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SHOW CAUSE NOTICE

WHEREAS IT APPEARS THAT

1.1Intelligence gathered by Directorate of Revenue Intelligence (DRI), suggested that a smuggling cartel was indulging in evasion of huge amount of Customs Duty by way of diverting Duty free imported goods Areca nuts and Black/White pepper from Kandla Special Economic Zone (KASEZ), Gandhidham (Kutch) to Domestic Tariff Area (DTA) in guise of export to Bangladesh. Acting upon the intelligence, DRI initiated the investigation against concerned KASEZ warehouse Unit viz. M/s. Aditya Exports, Shed No. 85-88, CPWD Type, Sector-1, KASEZ, Gandhidham (Kutch), Gujarat and others. The preliminary investigation revealed that M/s Aditya Exports had entered into contracts/agreements with overseas companies viz. M/s Rakayez General Trading LLC, M/s Divine General Trading LLC, M/s. Technozone General Trading LLC etc. for warehousing the imported goods. The imported goods were shown exported to Bangladesh through Land Customs Station (LCS), Mankachar, Dhubri, Assam, whereas, enquiries carried out with LCS Mankachar, Customs Division- Dhubri revealed that no such exports of goods pertaining to M/s Aditya Exports had ever occurred from the said LCS.

1.2Investigation conducted by DRI further revealed that fake export documents by putting fake stamp of non existing customs officers at LCS Mankachar, were created as evidence of export; that the name of Customs officers for whom signature were made on export documents, were fake and/or not posted at LCS Mankachar, Dhubri, Assam. During the course of investigation, it was reported by DRI, Guwahati & Customs LCS, Mankachar that no exporter by the name M/s Aditya Exports was found and no Indian firm exporting goods to the declared buyers viz. M/s. Sumec Trade International, Dhaka, Bangladesh and M/s GM Trading, Dhaka, Bangladesh was found. Thus, apparently, no export of subject goods had

taken place. Investigation further revealed that the offending goods were diverted to various cold stores/warehouses near Delhi (Sonapat) including one M/s. Sneh Quality Spices Pvt. Ltd.

2.Searches carried out & Statements recorded during investigation:

2.1 Search was carried out at cold store /warehouse of M/s. Sneh Quality Spices Pvt. Ltd. under Panchnama dated 12.11.2022 (**RUD No. 1**). During the panchnama dated 12.11.2022, documents i.e. Inward/Outward gate registers, Goods Inward receipt book, Bill of Delivery challans and Diary containing certain records of inward and outward of goods were recovered. The evidences showing supply of Areca Nuts under the documents having name of supplier M/s. Parth Global Impex, House No. 1403, NEW-64, Alipur, Delhi (hereinafter also referred as M/s Parth) to M/s. S.K. Trading, Nagpur were resumed.

2.2 Statement of Shri Munish Tyagi, Manager of M/s Sneh Quality Spices Pvt. Ltd., Sonipat, Haryana, was recorded under Section 108 of the Customs Act, 1962 on 12.11.2022 (**RUD No. 2**) wherein he inter alia stated that he was present during the panchnama proceedings conducted on 12.11.2022 at godown premises of the company M/s Sneh Quality Spices Pvt. Ltd.; that he do not know the origin or destination or party related to Areca Nuts, Betel Nuts and Betel Nut splits and Black Pepper; that the forwarder Mr. Himanshu alias Tinu never informed the origin; that once his labourers had enquired about the origin of goods which was informed by driver that same were coming from Kandla, Gujarat. He stated that no documents were being provided to him and he was only storing the goods on instructions of Shri Himanshu alias Tinu. He further stated that he was receiving goods loaded in containers sealed mostly with two bottle seals and seals were cut at godown to unload goods from containers. He confirmed that the documents resumed during panchnama dated 12.11.2022 reflect the receipt and clearance of Areca Nuts and Black Peppers. He stated that no FSSAI related documents were not received with the consignments and he was not aware whether the goods stored there were having FSSAI certification or otherwise. He stated that mostly the packings were containing marks of Indonesia, Malasiya or Sri Lanka.

2.3 Statement of Shri Sanjay Gupta, Director of M/s Sneh Quality Spices Pvt. Ltd., Sonipat, Haryana, was recorded under Section 108 of the Customs Act, 1962 on 15.12.2022 (**RUD No. 3**) wherein he inter alia stated that they were not making entry of all the vehicle sin their inward register as some their clients were asking for temporary arrangements/storage; that sometimes goods were shifted from vehicle to vehicle so entries were

not made in registers. He stated that he was doing business with one person named Shri Himanshu telephonically and Shri Himanshu told him that goods were imported goods and were being brought from Gujarat after Customs clearance. He stated that there was no agreement/contract with Shri Himanshu for unloading/storage of goods received from him. On being asked about two sets of documents resumed during panchnama dated 12.11.2022 showing supply of 27200 KG and 26800 KG Areca Nuts from M/s Parth Global Impex, Delhi to M/s S.K. Trading, Nagpur, he stated that the said consignments pertains to one person named Shri Deepak Gupta who posed himself as buyer of goods from Shri Himanshu; that Shri Deepak sent an e-way bill through Whatsapp to his manager Shri Munesh Tyagi for taking printout of the e-way bill for supply of Supari (Areca Nuts). He further stated that he used to receive payments in cash from Shri Himanshu through his drivers.

2.4 Further, searches carried out at the office premises of M/s. S.K. Trading, Nagpur vide panchnama dated 05.12.2022 (**RUD No. 4**) and related transporter M/s. Vikrant Roadways, Nagpur vide panchnama dated 14.12.2022 (**RUD No. 5**) resulted in recovery of transport documents showing supply of 256.960 MT Areca nuts in the name of supplier M/s. Parth Global Impex, Delhi to M/s. S.K. Trading, Nagpur as per following details:-

TABLE - A

DATE	LR BILTY NO.	VEHICLE NO.	NO. OF BAGS	QTY. (KG)	DRIVER NAME
11.05.2022	8893	HR 73 R 5596	450	27000	SURESH
11.05.2022	8894	HR 73 R 2075	453	27180	SEHJAD KHAN
13.05.2022	8915	RJ 09 GB 7551	438	26180	RAVI MEENA
14.05.2022	8927	HR 73R 4494	337	26960	SUNDER SINGH
15.05.2022	8939	RJ 11 GB 7391	338	27040	AVTAR SINGH
16.05.2022	8940	HR 73 A 9791	442	26520	YOGESH
21.05.2022	9042	MH 40 AK 1430	187	14960	JAHUL KHAN
25.05.2022	9078	RJ 09 GB 8962	335	26800	SHOBARAN

26.05.2022	9083	HR 73 A 9791	340	27200	YOGESH
29.05.2022	9114	HR 73 B 4043	339	27120	KUNDAN SINGH
Total			3659	256960	

2.5 Statement of Shri Shailendra Shyamlal Kamwani, Prop. of M/s. S.K. Trading, Nagpur was recorded under Section 108 of the Customs Act, 1962 on 05.12.2022 (**RUD No. 6**) wherein he interalia stated that supply of Areca nut was made by Shri Sovit Jain who reportedly told that the firm M/s. Parth Global Impex belonged to him. He stated that he was in the impression that Areca Nuts were transported from the principal place of business of M/s Parth Global Impex i.e. Delhi.

2.6 Statement of Shri Shivnath Singh Parmar, Prop. of transporter firm M/s. Vikrant Roadways was recorded under Section 108 of the Customs Act, 1962 on 15.12.2022 (**RUD No. 7**) wherein he interalia stated that he had transported the Areca nuts in the name of supplier M/s. Parth Global Impex, Delhi to M/s. S.K. Trading, Nagpur as per directions of Shri Sovit Jain. He stated that he transported the consignments on commission basis as his own vehicles were not available at Delhi at that time and he was also not aware that movement of goods started from Sonipat instead of Delhi.

2.7 Search was also carried out at the residence premises of Shri Sovit Jain under Panchnama dated 13.06.2023 (**RUD No. 8**) wherein incriminating documents, kachcha slips showing supply of Areca Nuts were resumed. Shri Sovit Jain was not present during the search and on being called for by the visiting officers, he assured to join the search proceedings within 30 minutes but he did not appear.

2.8 Search was also carried out at the residence premises of Shri Deepak Gupta under Panchnama dated 17.02.2023 (**RUD No. 9**) wherein Deepak was not present and his phone was also found not reachable. Father of Shri Deepak Gupta informed that they were in the business of trading of spices on commission basis in the Khari Baoli area of New Delhi. Statement of Shri Deepak Gupta was recorded under Section 108 of the Customs Act, 1962 on 03.03.2023 (**RUD No. 10**) wherein he interalia stated that he was in the business of sales brokerage. He stated that he had worked in year 2022 in relation to sale of Supari (Areca Nuts) from a cold storage/warehousae of M/s Sneh Quality Spices Pvt. Ltd., Kundli; that one person named Himanshu known to him approached him to find out buyers for purchasing Supari (Areca Nuts) in bulk; that he (Deepak) was in touch with one person named Sovit Jain who was one of the major buyers of

Supari in Khari Baoli and contacted him for the goods to be sold by Himanshu. He stated that he introduced himself to manager of M/s Sneh Quality Spices Pvt. Ltd. as representative of buyer of goods stored by Shri Himanshu. He stated that Shri Himanshu and Shri Sovit Jain negotiated the rates and finalized the deal with Rs. 1.5 per KG commission for him. He stated that he was not aware about the source of the Areca Nuts which was sold by Shri Himanshu to Shri Sovit Jain. The goods sold by Shri Himanshu to Shri Sovit Jain was dispatched from Delhi to Nagpur in the name of M/s Parth Global Impex, Delhi (Consignor) and M/s S.K. Trading, Nagpur (Consignee). He further stated that he was not aware of the whereabouts of M/s Parth Global Impex, Delhi, M/s S.K. Trading, Nagpur, details of transporter, vehicle no., etc.

2.9 During investigation, on the basis of evidences gathered during investigation which suggested illegal supply of 256.960 MT Areca nuts from Delhi to Nagpur showing name of M/s. Parth Global Impex as supplier, search was carried out at the premises of the M/s. Parth Global Impex, Delhi under Panchnama dated 28.01.2023 (**RUD No. 11**) where under 1521 bags of Areca nuts having net weight 98595.25 KG, were found without having any legitimate document of purchase, stock register etc. Accordingly, these 1521 bags of Areca nuts were detained under Panchnama/Detention Memo dated 28.01.2023 (**RUD No. 12**). In response to Summons issued to M/s. Parth Global Impex, one Shri Pramod Mourya posing himself as Proprietor of the firm M/s. Parth Global Impex claimed that they had purchased the subject detained goods from domestic suppliers and following invoices were provided in support of their claim vide letter dated 15.05.2023 (**RUD No. 13**):-

TABLE - B

S. No.	Invoice No. & Date	Corresponding e-way Bill No.	Name of Supplier	Qty. (No. of bags)	Vehicle No.
1	KB/2022-23/56 dated 23.10.2022	8812617311 04 dated 23.10.2022	M/s. Kumar Brothers, Guwahati, Assam	60	UP78DT 3758
2	SNTA/22-23/50 dated 17.11.2022	8412670396 75 dated 17.11.2022	M/s. S.N Trading Company, Assam	254	UP32HN 1239
3	MKT/22-23/41 dated 08.12.2022	8412720940 10 dated 08.12.2022	M/s. Maa Kamakhya Traders, Assam	340	UP 35 T 3671

4	KGN/22-23/5 dated 4.11.2022	1615509698 39 dated 04.11.2022	M/s. KGN Traders, Karnataka	350	KA5906 77 (vehicle no. appears to be not correct)
5	KB/2022- 23/65 dated 04.12.2022	8712711709 69 dated 04.12.2022	M/S. Kumar Brothers, Guwahati, Assam	331	UP17AT 1907
6	SNTA/22- 23/46 dated 03.11.2022	8412639294 11 dtd. 03.11.2022	M/s. S.N Trading Company, Assam	339	HR38AB 3801
7	MKT/22- 23/45 dated 09.01.2023	8012797428 55 dated 09.01.2023	M/s. Maa Kamakhya Traders, Assam	350	UP83BT 0149

2.10. In order to verify the claim of M/s. Parth Global Impex and to ascertain whether the subject detained goods were part of the offending imported goods which were diverted to DTA without payment of Customs Duty, or otherwise, searches were carried out at the addresses of the suppliers mentioned in the purchase invoices provided by M/s Parth Global Impex. During the search carried out at office premises of so claimed suppliers viz. M/s. Kumar Brothers and M/s. S.N. Trading Company under Panchnama dated 27.06.2023 (**RUD No. 14 colly**) and statement of person found available there, no evidence of supply of Areca Nuts from M/s. Kumar Brothers and M/s. S.N. Trading Company to M/s. Parth Global Impex was found or provided by the concerned persons. During statement of Shri Deepjyoti Roy, Employee of M/s S.N. Trading Company, Assam recorded under Section 108 of the Customs Act, 1962 on 27.06.2023 (**RUD No. 14 colly**), he stated that he does not know any firm named M/s Partha Global Impex. Also, he does not know any transporter named Nagpur Assam Roadlines. During statement of Shri Vivek Kumar Singh, Business Executive of M/s Kumar Brothers, Guwahati, Assam recorded under Section 108 of the Customs Act, 1962 on 27.06.2023 (**RUD No. 14 colly**), he stated that he does not know any firm named M/s Partha Global Impex. Also, he does not know any transporter named Nagpur Assam Roadlines. Further, M/s. KGN Traders and its declared Proprietor Shri Irfan Pasha was not found existing at the given address as per Mahzar dated 08.06.2023. (**RUD No. 15**)

3. Apart from above evidences, verification of concerned e-way bills mentioned in the above given Table B was carried out on e-way bill portal. The place of dispatch was shown as Assam/Karnataka to Delhi whereas no movement of concerned vehicles mentioned in these e-way bills was found with subject goods on given dates/place, which indicate that no supply/transportation of subject goods detained by DRI, took place from the said suppliers to M/s. Parth Global Impex. **(RUD No. 16)** Thus, the claim of M/s. Parth Global Impex that the subject goods were domestically purchased goods is not correct.

4. Summons dated 22.03.2023, 05.04.2023, 16.05.2023, 25.05.2023, 06.06.2023, 23.06.2023 **(RUD No. 17)** were issued to Proprietor of M/s Parth Global Impex to clarify the supply of offending 256.960 MT Areca nuts showing themselves supplier and to comply with the Summons. But except giving grounds of ill-health and merely providing documents having incorrect material particulars, nothing was clarified /complied with by M/s Parth Global Impex. Shri Sovit Jain, (Resident of A-1/296B, Lawrence Road, Keshav Puram, Delhi-110035) who played role of mediator was also issued Summons dated 11.01.2023, 13.06.2023 & 23.06.2023 **(RUD No. 18)** but he also did not appear for recording his statement before the investigating officers of DRI.

5. Seizure:

From above and in view of non-production of correct/legitimate documents regarding source of said detained goods vis-à-vis the connection of key persons viz. Shri Himanshu , Shri Sovit Jain etc. to M/s. Parth Global Impex and also in the diversion and sale of offending goods cleared from KASEZ and non-their cooperation in the investigation, there was reason to believe that the subject detained goods were offending in nature and the same were part of the consignments cleared from KASEZ , Gandhidham to DTA without payment of Duty in guise of export to Bangladesh. Thus, the detained 1521 bags of Areca nuts having net weight 98595.25 KG valued at around Rs. 3,65,78,838/- @Rs. 371/- per kgs, detained vide Detention Memo/Panchnama dated 28.01.2023 being liable for confiscation under Section 111(m), 111(j) and 111(o) of Customs Act., 1962, were placed under seizure under the proviso to Section 110(1) of the Customs Act, 1962 vide seizure memo dated 06.07.2023. **(RUD No. 19)**

6. Provisional Release of Cargo:

M/s Parth Global Impex, Delhi was issued a letter dated 14.08.2023 issued vide F. No. 5/15-01/SIIB/Parth Global/2023-24 dated 14.08.2023 issued

by Deputy Commissioner (Customs) (**RUD No. 20**) wherein provisional release to M/s Parth Global Impex was granted under Section 110(A) of the Customs Act, 1962 subject to following conditions:

1. Parth Global Impex to furnish a bond equal to the value of the goods i.e. Rs. 3,65,78,838/- (Rs. Three Crores Sixty-Five Lakhs Seventy-Eight Thousand Eight Hundred and Thirty-Eight Only)
2. M/s Parth Global Impex to furnish a bank guarantee equal to the duty involved amounting to Rs. 6,20,26,403/- (Rupees Six Crores Twenty Lakhs Twenty-Six Thousand Four Hundred and Three Only).

However, M/s Parth Global Impex has not utilized the options available and the goods has not been released till date.

7. Extension under Section 110(2) of the Customs Act, 1962 for issuance of Show cause Notice:

Vide letter F.No. DRI/AZU/GRU/INT-28/Aditya Exports/2022/Pt VII dated 17.07.2023 issued by DRI, it was requested to Commissioner of Customs to extend date of Show Cause Notice in the matter of M/s Parth Global Impex, Delhi and accordingly vide letter F.No. GEN/ADJ/ADC/1485/2023-Adjn-O/o Commr-Cus-Kandla dated 25.07.2023(**RUD No. 21**), it was informed that the Commissioner of Customs, Custom House Kandla has granted extension for issuance of SCN under Section 124 of the Customs Act, 1962 for further six months from 27.07.2023.

8. Liability of imported goods for confiscation:

It is apparent from the above that M/s. Parth Global Impex was knowingly involved in the diversion and sale of offending goods cleared from KASEZ and non-their cooperation in the investigation, there was reason to believe that the subject detained goods were offending in nature and the same were part of the consignments cleared from KASEZ, Gandhidham to DTA without payment of Duty in guise of export to Bangladesh. Further, as per Import Policy conditions for Areca Nuts – (Whole & Split), the goods are prohibited for imports if CIF Value was less than Rs. 251/- per kgs. In the instant case, the Areca Nuts have been removed from KASEZ clandestinely without filing DTA Bill of Entry and accordingly, the goods were prohibited for imports as no CIF value conditions were followed. Thus, the detained 1521 bags of Areca nuts having net weight 98595.25 KG valued at Rs. 3,65,78,838/- (Rs. Three Crores Sixty-Five Lakhs Seventy-Eight Thousand

Eight Hundred and Thirty-Eight Only) are liable for confiscation under Section 111(d), 111(m), 111(j) and 111(o) of the Customs Act., 1962.

9. TO SUM UP: -

Intelligence gathered by Directorate of Revenue Intelligence (DRI), suggested that a smuggling cartel was indulging in evasion of huge amount of Customs Duty by way of diverting Duty free imported goods Areca nuts and Black/White pepper from Kandla Special Economic Zone (KASEZ), Gandhidham (Kutch) to Domestic Tariff Area (DTA) in guise of export to Bangladesh. Acting upon the intelligence, DRI initiated the investigation against concerned KASEZ warehouse Unit viz. M/s. Aditya Exports, Shed No. 85-88, CPWD Type, Sector-1, KASEZ, Gandhidham (Kutch), Gujarat and others. During investigation, it came to notice that apparently, no export of subject goods had taken place. During investigation, it was gathered that after clearance from KASEZ, the subject goods were diverted to various cold stores at Sonapat, Haryana and from one of such cold stores, part of the offending goods (256.960 MT Areca nuts) were cleared showing name of supplier as M/s. Parth Global Impex, Delhi to M/s. S.K. Trading, Nagpur. Further, during the course of search carried out at the premises of M/s. Parth Global Impex under Panchnama dated 28.01.2023, 1521 bags of Areca nuts having net weight 98595.25 KGS, were found without having any legitimate document of purchase, stock register etc. Accordingly, these 1521 bags of Areca nuts were detained under Panchnama/Detention Memo dated 28.01.2023 and subsequently seized vide seizure memo dated 06.07.2023. From above, the following main facts have emerged during investigation:-

- (i) The Duty free imported goods (Areca Nuts) cleared from warehouse of M/s. Aditya Exports, KASEZ, Gandhidham were not exported but diverted to DTA including cold store of M/s. Sneh Quality Spices Pvt. Ltd.
- (ii) From cold store of M/s. Sneh Quality Spices Pvt. Ltd., 256.960 MT Areca nuts were cleared as per direction of Shri Himanshu and were sold to Shri Sovit Jain who arranged supply thereof to M/s. S.K. Trading, Nagpur under invoice showing name of supplier as M/s. Parth Global Impex.
- (iii) During search at the premises of M/s. Parth Global Impex, further 1521 bags of Areca nuts having net weight 98595.25 KG were detained and further seized vide seizure memo dated 06.07.2023 in absence of proper documentation and stock relating documents.

(iv) The documents sent by M/s. Parth Global Impex appear to have failed to prove that the detained goods were actually supplied by so claimed domestic suppliers; on the contrary, there was no movement of concerned vehicles with subject goods on the given dates from place of dispatch to place of delivery.

(v) During investigation, it has emerged that M/s Parth Global Impex was also connected to the smuggling cartel and issuing bogus billing to show the smuggling of goods as genuine. It is evident that M/s Parth Global Impex has also shown himself as supplier of 256.960 MT Areca nuts (other than the subject detained/seized goods) which were cleared as per direction of one of the key persons Shri Himanshu and were sold via Shri Sovit Jain to M/s. S.K. Trading, Nagpur under invoices showing Parth Global Impex as supplier.

(vi) It is evident that M/s. Parth Global Impex is merely arranging invoices for sale/purchase of offending goods to give the smuggling a genuine shape of trading.

(vii) The evidences gathered during investigation proves that there is reason to believe that the detained /seized subject goods are offending in nature and it is strongly believed that the same are part of the imported goods cleared from KASEZ to DTA in guise of export to Bangladesh without payment of Customs Duty and thereby liable for confiscation under the provisions of Customs Act, 1962.

10. Relevant Legal provision

Section 2(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 ;

SECTION 111. Confiscation of improperly imported goods, etc. - The following goods brought from a place outside India shall be liable to confiscation: -

.....

(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;

.....

(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;

.....

(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;

.....

(o) any goods exempted, subject to any condition, from duty or any prohibition in respect of the import thereof under this Act or any other law for the time being in force, in respect of which the condition is not observed unless the non-observance of the condition was sanctioned by the proper officer;

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

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

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

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

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

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

(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made

under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees, whichever is the greater;

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

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

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.

11. Roles of various persons:

11.1 From the investigations carried out as narrated in foregoing paras, it is revealed that M/s Parth Global Impex (Proprietor Shri Pramod Mourya) was also connected to the smuggling cartel and issuing bogus billing to show the smuggling of goods as genuine. M/s Parth Global Impex has also shown himself as supplier of 256.960 MT Areca nuts (other than the subject detained/seized goods) which were cleared as per direction of one of the key persons Shri Himanshu and were sold via Shri Sovit Jain to M/s. S.K. Trading, Nagpur under invoices showing Parth Global Impex as supplier. It has emerged during investigation that M/s. Parth Global Impex is merely arranging invoices for sale/purchase of offending goods to give the smuggling a genuine shape of trading. The evidences gathered during investigation proves that there is reason to believe that the detained /seized subject goods are offending in nature and it is strongly believed that the same are part of the imported goods cleared from KASEZ to DTA in guise of export to Bangladesh without payment of Customs Duty and thereby liable for confiscation under the provisions of Customs Act, 1962. On verification of concerned e-way bills related to the claim of M/s. Parth Global Impex that the subject seized goods were domestically purchased goods, there was no supply/transportation of subject goods found. Hence, it appears that the 1521 bags of Areca nuts having net weight 98595.25 KG seized from the premises of M/s Parth Global Impex, House No. 1403,

NEW-64, Alipur, Delhi-36 and valued at valued at Rs. 3,65,78,838/- (Rs. Three Crores Sixty-Five Lakhs Seventy-Eight Thousand Eight Hundred and Thirty-Eight Only) (Tariff Value) seized at Nagpur, are liable for confiscation under Section 111 (d), 111(j), 111(m) and 111(o) of Customs Act 1962. From the above it also appears that M/s Parth Global Impex is liable for penal action under **Section 112(a)** and **Section 112(b)** of Customs Act, 1962. M/s Parth Global Impex knowingly and intentionally made, signed or used and/or caused to be made/signed/used import documents and other related documents, which were false or incorrect, in material particulars, for the purposes of illegal import of subject goods, therefore they are also be liable to penalty under **Section 114AA** of the Customs Act, 1962.

11.2 From the investigations carried out as narrated in foregoing paras, it is revealed that Shri Sovit Jain reportedly told Shri Shailendra Shyamlal Kamwani, Prop. of M/s. S.K. Trading, Nagpur that the firm M/s. Parth Global Impex belonged to him. Statement of Shri Shivnath Singh Parmar, Prop. of transporter firm M/s. Vikrant Roadways also confirmed that Areca nuts were supplied in the name of supplier M/s. Parth Global Impex, Delhi to M/s. S.K. Trading, Nagpur as per directions of Shri Sovit Jain. It has emerged during investigation that M/s. Parth Global Impex is merely arranging invoices for sale/purchase of offending goods to give the smuggling a genuine shape of trading. Shri Sovit Jain has emerged as mediator and apparently as actual owner of goods as he was purchasing goods from Shri Himanshu. The evidences gathered during investigation proves that there is reason to believe that the detained /seized subject goods are offending in nature and it is strongly believed that the same are part of the imported goods cleared from KASEZ to DTA in guise of export to Bangladesh without payment of Customs Duty and thereby liable for confiscation under the provisions of Customs Act, 1962. Hence, it appears that the 1521 bags of Areca nuts having net weight 98595.25 KG seized from the premises of M/s Parth Global Impex, House No. 1403, NEW-64, Alipur, Delhi-36 and valued at valued at Rs. 3,65,78,838/- (Rs. Three Crores Sixty-Five Lakhs Seventy-Eight Thousand Eight Hundred and Thirty-Eight Only) (Tariff Value) seized at Nagpur, are liable for confiscation under Section 111 (d), 111(j), 111(m) and 111(o) of Customs Act 1962. From the above it also appears that Shri Sovit Jain is liable for penal action under **Section 112(a)** and **Section 112(b)** of Customs Act, 1962. Shri Sovit Jain knowingly and intentionally made, signed or used and/or caused to be made/signed/used import documents and other related documents, which were false or incorrect, in material particulars, for the purposes of illegal import of subject goods, therefore they are also be liable to penalty under **Section 114AA** of the Customs Act, 1962.

12. Now, therefore,M/s Parth Global Impex (Proprietorship firm of Shri Pramod Mourya)andShri Sovit Jain (Mediator/actual owner of goods) are hereby called upon to show cause to **the Additional/Joint Commissioner of Customs, Custom House Kandla** having his office at Office of the Commissioner of Customs,Custom House, Near Balaji Temple, Kandla-370210 astowhy:

- (i) The smuggled goods i.e. 1521 bags of Areca nuts having net weight 98595.25 KG seized from the premises of M/s Parth Global Impex, House No. 1403, NEW-64, Alipur, Delhi-36 and valued at Rs. 3,65,78,838/- (Rs. Three Crores Sixty-Five Lakhs Seventy-Eight Thousand Eight Hundred and Thirty-Eight Only), should not be confiscated under Section 111 (d), 111(j), 111(m) and 111(o) of Customs Act 1962.
- (ii) Penalty should not be imposed upon each one of them under Section 112(a) and/or Section 112 (b) ofthe Customs Act, 1962.
- (iii) Penalty should not be imposed upon each one of them under Section 114AA of the Customs Act, 1962

13. All the noticees may further be required to produce at the time of showing cause all evidences upon which they intend to rely in support of their defence. They may further advised to indicate in their written submission as to whether they desire to be heard in person before the case is adjudicated. If no mention is made about this in their written submissions, it may be presumed that they do not desire to be heard in person. If no cause is shown by them against the action proposed to be taken within 30 days from the date of receipt of the Notice issued in this matter or if they do not appear before the adjudicating authority, when the case is posted for hearing, the case may be liable to be decided Ex-Parte on the basis of material evidence available on record.

14. The documents/articles as listed at Annexure-R and where not enclosed with this Notice will be made available for inspection on demand made in writing.

15.The Show Cause Notice is issued without prejudice to any other action that may be taken against the noticees or against any other person(s) under the Customs Act, 1962, or under any other law for the time being in force in India.The present Show Cause Notice is only related to confiscation of goods seized vide Seizure Memo dated 06.07.2023. Separate Show

Cause Notice will be issued by Competent Authority for demand of duty and penalty on other accused found involved in conspiracy of diversion of goods meant for export to DTA under applicable provisions of the Customs Act, 1962.

16. The department reserves its right to issue addendum/corrigendum to the show cause notice issued in this matter or to make any additions, deletions amendments or supplements to the notice, if any, at a later stage. The department also may reserves its right to issue separate Notice/s for other consignments, noticees, offences etc related to the above case, if warranted.

17. The show cause notice may be issued without prejudice to any other action that may be taken in respect of the above goods and / or the persons / firms mentioned in the notice or any other person (s) under the provisions any other law for the time being in force, in the Republic of India.

18. The noticee/s may also have an option to settle the case through Settlement Commission by filing an application, if eligible, under Chapter XIVA of the Customs Act, 1962.



(DEV PRAKASH BAMANAVAT)
Additional Commissioner
Customs Kandla
Date- 24.01.2024

F.NO. GEN/ADJ/ADC/121/2024-Adjn-O/o Commr-Cus-Kandla

List of Noticees:

- 1.** M/s. Parth Global Impex, House No. 1403, NEW-64, Alipur, Delhi-36
(E-mail Id: pramodshreenathmaurya@gmail.com)
- 2.** Shri Pramod Mourya, Proprietor of M/s Parth Global Impex, Kh. No. 96/2, GF Gali 8/1, OLD No. 08, Village-Wazirabad, Delhi-110084
(E-mail Id: pramodshreenathmaurya@gmail.com)
- 3.** Shri Sovit Jain, A-1/296B, Lawrence Road, Keshav Puram, Delhi-110035
(E-mail Id: sovit_jain@yahoo.com)

Copy to:

1. The Additional Director General, DRI, Gandhidham Regional Unit,
Gandhidham.
2. Guard File.