER-A, Logix Cyber Park, SECTOR 62, NOIDA, Noida, Gautambuddha Nagar, Uttar Pradesh, 201301, for recording of statements and submission of relevant documents. The statement of Shri Sourabh Rawat, Operational Head & Authorized Representative of M/s PND Maritime Pvt Ltd was recorded on 22.12.2025 (**RUD-28**) whereas he inter alia stated that:

- Vide email dated 12.11.2024 (**RUD-29**), they received a draft bill of lading bearing No. OLEJAMUNBRQ609 from M/s Oceanlink Express Shipping LLC, Dubai for filing the IGM. They forwarded the same to their agent, M/s Indu Shipping Line LLP, Gandhidham on 12.11.2024 for filing the IGM. M/s Indu Shipping Line LLP filed the IGM for the said Bill of lading.
- The vessel arrived on Mundra Port on 15.11.2024. On arrival of the vessel, M/s Indu Shipping Line LLP informed them about the discharging of container at Mundra Port & that the container unloaded from the vessel have not been cleared.
- One person named Shri Bittu from M/s Palmon Exports Kasez, contacted them telephonically & requested for re-export of the said container. They informed M/s Palmon Exports Kasez about requirement of Shipper & Consigner i.e. request letter for re-export, invoice, packing list, consignee IEC, Bill of Entry, Customs permission for re-export. M/s Palmon Exports Kasez provided a request letter, submitted to DC, KASEZ, request letter from shipper and GST registration certificate. No other document was provided by M/s Palmon Exports Kasez. Therefore, the re-export process was not started.
- Shri Bittu from M/s Palmon Exports Kasez was the sole point of contact with the consignee side.
- M/s. PND Maritime has sent a legal notice to M/s Palmon Exports KASEZ for recovery of transportation charges, port storage & SSR Charges and container recovery cost (total amount Rs. 4, 11, 210). But till date no payment has been received.

Thus, M/s Ocean Link Express Shipping LLC, Dubai forwarded the draft Bill of Lading on email to M/s. PND Maritime for filing the IGM and they forwarded the same to their agent, M/s. Indu Shipping Line LLP, Gandhidham for filing the IGM and the consignee in this case is M/s. Palmon Export Kasez. One person of M/s. Palmon Export Kasez, Sh. Bittu contacted M/s. PND Maritime for documentation purpose. In fact, M/s. PND Maritime Pvt. Ltd. have sent a legal notice to M/s. Palmon Export Kasez for recovering the charges in relation to the service provided to them.

4. FINDINGS / OUTCOME OF INVESTIGATION:

4.1 Mis-declaration of Goods

Whereas, examination dated 30.12.2024 of the consignments covered under BL Nos. OLEJAMUNBRQ607 and OLEJAMUNBRQ609, declared as “*Walnut*”, revealed that the containers actually contained Areca Nuts weighing 50,260 kg. Test reports from CRCL, New Delhi dated 14.02.2025 and 28.02.2025 confirming the goods as *Areca Nuts*. Thus, from the very start, a conscious mis-declaration was committed in the Bill of Lading and Import General Manifest.

4.2 Import of Prohibited Goods Without Authorisation

Whereas, as per LOA obtained from Development Commissioner, KASEZ, M/s Palmon Exports KASEZ did not possess permission to warehouse or process Walnuts (declared goods) nor Areca Nuts (actual goods). Areca Nuts are “Prohibited” with a conditional ‘free if CIF \geq ₹351/kg commodity and importer imported the same in the guise of walnuts, rendering the goods liable for confiscation under Customs Act, 1962.

4.3 Valuation and Revenue Implications

Based on Notification 85/2024-Cus (NT) dated 13.12.2024, the assessable value was determined at ₹ 2,77,37,706/- Mis-declaration of prohibited goods with high duty impact strongly **indicates an intent to evade customs duty.**

Goods Found	Quantity	Tariff Value	Exchange Rate (₹)	Value of the goods (₹)
Areca Nuts	50,260 Kgs	6448 USD/MT	85.59	2,77,37,706/-

4.4 Importer's Denial, Contradictory Submissions & Non-Cooperation

4.4.1 The importer M/s. Palmon Export Kasez denied ownership of the consignment. However, the details in the Bills of Lading (RUD-1), which stands authenticated, proves that they were the consignee for areca nuts.

4.4.2 IGM No. 2393069 dated 14.11.2024 (**RUD-30**) clearly reveals the importer's name & address as:- Palmon Exports Kasez, Shed No. 187, Sector-I, Kandla Special Economic Zone Gandhidham - 370230.

4.4.3 M/s. Palmon Export claimed that the subject import goods did not belong to them and named M/s HNH Overseas Pvt Ltd and Mr. Hardesh Sharma as the masterminds behind the smuggling of areca nuts. However, the same was found non-existent at the registered address and GST registration suo-moto cancelled w.e.f. 01.11.2024 (RUD-17).

4.4.4 Shipper's invoice is showing M/s Palmon Exports KASEZ as the consignee (RUD-25).

4.4.5 M/s. Palmon Export submitted multiple contradictory MOUs (dated 07.10.2024, 11.11.2024, 24.10.2024) with M/s. HNH Overseas Pvt. Ltd., a non-existent entity. These MOUs are not even notarized, with no identity proofs of any executing party attached.

4.4.6 Verification from Development Commissioner, KASEZ confirmed that M/s Palmon Exports KASEZ did not possess valid LOA for warehousing or processing even *Walnut* (declared) or *Areca Nuts* (actual).

4.4.7 It further appears that :

- (i) M/s. Ocean Link Express Shipping LLC, Dubai sent a draft BL to M/s. PND Maritime Pvt Ltd for filing IGM in the name of M/s. Palmon Exports Kasez (RUD-29);
- (ii) M/s. Palmon Export Kasez contacted through Email (**RUD-31**) to M/s. Buraq Shipping Line LLC & M/s PND Maritime Pvt Ltd for sending the containers back to the Shipper;
- (iii) Sh. Mukesh Prakashbhai Joshi, the Partner of M/s. Palmon Export Kasez was in contact with Sh. Rizwan Sheikh (Ex-employee of M/s. Buraq Shipping Line LLC) for this consignment (RUD-22);
- (iv) Sh. Bittu of M/s. Palmon Export Kasez was in contact with M/s PND Maritime Pvt Ltd for this consignment (RUD-28);
- (v) M/s PND Maritime Pvt Ltd sent a legal notice to M/s Palmon Exports KASEZ for recovery of transportation charges, port storage & SSR Charges and container recovery cost (RUD-26).

The active communications of M/s. Palmon Export Kasez with above Shipping Lines show that they had prior knowledge and association with the incoming consignment and it was not a case of misuse of their IEC.

4.4.8 Multiple summons issued under Section 108 of the Customs Act were not complied either by any partner of M/s. Palmon Export or by any of their authorised representative. They evaded appearance despite repeated opportunities and furnished inconsistent statements. Such non-cooperation permits an adverse inference under law, indicating deliberate concealment.

5. CONCLUSION

Thus it appears that M/s Palmon Exports KASEZ imported prohibited areca nuts and therefore -

5.1 the prohibited Areca Nuts valued at Rs. 2,77,37,706/- imported by them are liable to be confiscated under Section 111(d), 111(f), 111(i), 111(j) and 111(l) of the Customs Act, 1962.

5.2 M/s Palmon Exports Kasez and its Partners (i) Sh. Sunil Mohanlal Lahori (ii) Sh. Mukesh Prakashbhai Joshi (iii) Smt. Uma Sunil Lahori are liable for penalty under Section 112(b)(i).

5.3 M/s Palmon Exports Kasez and its Partners (i) Sh. Sunil Mohanlal Lahori (ii) Sh. Mukesh Prakashbhai Joshi (iii) Smt. Uma Sunil Lahori are liable for penalty under Section 114AA of the Customs Act, 1962.

5.4 For non-appearance on the Summons, M/s Palmon Exports Kasez, are liable for penalty under Section 117 of the Customs Act, 1962.

6. Legal Provisions and violations:

6.1 Import of arecanut is subject to policy restrictions as provided in the import policy under Foreign Trade Development & Regulation (FTD&R) Act, 1992. DGFT vide Notification No. 57/2015-2020 dated 14.02.2023 has allowed import of arecanut split if the CIF value of the import is equal to or above Rs. 351/- per Kilogram. The relevant portion of the said Notification is produced herein below:

Notification No. 57/2015-2020

Subject: Amendment in import policy and policy condition of ITC (HS) Code 080280 of chapter-08 and ITC (HS) code 2106 90 30 of chapter 21 of ITC (HS), 2022, Schedule-I (Import Policy)

S.O.(E): In exercise of powers conferred by section 3 read with section 5 of Foreign Trade (Development & Regulation) Act, 1992, read with Para 1.02 and 2.01 of the Foreign Trade Policy (FTP) 2015-2020, as amended from time to time, the central Government hereby amend the import policy and policy conditions of items under chapter 8 and Chapter 21 of Schedule-I (Import Policy) of ITC (HS) 2022, as under:

ITC (HS) Code	Description	Existing Import Policy	Revised Import Policy	Existing Policy Condition	Revised Policy Condition
08028010	Areca Nuts Whole	Prohibited	Prohibited	However, Import is free if CIF Value is Rs. 251/- and above per Kg	<p>a) However, import is free if the CIF Value is Rs. 351/- and above per Kg.</p> <p>b) MIP Conditions, however, will not be applicable for imports by 100% EOUs and units in SEZ subject to the condition that no DTA sale is allowed</p>
08028020	Areca Nuts split	Prohibited	Prohibited	However, Import is free if CIF Value is Rs. 251/- and above per Kg	<p>a) However, import is free if the CIF Value is Rs. 351/- and above per Kg.</p> <p>b) MIP Conditions, however, will not be applicable for imports by 100% EOUs and units in SEZ subject to the condition that no DTA sale is allowed.</p>

6.2 Further, in addition to the **minimum import price (MIP)** condition imposed vide Notification No. 57/2015-2020 dated 14.02.2023, CBIC has also prescribed Tariff Value of arecanuts vide Notification No. 85/2024-Customs (N.T.) dated 13.12.2024 and has fixed the tariff value of Areca nuts as \$6,448 per MT. The relevant portion of the said Notification is produced herein below:

Notification No.85 /2024-CUSTOMS (N.T.)

S.O. ... (E).— In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes & Customs, being satisfied that it is necessary and expedient to do so, hereby makes the following amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3rd August, 2001, namely:-

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted, namely:

TABLE-3

Sl. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Ton)
1	080280	Areca Nuts	6448

6.3 The combined effect of these notifications is that import of areca nuts below the minimum import price of Rs. 351 per Kg is prohibited.

6.4 As the import of Areca nuts is in violation of Notification 57/2015-2020 dated 14.02.2023, the same is liable to confiscation under Section 111(d), 111(f), 111(i), 111(j) and 111(l) of the Customs Act, 1962 which provides as below:

Section 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 1 [arrival manifest or import manifest] or import report which are not so mentioned;
- g. ---
- h. ---
- i. any dutiable or prohibited goods found concealed in any manner in any package either before or after the unloading thereof;
- j. any dutiable or prohibited goods removed or attempted to be removed from a customs area or a warehouse without the permission of the proper officer or contrary to the terms of such permission
- k. ---
- l. any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77 ;

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

- (a) Who, in relation 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;

Section 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 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 a penalty not exceeding [one lakh rupees].

7. Now, therefore, I hereby call upon M/s Palmon Exports Kasez (IEC: 0304048151) Shed No. 186-187, Sector-1, Kandla Special Economic Zone, Gandhidham – 370230 to show cause, within thirty days of receipt of this notice, to the Additional Commissioner of Customs, Customs House, Kandla, having his office at 1st Floor, New Customs Building, Near Balaji Temple, Kandla, Gujarat, as under:

- (i) the prohibited Areca Nuts (CTH-08028020) valued at Rs. 2,77,37,706/-, should not be confiscated under Section 111(d), 111(f), 111(i), 111(j) and 111(l) of the Customs Act, 1962.
- (ii) penalty should not be imposed on M/s Palmon Exports Kasez and its Partners (i) Sh. Sunil Mohanlal Lahori (ii) Sh. Mukesh Prakashbhai Joshi (iii) Smt. Uma Sunil Lahori under Section 112(b)(i) of the Customs Act, 1962.
- (iii) penalty should not be imposed on M/s Palmon Exports Kasez and its Partners (i) Sh. Sunil Mohanlal Lahori (ii) Sh. Mukesh Prakashbhai Joshi (iii) Smt. Uma Sunil Lahori under Section 114AA of the Customs Act, 1962.
- (iv) penalty should not be imposed on M/s Palmon Exports Kasez and its Partners (i) Sh. Sunil Mohanlal Lahori (ii) Sh. Mukesh Prakashbhai Joshi (iii) Smt. Uma Sunil Lahori under Section 117 of the Customs Act, 1962.

8. This Show Cause Notice is issued without prejudice to any other action that may be taken against the above noticees or any other person, whether named herein or not, under the Customs Act, 1962 or under any other law for the time being in force in India.

9. The Department reserves the right to add, amend, modify or delete any part or portion of this notice; and any such addition, amendment, modification or deletion, if made, shall be deemed to form an integral part of this notice.

10. The aforesaid noticees are directed to submit their written replies within 30 (thirty) days from the date of receipt of this notice. In their replies, they should clearly indicate whether they desire to be heard in person.

11. If no cause is shown within the stipulated period, or such extended period as may be allowed by the adjudicating authority on a written request, or if the noticees fail to appear when the case is posted for personal hearing, the case will be decided ex parte on the basis of the evidence available on record, without any further reference to them.

Vishwajeet Singh
30.12.2015
(Vishwajeet Singh)
Additional Commissioner (Adjudication)
Customs House, Kandla

F. No. GEN/ADJ/ADC/2406/2025-Adjn-O/o Commr-Cus-Kandla

To:

1. M/s Palmon Exports, Kasez (IEC: 0304048151) Shed No. 186-187, Sector-1, Kandla Special Economic Zone, Gandhidham – 370230.
2. Sh. Sunil Mohanlal Lahori, Partner of M/s Palmon Exports Kasez (IEC: 0304048151) Shed No. 186-187, Sector-1, Kandla Special Economic Zone, Gandhidham – 370230.
3. Sh. Mukesh Prakashbhai Joshi, Partner of M/s Palmon Exports Kasez (IEC: 0304048151) Shed No. 186-187, Sector-1, Kandla Special Economic Zone, Gandhidham – 370230
4. Smt. Uma Sunil Lahori, Partner of M/s Palmon Exports Kasez (IEC: 0304048151) Shed No. 186-187, Sector-1, Kandla Special Economic Zone, Gandhidham – 370230

Copy to:

- i. The Additional Commissioner (SIIB), Customs House, Kandla.
- ii. Superintendent, EDI, C H Kandla for uploading of the same on official website
- iii. Guard File / Office Copy.

List of Relied upon Documents

Show Cause Notice issued vide F.No. GEN/ADJ/ADC/2406/2025-Adjn-O/o Commr-Cus-Kandla in respect of M/s. M/s Palmon Exports, Kasez (IEC: 0304048151)

RUD No	Description
RUD-1	Bills of Lading No. OLEJAMUNBRQ607 dated 12.11.2024 and OLEJAMUNBRQ609 dated 12.11.2024
RUD-2	Panchanama dated 30.12.2024 drawn during examination at M/s Saurashtra Freight Pvt Ltd, Mundra and M/s Mundhra CFS, Mundra.
RUD-3	Seizure Memo dated 31.12.2024
RUD-4	CRCL Test Reports dated 14.02.2025 and 28.02.2025
RUD-5	Letter dated 08.01.2025 issued by SIIB, Customs House, Mundra forwarding case records to Kandla Customs Commissionerate.
RUD-6	Email dated 09.01.2025 submitted by M/s Palmon Exports KASEZ
RUD-7	Letter dated 15.01.2025 submitted by M/s Palmon Exports KASEZ
RUD-8	Email dated 05.03.2025 submitted by Shri Sunil Lahori, Partner, M/s Palmon Exports KASEZ
RUD-9	Copies of Summons issued to M/s Palmon Exports KASEZ dated 06.03.2025, 19.03.2025, 03.04.2025, 21.04.2025 and 02.09.2025.
RUD-10	Email dated 28.03.2025 submitted by Shri Sunil Lahori, Partner, M/s Palmon Exports KASEZ
RUD-11	Email dated 12.05.2025 submitted by Shri Sunil Lahori, Partner, M/s Palmon Exports KASEZ
RUD-12	Email dated 16.05.2025 submitted by Shri Sunil Lahori, Partner, M/s Palmon Exports KASEZ
RUD-13	Email dated 10.09.2025 submitted by Shri Sunil Lahori, Partner, M/s Palmon Exports KASEZ
RUD-14	Letter dated 09.12.2025 received from Jurisdictional CGST Commissionerate, Kutch regarding GST Verification of M/s Palmon Exports KASEZ
RUD-15	Details received from Development Commissioner, KASEZ enclosing copy of Letter of Approval (LOA) and bond of M/s Palmon Exports KASEZ on 05.06.2025.
RUD-16	Copies of Summons issued to M/s HNH Overseas Pvt Ltd dated 17.10.2025 and 13.11.2025.
RUD-17	Letter dated 11.12.2025 received from Jurisdictional CGST Commissionerate, Old Delhi reporting non-existence of M/s HNH Overseas Pvt Ltd at registered premises
RUD-18	Letters dated 18.10.2025 and 13.11.2025 addressed to Superintendent of Police, East Kutch seeking status of complaint filed by M/s Palmon Exports KASEZ.
RUD-19	Copies of Summons dated 28.05.2025 and 12.06.2025 issued to M/s Boxpark Terminal Co.
RUD-20	Statement dated 18.06.2025 of Shri Kochath Paravin, Partner, M/s Boxpark Terminal Co.
RUD-21	Copies of Summons dated 02.07.2025 and 10.07.2025 issued to M/s Buraq Shipping Line LLP
RUD-22	Statement dated 18.07.2025 of Shri Taufik Kadar Basha Shaikh, Director, M/s Buraq Shipping Line LLP
RUD-23	Copies of summons issued to M/s Indu Shipping Line LLP dated 25.05.2025, 12.06.2025, 02.07.2025, 10.07.2025, 02.09.2025 & 09.12.2025
RUD-24	Statement dated 09.12.2025 of Shri Meelapalli Naresh Venkateshwar Rao, Partner, M/s Indu Shipping Line LLP
RUD-25	Shipper's invoice in the name of M/s. Palmon Export KASEZ
RUD-26	Legal notice sent by M/s PND Maritime Pvt Ltd to M/s Palmon Exports KASEZ
RUD-27	Copies of Summons dated 15.12.2025 issued to M/s PND Maritime Pvt Ltd
RUD-28	Statement dated 22.12.2025 of Shri Sourabh Rawat, Operations Head & Authorized Representative, M/s PND Maritime Pvt Ltd
RUD-29	Email received by M/s PND Maritime Pvt Ltd from M/s Oceanlink Express Shipping LLC, Dubai enclosing the Bill of Lading.
RUD-30	IGM filed for import of the containers
RUD-31	Email sent by M/s Palmon Export KASEZ to M/s. Buraq Shipping Line LLC & M/s PND Maritime Pvt Ltd for sending the containers back to the Shipper.