



DIN:- 20250271ML0000611082

**SHOW CAUSE NOTICE**  
**(Issued under Section 28 & 124 of the Customs Act, 1962)**

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 however the same 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 (**RUD-11**) are 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 Jabel 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 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 & Kashmir	7587536/21.02.2022	Bitumen 80/100	1,57,69,409/-	25
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 Limited	7427957/09.02.2022	Bitumen Grade VG30	1,55,98,530/-	25

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	<b>19</b>
		IIX1251ECSM 2560	7397193 / 07.02.20 22	Rock Salt in Lumps		
		IIX1251ECSM 2540	7420074 / 09.02.20 22	Bitumen Grade VG30		
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 /	Bitumen VG30		

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			09.02.20 22			
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 PETROCHEM PRIVATE	IIX1251ECSM 2539	7406187 / 08.02.20 22	Bitumen Grade VG30	Shri Shikhar Gaddh, Authorized Person, M/s. Future Universal Petrochem (P) Ltd. dated 02.03.2022	<b>26</b>
		IIX1251ECSM 2543	7407087 / 08.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM 2550	7406202 / 08.02.20 22	Bitumen Grade VG30		
		IIX1251ECSM	7421349	Bitumen		

		2544	/ 09.02.20 22	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) IIX1251ECSM2547 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) IIX1251ECSM2562 (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) 11X1251ECSM2562 (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. 1IX1251ECSM2545 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, Sharjah, 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 & IIX1251ECSM2550 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

meat 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**

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<b>Sr. No.</b>	<b>Name of Custom Broker firm/person</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 Pvt. Ltd.	7420074 dated 09.02.2022	Bitumen VG-30, 30X20'
				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	7421349	Bitumen VG-30,

			Universal Petrochem Pvt. Ltd.	dated 09.02.2022	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	Bitumen VG-40, 25X20'
			M/s. Vevelon Petrochem Pvt. Ltd.	7417788 dated 09.02.2022	Bitumen 60/70, 13X20'
			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	M/s. Hexatron Industries Limited	7401755 dated 08.02.2022	Bitumen VG-40, 25X20'

		(RUD-40)			
<b>8</b>	<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 (SIIB), 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 0902-2022 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 thoroughly 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. CONTRAVENTION BY CHARTERER/VESSEL OWNER, VESSEL AGENT, CONTAINER LINE, IMPORTERS AND CUSTOM BROKERS.**

### **10.1 Charterer/Owner of the vessel**

10.1.1 In the instant case, M/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.

10.1.2 From the statement recorded and documents retrieved from the vessel, it is evident that the said goods as mentioned in the Table-2 as stated earlier, 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.

10.1.3 Thus, the said Vessel MV GOLSAN is 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;*

10.1.4 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.

10.1.5 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.

10.1.6 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.

10.1.7 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.

10.1.8 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.

10.1.9 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.

10.1.10 From the above facts, it appears 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 forged Bills of Lading by declaring the port of loading as Jabel Ali, UAE in place of Bandar Abbas Port, Iran.

10.1.11 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. Thus, they should also 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.

## **10.2 ROLE PLAYED BY VESSEL AGENT-**

10.2.1 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 along with the copies of corresponding altered Bills of Lading, wherein Port of Loading was mentioned as Jebel Ali, UAE.

10.2.2 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 been 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.

10.2.3 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.

10.2.4 In light of the above, it is clearly visible that the vessel agent was well in knowledge that the vessel MV GOLSAN is 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 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.

10.2.5 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.*

10.2.6 As the vessel agent appears to 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

appears to be liable for penalty under section 112 & 114AA of the Customs Act 1962.

10.2.7 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.

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

10.3.1 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.

10.3.2 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.

10.3.3 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.

10.3.4 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.

10.3.5 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.

10.3.6 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.

### **10.4 ROLE PLAYED BY IMPORTERS:**

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10.4.1 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.

10.4.2 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. Accordingly, all the importers whose goods were seized should be 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 misdeclared 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.

10.4.3 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:

10.4.4 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:

10.4.5 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.

10.4.6 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 112a, 112b(ii) of the Customs Act, 1962.

10.4.7 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.

#### **10.5 ROLE PLYAED BY CUSTOM BROKERS**

10.5.1 From the statement of the Custom Brokers, it appears 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.

10.5.2 Under Rule 10 of the Custom Brokers Licensing Regulations 2018 (as amended) talks about the obligations of the Custom Brokers in which a customs broker shall as per the rule 10(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. But the custom brokers have not exercised the due diligence to ascertain the correctness of the information provided to them by their respective importer accordingly they have not fulfilled the obligation parameter as mentioned in the Brokers Licensing Regulations 2018 as amended. Further they have also not followed the provisions of the section 46 of the Custom Act 1962.

10.5.3 As the bill of entry filed with the incorrect details, the custom brokers have contravened the provisions of the section 46 of the Customs Act 1962 and provisions of the Custom Brokers Licensing Regulations 2018 as amended which will make themselves liable for the penalty under section 117 of the Custom Act 1962.

10.5.4 It was custom brokers' failure from their own part in submitting those incorrect details before custom authority without verifying the said facts and figures provided to them by their respective importers in respect of the cargo imported through the Vessel MV GOLSAN and which were seized vide seizure memo dated 23<sup>rd</sup> Feb 2022. It makes all the customs brokers detailed in Table-4, personally liable for the penalty under section 117 of the Customs Act 1962.

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

**12. 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

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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 fulfillment of all the obligations under Section 148(2) of the Customs Act 1962 and pay the Redemption fine/penalties imposed, if any.,

**13. 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.

**14. 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.

**15. 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.

**16. 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 declared assessable value should not be rejected and re-determined as per annexure-B to this notice.
- (e) The differential duty should not be demanded on the difference between the declared assessable value and re-determined assessable value under Section 28(4) along with interest under Section 28AA of the Customs Act, 1962 as per the details given in Annexure-B to this notice.
- (f) Penalty should not be imposed under section 114AA of the Customs Act 1962.
- (g) Penalty should not be imposed under section 112(a)(ii)/114A of the Customs Act, 1962.
- (h) The bonds submitted by the respective importers at the time of provisional release of goods should not be enforced;
- (i) The bank guarantees submitted by the respective importers at the time of provisional release of goods should not be en-cashed;

**17. 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.

**18. 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.

**19. 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.

**20. The Noticees should state in their written replies to this notice as to whether they desire to be heard in person. If no reply is received from them within 30 (Thirty) days from the date of receipt of this notice or if they fail to appear for the personal hearing**

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on the date and time intimated to them, the case is liable to be decided on the basis of evidences available and merits, without any further reference to them. The Noticee is required to provide the copies of the documents etc., on which they intend to rely along with the reply to the notice.

- 21.** This notice is issued without prejudice to any other action that may be taken against the Noticee or any other person(s) under the provisions of the Customs Act, 1962 and the Rules & Regulations made there under or any other law for the time being in force in the Republic of India.
- 22.** The documents relied upon in this Show Cause Notice are listed in Annexure-A to this Notice and are enclosed with the Show Cause Notice.
- 23.** The Department reserves its right to amend, modify or supplement this notice at any time on the basis of available/further evidences prior to the adjudication of the case.

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

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

**DIN-20250271ML0000611082**

F. No.

**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
- 26.** Shri Omparkash Jadhav, Branch Manager, M/s. Armita India Shipping Pvt. Ltd., Gandhidham

**Copy to:**

1. The Superintendent (SIIB), Custom House Kandla.
2. The Superintendent (EDI), Custom House Kandla.