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DIN:- 20251271MO000071237A

Date: 29-12-2025

Show Cause Notice No. 40/2025-26/COMM/N.S./Adjn/MCH

SHOW CAUSE NOTICE

[Issued under Section 28(4) read with Section 124 of the Customs Act, 1962]

Whereas, on the basis of information received from UCO Bank, Vishakhapatnam and UCO Bank, Jaipur, a case was booked by the Customs Preventive Commissionerate, Jodhpur (H.Q. at Jaipur) in respect of fraudulent remittances of high magnitude (more than Rs. 400 crores) to overseas firms during the period March-2021 to Sepember-2021, shown to be in consideration to import of services. From the investigation conducted, it appeared that, to defraud the exchequer, a racket/gang was formed which adopted a novel modus operandi under which several bogus/fake companies/firms were created and several bank accounts were opened to fraudulently remit amounts of high magnitude to Hong Kong, Singapore and UAE based firms by showing the same to be payments against import of services (which were never actually imported and were mere paper transactions without any actual supply of service) with the ulterior motive of using the fraudulent remittances for funding illegal imports of Gold, Diamonds and other precious stones/metals.

2. The said investigation had commenced after it was revealed that a total amount of Rs.414,09,03,259/- (Rs.348,30,16,803/- + Rs.65,78,86,456/-) had been remitted by two firms/companies namely M/s Belstar Techno Solutions (OPC) Private Limited & M/s Visual Birds Technology, Jaipur shown to be in consideration to import of IT services like animations, graphics, designs, 2D, 3D and multimedia audio visuals. Both these firms were found registered on same address in Jaipur and both firms were found to be non-existent on the registered address. From the preliminary investigation it was revealed that M/s Belstar Techno Solutions (OPC) Pvt. Ltd. & M/s Visual Birds Technology, are non- existent company/firm which had been created only on papers and they factually never made any import of services. It was also revealed that these companies had received payments in their respective Bank Accounts from the firms which were dealing in Diamonds and Gold, though they never imported services like animations, graphics, designs, 2D,3D and or multimedia audio-visuals had ever taken place in respect of the purported foreign service providers.

3. During the course of investigation, it emerged that a racket comprising a large number of fictitious firms had been created and operated with the intent to project illicit transactions as genuine business activities. These firms were fraudulently shown to be engaged in gold and

diamond trading, and bogus invoices were generated in their names to camouflage the sale and circulation of smuggled gold and diamonds in the domestic market, thereby giving such transactions an appearance of legitimacy. The investigation further established that the proceeds derived from the sale of such smuggled goods were systematically routed through multiple business accounts, in a layered manner, to obscure the trail of illicit funds. Ultimately, these funds were transferred into the bank accounts of shell entities such as M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology. It was further revealed that these dummy entities thereafter remitted substantial amounts to UAE-, Singapore-, and Hong Kong-based firms, which were being used to finance the illegal import of gold, diamonds, and other precious stones as well to undervalue various goods being imported into India, in contravention of the provisions of the Customs Act, 1962, the Foreign Exchange Management Act, 1999, and other applicable laws.

4. During the investigation, it was revealed that Shri Ravindra Kumar, Chartered Accountant, had issued bogus Form 15CB Certificates in connection with the outward remittance of funds from M/s Belstar Techno Solution (OPC) Pvt. Ltd. and M/s Visual Birds Technology, without conducting any verification of the underlying agreements, supporting documents, or the books of accounts of the said entities. Scrutiny further disclosed that, out of the total Form 15CB Certificates issued by him, certificates covering remittances amounting to Rs. 75,09,51,102/- pertained to transfers made to **M/s DP Design Ltd., Hong Kong**. In his statement (**RUD-1**) recorded under the statutory provisions, Shri Ravindra Kumar admitted that the funds so remitted were utilized for the smuggling of gold and diamonds by various syndicates operating from Mumbai and Gujarat. Intelligence inputs further revealed that one of the Directors of M/s DP Design Ltd., Hong Kong is Shri Piyush Nolakha, a resident of Jaipur, Rajasthan, whose examination was considered vital for the ongoing investigation. Consequently, a Look-Out Circular (LOC) dated 19.07.2024 was issued against him. In pursuance of the said LOC, Shri Piyush Nolakha was off-loaded by the Immigration Authorities on 22.07.2024 while attempting to travel to Dubai from International Terminal-2, Jaipur, and was thereafter handed over to the Customs Officers, Jaipur, for further action in accordance with law.

4.1 During the ongoing investigation, the statement of Shri Piyush Nolakha was recorded on 22.07.2024 (**RUD-2**). It was revealed during investigation that M/s DP Design Ltd., Hong Kong had been incorporated by Shri Piyush Nolakha himself, and that he had signed all documents pertaining to the incorporation of the said entity and had personally interacted with the concerned bank authorities regarding the opening and operation of its bank accounts. Further, the email ID “dpdesign1231@gmail.com”, furnished to Wing Lung Bank, Hong Kong as the official email of M/s DP Design Ltd., was found to be registered on the mobile phone of Shri Piyush Nolakha, and all communications from the said bank concerning the company were being handled by him through this email ID. In addition to M/s DP Design Ltd., Hong Kong, Shri Piyush Nolakha had also created multiple other entities abroad, such as Villa Morae Co. Ltd., Xclusive Co. Ltd., and others.

4.2 From the statements, records, and evidence gathered, it was established that M/s DP Design

Ltd., Hong Kong is an offshore shell entity beneficially owned and controlled by Shri Piyush Nolakha, created and operated entirely from India without any genuine business activity. The incorporation of such overseas entities by individuals based in India, solely for the purpose of facilitating illegal outward remittances and evasion of customs duty, corroborates the investigation findings that these firms were created by the nexus purely to defraud the Government exchequer. From the investigation conducted in the cases of M/s Belstar Techno Solutions (OPC) Private Limited and M/s Visual Birds Technology, Jaipur, it emerged that Shri Piyush Nolakha played an active and central role in the conspiracy. The evidence indicated that he was directly involved, along with other co-accused persons, in facilitating outward remittances amounting to Rs. 75,09,51,102/-, which were subsequently utilized for the illegal import of gold, diamonds, and other precious stones, etc. In view of the above facts and circumstances, Shri Piyush Nolakha was arrested on 22.07.2024 under Section 104 of the Customs Act, 1962, and produced before the Hon'ble Economic Offence Court, which remanded him to Departmental/Police Custody up to 30.07.2024.

4.3 In his statement dated 24.07.2024 (**RUD-3**), Shri Piyush Nolakha admitted that M/s D.P. Designs Ltd., Hong Kong is a dummy/paper entity shown as a service provider, and that the company had been handed over to Shri Ashish Jain and others for a commission. Subsequently, in his statement dated 25.07.2024 (**RUD-4**), Shri Piyush Nolakha further admitted as under:

- (a) That apart from M/s DP Design Ltd., he had also created other entities such as Dipika Gems, Xclusive Co. Ltd., Villa Morae, and Elite International in Hong Kong, and that all such entities had been handed over to Shri Ashish Jain and other persons for their use.
- (b) That he had handed over his Jaipur-based entities, namely M/s DS Exports and M/s La Solitaire, to Shri Ashish Jain and his associates for importing precious stones from his Hong Kong firm, M/s DP Design Ltd., into India. He initially denied direct involvement in these entities in his statement dated 24.07.2024; however, this denial stood contradicted when he was shown import documents such as Bills of Entry, invoices, and related records pertaining to the import of semi-precious stones (Emerald) from M/s DP Design Ltd., Hong Kong to M/s DS Exports, Jaipur, which had been resumed during search proceedings.
- (c) That the signatures appearing on import documents under the name “Dipika” were made by him, and that the various forms of the signature “Dipika” found on the documents were all executed by him.

4.4 From his mobile phone, screenshots were recovered pertaining to the “Inward Remittance Enquiry” of M/s DP Design Ltd., Hong Kong, reflecting inward remittances received from M/s Belstar Techno Solutions (OPC) Pvt. Ltd., Jaipur, Visakhapatnam, and Bhubaneswar (**RUD-5**). Details of some sample screenshots are as follows:

Remitter	Remittee	Settlement Date	Remittance Amt. in USD
Belstar Techno Solution (OPC) Pvt. Ltd, Vishakhapatnam	DP Design Ltd, Hong Kong	29.04.2021	98882

Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	23.04.2021	62447
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	21.04.2021	55747
Belstar Techno Solution (OPC) Pvt. Ltd, Bhubaneswar	DP Design Ltd, Hong Kong	21.05.2021	81342
Belstar Techno Solution (OPC) Pvt. Ltd, Vishakhapatnam	DP Design Ltd, Hong Kong	12.04.2021	65832
Belstar Techno Solution (OPC) Pvt. Ltd, Vishakhapatnam	DP Design Ltd, Hong Kong	29.03.2021	85900
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	29.03.2021	78347
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	26.03.2021	78751
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	23.03.2021	63501
Belstar Techno Solution (OPC) Pvt. Ltd, Jaipur	DP Design Ltd, Hong Kong	22.03.2021	63497
Belstar Techno Solution (OPC) Pvt. Ltd, Bhubaneswar	DP Design Ltd, Hong Kong	15.06.2021	80941
Belstar Techno Solution (OPC) Pvt. Ltd, Bhubaneswar	DP Design Ltd, Hong Kong	15.06.2021	71947

4.5 In addition to the above, screenshots of Foreign Inward Remittance details relating to his other Hong Kong-based entities Dipika Gems, Hong Kong and Elite International, Hong Kong were also recovered from the mobile phone of Shri Piyush Nolakha. In this regard, in his statement dated 25.07.2024, he made the following admissions:

- (a) That he used to monitor the nature and pattern of transactions undertaken in the bank accounts of M/s DP Designs Ltd., Hong Kong; Dipika Gems, Hong Kong; and Elite International, Hong Kong, so that he could determine and levy his commission accordingly.
- (b) That Shri Ashish Jain had shared the said documents/screenshots with him so that he could respond to, and manage, any banking-related queries that might arise in respect of these entities.
- (c) That he obtained access to the bank accounts of M/s DP Designs Ltd., Hong Kong; Dipika Gems, Hong Kong; and Elite International, Hong Kong from the actual operators of these firms, namely Shri Ashish Jain and others, and used such access to download bank statements for monitoring the volume and frequency of transactions, in order to assess the commission chargeable by him.
- (d) That he had installed the Citibank Hong Kong mobile banking application on his mobile

phone and used it to download bank statements of M/s Villa Morae Ltd., Hong Kong, for the purpose of monitoring the quantum of transactions undertaken in that entity as well.

4.6 Further, screenshots recovered from the mobile phone of Shri Piyush Nolakha contained WhatsApp chat exchanges with a person named Shri Pradeepji Gupta. In this regard, Shri Piyush Nolakha admitted in his statement dated 25.07.2024 that he had facilitated the transfer of funds from Shri Pradeep Gupta to the firm M/s Shriji Impex, maintained with Equitas Small Finance Bank (IFSC: ESFB0009014). It had already been established during earlier stages of the investigation that M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology had received a substantial portion of their funds from M/s Shriji Impex, which were subsequently remitted abroad to overseas entities such as M/s DP Design Ltd., Hong Kong. With respect to various documents pertaining to M/s Elite International, Hong Kong, recovered from his mobile phone, Shri Piyush Nolakha stated in his statement dated 25.07.2024 that Elite International, Hong Kong is his own firm; that he is the sole director, and that the entity has been utilized in the same manner as his other offshore company, M/s D.P. Designs Ltd., Hong Kong. He further admitted that he currently operates another overseas entity, M/s Villa Morae, Hong Kong, which is also being used for similar purposes. In respect of screenshots of transactions recovered from his mobile phone showing that his firm M/s Dipika Gems, Hong Kong had made payments to M/s Fortune Gems, Hong Kong, Shri Piyush Nolakha admitted in his statement dated 25.07.2024 that Fortune Gems is engaged in the diamond trade and that Shri Ashish Jain had procured diamonds from Fortune Gems, Hong Kong through Dipika Gems, Hong Kong. He further stated that the screenshot had been shared with him for the purpose of informing him that diamonds had been purchased from a firm belonging to Shri Ashish Jain's brother-in-law, i.e., Fortune Gems.

4.7 Furthermore, with reference to invoices of Elite International, Hong Kong recovered from his mobile phone, Shri Piyush Nolakha stated in his statement dated 25.07.2024 that the said invoices were photographed/captured by him using his mobile phone during an in-person meeting with Shri Ashish Jain and Shri Rajesh Chopra, owing to a query raised by the concerned bank.

4.8 Shri Piyush Nolakha, in his statement dated 26.07.2024 (**RUD-6**), further admitted that the Annual Report and Financial Statements of M/s DP Design Ltd., Hong Kong for the financial year ended 31.03.2023, which were recovered from his mobile phone, had been signed by him in the capacity of the sole Director of the said company. He also reiterated on multiple occasions during the course of his statements that he had been operating all his overseas firms from India itself, without undertaking any genuine business activity abroad, thereby confirming that these entities were effectively shell or paper companies created for facilitating illicit financial transactions.

4.9 Shri Piyush Nolakha in his further statement dated 27.07.2024 (**RUD-7**) disclosed the following facts:

(a) He stated that he is currently continuing to manage and operate M/s DP Design Ltd., Hong Kong. Although the earlier bank accounts of DP Design Ltd., Hong Kong were closed by the concerned bank approximately one year ago, he subsequently opened a new bank account with

the Bank of East Asia, Hong Kong. He also confirmed that he presently maintains active bank accounts of M/s Villa Morae Ltd., Hong Kong with Citibank, Hong Kong, and of M/s Xclusive Company Ltd., Hong Kong with the Bank of East Asia, all of which were opened recently.

(b) From his mobile phone, several fair invoices and draft invoices issued in the name of the firms created by him such as DP Design Ltd., Hong Kong, Elite International, Hong Kong, etc. were recovered. In this regard, he admitted that he had prepared these invoices himself, and that the funds received into his bank accounts were being adjusted or settled against certain entries through such documents.

(c) He further stated that he had arranged for the creation of a website for DP Design Ltd., Hong Kong, as he was managing and operating the said company from India. To avoid queries and objections from banks regarding inward remittances, he deliberately listed multiple categories of business activities on the website such as marble trading, IT services, digital services, consultancy, etc. to provide an appearance of legitimacy to remittances received from various Indian firms engaged in different lines of business. Similarly, firms like M/s Belstar Techno Solution (OPC) Pvt. Ltd. and M/s Visual Birds Technology had described their remittances as payments for digital/IT services, despite having made no actual imports of services.

(d) He disclosed that various individuals and companies in India such as gold bullion traders, marble importers, and diamond importers frequently require funds overseas for purposes such as financing illegal imports of goods or undervaluation of imported goods. To facilitate these activities, it is necessary for them to have dummy overseas firms. He admitted that he had created DP Design Ltd., Hong Kong; Villa Morae Ltd., Hong Kong; Elite International, Hong Kong; Xclusive Co. Ltd., Hong Kong; and Dipika Gems, Hong Kong precisely for this purpose. These entities receive inward remittances from multiple Indian firms. He further admitted that the Indian firms remitting funds under the guise of Digital/Online Services such as Belstar Techno Solution (OPC) Pvt. Ltd. and Visual Birds Technology were merely dummy entities, with no genuine business activity or import of any goods/services. The remittances made by such firms were entirely without any underlying supply. He admitted that once the funds were received into the accounts of his Hong Kong-based entities, he would rotate and transfer such funds to various overseas companies as required by his clients. The funds received from Belstar Techno Solution (OPC) Pvt. Ltd. and Visual Birds Technology had been used directly or through layered transfers to diamond and gold trading firms abroad. Funds received from marble companies were routed to various firms based in Italy and other parts of Europe. All such fund transfers were executed by him through online banking from India.

(e) He admitted that all his bank accounts are operated online from India only, and that he has never visited Hong Kong for any business-related activity, apart from visits made for the purpose of bank account opening.

(f) In respect of WhatsApp chats recovered from his phone between him and Shri Manish Lodha, wherein a reference was made to a person named Shri Dinesh Lodha, he stated that Shri Dinesh

Lodha, a diamond trader residing in Delhi, had remitted funds to his overseas firms on two occasions to meet his requirement of funds abroad. The reference to “3 Kg” in the chats signified Rs. 3 lakhs, being the commission payable to him (Shri Piyush Nolakha) for facilitating the overseas remittance.

(g) In respect of credit entries from M/s Lakshya Exports in his Kotak Mahindra Bank account and screenshots of invoices relating to the export of rough diamonds from M/s Dipika Gems, Hong Kong to Lakshya Exports, Surat, recovered from his phone, he admitted that he had signed the invoices on behalf of Dipika Gems for the purpose of showing exports of lab-grown rough diamonds, deliberately overvalued in order to facilitate illegal outward remittances. He further admitted that Lakshya Exports is the firm of the brother-in-law of Shri Rajesh Chopra, and that he had received commission payments from Lakshya Exports into his Kotak Mahindra Bank account.

4.10 Shri Piyush Nolakha in his further statement dated 28.07.2024 (**RUD-8**) disclosed the following facts:

(a) He admitted that the bank account of Villa Morae Ltd., Hong Kong with Citibank, Hong Kong was opened approximately one and a half years ago, and that the bank statements for the period March 2023 to June 2024 were recovered during the forensic examination of his mobile phone.

(b) Upon being questioned regarding the purpose of the funds rotation received from *Belstar Techno Solution (OPC) Pvt. Ltd.* and *Visual Birds Technology* to various diamond and gold trading companies, he stated that such funds were utilised for financing illegal import of goods/undervaluation of imported goods. He further stated that persons namely Ashish Jain (Chordiya), Manish Lodha and Rajesh Chopra have an overseas nexus and are involved in illicit procurement and smuggling of diamonds and gold into India through unauthorised channels. Although he is unaware of the exact smuggling route, he stated that he was informed by them that diamonds and gold brought into India using the funds remitted through the aforesaid companies are illegally absorbed by Surat and Mumbai-based gold bullion and diamond traders .

(c) When asked about the person(s) signing export documents or invoices on his behalf in Hong Kong, he stated that regulatory requirements in Hong Kong are relatively lenient and that he can direct any known person residing in Hong Kong to submit documents on his instructions. Such documents are forwarded by him from India through the internet to acquaintances in Hong Kong, who then submit them to the concerned authorities.

(d) When questioned about the companies of *Sh. Dinesh Lodha* from which funds were remitted to his (Piyush Nolakha's) overseas firms, he stated that he had remitted funds overseas through hawala channels. However, he does not recall the exact company or account used in the said transactions.

4.11 Shri Piyush Nolakha, in his further statement dated 29.07.2024 (**RUD-9**), disclosed the following facts:

(a) He admitted that he solely operates his overseas firms without any partner. When confronted with printouts of emails from Wing Lung Bank, containing queries raised by the bank regarding various transactions in his accounts (as recovered from his mobile phone), he stated that the bank had found the transactions suspicious and therefore sought clarifications. He further admitted that he had furnished false and misleading replies to the bank in order to prevent deactivation of his account. He further stated that the firms referred to in the said emails include (i) India-based entities that had remitted funds to his Hong Kong-based firms for illegal import/undervaluation of goods, and (ii) overseas entities to whom he had transferred funds as per the requirements of his clients.

(b) Based on the recent bank statements produced by Shri Piyush Nolakha, a summary of foreign inward remittances from India-based firms was prepared. He admitted that he had received USD 1,847,847.65 during February 2024 to June 2024 in the bank account of Villa Morae Ltd., and USD 266,217.10 during June 2024 in the bank account of Xclusive Co. Ltd., from India-based firms. He further stated that the purpose of these remittances was merely to route funds through hawala channels for illegal import of goods, similar to past remittances received from *Belstar Techno Solution (OPC) Pvt. Ltd.*

5. From the cumulative facts, records, statements and evidence gathered during the investigation, it stands conclusively established that Shri Piyush Nolakha, resident of Jaipur, has been actively engaged in the incorporation, operation and management of multiple offshore entities based in Hong Kong, including M/s D.P. Designs Ltd., M/s Dipika Gems, M/s Elite International, M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., all of which were created, owned and controlled by him and operated from India. Examination of Form 15CB certificates revealed that ₹75.09 Crores had been remitted by M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology in favour of M/s D.P. Designs Ltd., Hong Kong, prompting extension of the investigation to Shri Nolakha, whose voluntary statements were recorded under Section 108 of the Customs Act, 1962 between 22.07.2024 and 28.07.2024. In his detailed admissions, corroborated by digital and physical evidence seized from his residence, including mobile phones, electronic devices, screenshots of remittance transactions, draft documents of dummy firms, WhatsApp communications with accomplices such as Shri Pradeep Gupta, and even the rubber stamp of M/s D.P. Designs Ltd., Shri Nolakha unequivocally confessed to incorporating and operating the aforesaid offshore entities as dummy vehicles solely for receiving illegal remittances from numerous Indian firms without any underlying supply of goods or services, and for routing such funds to suppliers and traders of gold, diamonds and precious stones with the intent to facilitate undervaluation, smuggling and evasion of lawful duties. He further admitted that the purpose of these entities was not genuine trade but the rotation of funds outwardly projected as payments for “IT/Digital Services”, which, in reality, were diverted for financing the import of undervalued or smuggled gold and other contraband into India. He also disclosed that these activities were undertaken in concert with Shri Ashish Jain of Noida, from whom he regularly received commission payments in cash in India for arranging and facilitating such transactions. Analysis of data extracted from his seized devices (**RUD-10**), including WhatsApp chats, banking records and remittance screenshots, further revealed substantial outward foreign exchange remittances made

by various Indian entities to M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd. between 06.06.2024 and 28.06.2024, including USD 266,217.09 received by M/s Xclusive Co. Ltd. from 19 Indian firms and USD 1,847,847.55 received by M/s Villa Morae Co. Ltd. from 20 Indian firms, all of which were found to be fictitious transactions executed by Shri Nolakha without any actual supply of goods or services. The above facts collectively demonstrate his conscious, wilful and deliberate contravention of the provisions of the Customs Act, 1962 and other applicable laws, with the clear objective of defrauding the Government exchequer and facilitating the illicit import and circulation of smuggled goods.

6. Analysis of the digital evidence retrieved from the seized electronic devices of Shri Piyush Nolakha, including WhatsApp communications, banking records, and screenshots pertaining to cross-border remittances, revealed that M/s Wonder Marble Suppliers, (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542, a proprietorship firm of Mrs. Vinita Sindulia, has also effected outward foreign exchange remittances in favour of two overseas entities, namely M/s Villa Morae Co. Ltd., Hong Kong, and M/s Xclusive Co. Ltd., Hong Kong. The verified transaction records indicate that remittances were made to M/s Xclusive Co. Ltd., Hong Kong, including an amount of USD 17663.26 on 19.06.2024 originating from the bank account of M/s Wonder Marble Suppliers. Further, the analysis of the extracted data established that a remittance of USD 49975.49 was also made by M/s Wonder Marble Suppliers to M/s Villa Morae Co. Ltd., Hong Kong. The investigation conducted in the cases related to M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology conclusively indicates that the outward foreign exchange remittances made to both these Hong Kong-based entities were sham transactions, lacking any underlying commercial substance, and were orchestrated as part of a fraudulent mechanism devised by Shri Piyush Nolakha to illicitly transfer funds outside India under the guise of import-related payments.

6.1 In view of the above facts and the material evidence recovered during the investigation, it *prima facie* appears that the outward foreign exchange remittances effected from the bank accounts of M/s Wonder Marble Suppliers in favour of the Hong Kong-based entities, namely M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., were devoid of any underlying legitimate commercial transactions and were executed in contravention of the provisions of the Customs Act, 1962, the Foreign Exchange Management Act, 1999, and other allied statutory frameworks governing cross-border payments. The nature of these remittances, the absence of corresponding import documentation, and the linkages established through the digital evidence retrieved during the investigation collectively indicate that the Noticee also appears to have been involved in effecting illicit outward remittances under the false pretext of import-related payments.

6.2 Upon detailed scrutiny and further examination of the documents retrieved from the mobile phone of Shri Piyush Nolakha, it was revealed that four invoices had been issued by an Italy-based supplier, M/s Figli Gemignani & Vanelli S.r.l., Italy for marble blocks allegedly imported by his associated firms. These invoices reflected the actual transaction values as well as the specific container numbers in which the goods were loaded. Subsequently, for the same consignments, Shri Piyush Nolakha caused invoices to be raised from his associated Hong Kong-based entities, namely M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd. etc., in favour of

India-based firms, including the Noticee, importer. These Hong Kong-based invoices pertained to the same container number, seal number and quantity; however, the values reflected therein were materially at variance with the values declared by the Italy-based supplier, thereby indicating possible under-valuation and misdeclaration of the true transaction value of the imported goods. These discrepancies, coupled with the sham remittances traced to the Hong Kong-based entities, provided reasonable grounds to suspect large-scale undervaluation of imported marble blocks and systematic evasion of customs duty by multiple importers, including the Noticee. In view of these findings, separate investigations have been initiated against the concerned Indian entities, including the Noticee, under the applicable provisions of the Customs Act, 1962.

6.3. In this context, the Statement of Shri Srawan Kumar Sharma, Authorised person of M/s. Wonder Marble Suppliers, G-246 RIICO Industrial Parbatsar (**RUD-11**) (hereinafter also referred to as “the importer” or “the noticee” for the sake of brevity) was recorded 20.12.2024 of, wherein, he inter-alia stated that Mrs. Vinita Sindulia, his brother’s wife is the proprietor of M/s. Wonder Marble Suppliers, since she was suffering from Polio, he was looking after the business activities of M/s. Wonder Marble Suppliers; that for tendering statement on behalf of his Bhabhiji he was submitting authority letter in this behalf; that it is established at a rented premises and engaged in trading of Marble and no manufacturing activity is conducted at the premises of M/s. Wonder Marble Suppliers; that the imported marble are procured through Broker (Marker) ,Sh. Piyush Nolakha who was resident of Jaipur; that they place order to the marker for import of goods through phone; that the marker generally takes order six months prior to import; that Sh. Piyush Nolakha used to send import Invoice and related documents at email idwondermarblesuppliers@gmail.com which was supervised by him; that they came in contact with Sh. Piyush Nolakha through Sh. Ashish Toshniwal, who himself is a trader and resident of my village; that his last contact with Sh. Ashish Toshniwal was on his Mobile No.8000505956; that he was not aware about other businesses of Sh. Piyush Nolakha; that he had contacted Sh. Piyush Nolakha regarding his business of Marble trading and used to contact Sh. Piyush Nolakha or with the person whose number Sh. Piyush Nolakha provided him; that the last mobile number of Sh. Piyush Nolakha with him was 8875077003; that for taking delivery of goods and invoices, they contacted Sh. Piyush Nolakha or any other person as instructed by him; that he did not save mobile numbers of other persons; that they had imported goods at Mundra port from Honkong based firms of Sh. Piyush Nolakha, namely, M/s. Elite International, M/s. D P Designs Limited, M/s. Villa Morae Co Limited, M/s. Exclusive Co Ltd., M/s. Dipika Gems: that the import was given out of charge after assessment/scrutiny and payment of appropriate Customs Duty; that M/s. Wonder Marble Suppliers during the Financial Years 2021-22 to 2024-25 had imported 24 consignments of marble blocks/slabs having assessable value of Rs.3,75,95,995/-; that 20 consignments were of Rough marble Blocks, 2 were Rough marble slabs (CTH 25151210) and remaining 2 were of Polished marble Slabs (CTH 68022190); that Rough Marble blocks were imported @215 to 315 USD /MTS whereas Rough marble slabs were imported @0.73 to 1.34 USD/Kg and Polished Marble slabs were imported @0.73-.74 USD/Kg; that regarding import made by them, he was submitting copies of Bill of Entries, Invoices, Bill of Lading, Packing List, Bank Statement for payment reference, ledgers, Customs Duty payment challans etc.

During recording of statement of Shri Srawan Kumar Sharma, Authorised person of M/s. Wonder Marble Suppliers he was asked as to why he was importing Marble Blocks/slabs from HongKong based firms of Sh. Piyush Nolakha, whereas the goods were mainly of Italian Origin, Shri Srawan Kumar Sharma, stated that the Italian based exporters mainly accept large orders only, whereas their turnover was less; that for import of small quantity consignments, they had to import through Brokers; that they were not concerned, from where the Brokers are sending their goods; that by importing through Brokers they can import small quantity consignments and also get more time for its payment; that he was submitting importer wise ledger; that the rate of imported goods fluctuates from time to time, depending upon the demand of goods, payment terms, mutual understanding; that sometimes the rate also varies due to breaking/damage of Goods;

Shri Srawan Kumar Sharma, Authorised person of M/s. Wonder Marble Suppliers was asked to read over the statement dated 27.07.2024, 28.07.2024 & 29.07.2024 of Sh. Piyush Nolakha in which he had clearly stated that he was not engaged in any business activity and his Hong Kong based firms namely, M/s. Elite International, M/s. D P Designs limited, M/s. Villa Morae Co Limited, M/s. Xclusive Co Ltd., M/s. Dipika Gems were only used for sending money out of India.

Shri Srawan Kumar Sharma stated that he has read over the original statement dated 27.07.2024 (page no.1 to 5), 28.07.2024 (page no.1 to 3) & 29.07.2024 (page no.1 to 3) of Sh. Piyush Nolakha and understood, he was putting his signature on the last page of the photo copy of the statements; that he has physically imported all the imports made by him and those were given out of charge by Customs after its valuation; that in this regard he has submitted all the documents viz., viz., Bill of Entry, Transporter Bills, Bank Statements, Import ledgers etc.; that payment for all the imports have been made through banking channels; that further sales of imported goods have been recorded in the books of Account, which were audited and further submitted to the Income tax department; that he did not agree with the statement of Sh. Piyush Nolakha that the marble traders had undervalued the goods imported by them. However, during investigation if any variation in the price of goods is noticed he was ready to pay the appropriate duty and would cooperate in the departmental proceeding; that he had sold the imported goods in domestic market under proper GST invoice, after adding profit margin of 8-10 % depending upon the quality of goods; that he had received all the payment through banking Channels; that he would submit the related sales ledgers, sales invoices, E-way bills within 2-3 days;

6.4 Further, statement of Shri Srawan Kumar Sharma, Authorised person of M/s. Wonder Marble Suppliers, was recorded on 28.04.2025 (**RUD-12**) of Shri Srawan Kumar Sharma were recorded, wherein he was asked about the invoice No.12/E dated 15.03.2024, Packing list 12/0 dated 15.03.2024 issued by M/s. Figli Gemignani & Vanelli s.r.l., Italy which was retrieved from the Mobile phone of Sh. Piyush Nolakha, as per the details the goods were dispatched through Container No. NIL and HAMU108892.1, he stated that he has read over his statement dated 20.12.2024 and seen the invoice no.12/E dated 15.03.2024, Packing list 12/0 dated 15.03.2024 issued by M/s. Figli Gemignani & Vanelli s.r.l. Italy retrieved from the Mobile phone of Sh.

Piyush Nolakha, showing that the goods were dispatched through Container No. NIL and HAMU108892.1 and he put his signature on both of these; that through container No. NIL (Seal No. NIL) and HAMU1088921(Seal No. 2694478) Satvario Marble 29620Kg and 28500 Kg (58.120MT) respectively was dispatched by M/s. Figli Gemignani & Vanelli s.r.l. Italy; that he had never done trading of Satvario marble, he never imported it nor purchased from local market ;that satvario marble is very costly, hence, it is not traded in Makrana Mandi further, it is also not in much in demand, hence he had not traded in it; that the above referred invoice of by M/s. Figli Gemignani & Vanelli s.r.l. Italy has no concern with him nor it has been issued to his firm.

Shri Srawan Kumar Sharma further on being asked as vide BOE No.3691909 dated 27.05.2024, M/s. Wonder Marble Suppliers, had imported goods in the container no. HAMU1088921(seal no.2694478) and HLXU3541309 (seal no. A60240) total quantity of 58.120 MT of marble Blocks/slabs which match with the details of invoice issued by M/s. Figli Gemignani & Vanelli s.r.l. Italy, Shri Shrawan Kumar Sharma stated that the invoice of M/s. Figli Gemignani & Vanelli s.r.l. shown to me was issued on 15.03.2024 and have been issued to M/s. Exclusive Co. Ltd. whereas, as per Bill of lading the goods have been loaded on 27.03.2024,whereas the goods imported by them vide BOE No.3691909 dated 27.05.2024 was Rough Marble Block which differs from the invoice of M/s. Figli Gemignani & Vanelli s.r.l. and have been cleared by Customs. Therefore, it is clear that the import made by them has no relation with the invoice of M/s. Figli Gemignani & Vanelli s.r.l.;that he does not agree by the inference that having common container and seal number means goods are also same;that the has imported 24 consignments and no consignment has been detained nor any notice was served to him.

Shri Srawan Kumar Sharma was asked to peruse certificate of origin, attached with invoice No.12/E dated 15.03.2024 issued by M/s. Figli Gemignani & Vanelli s.r.l., packing list 12/0 dated 15.03.2024, wherein goods have been declared as Rough Marble Block instead of Satvario Marble, he replied that he has seen the invoice no.12/E dated 15.03.2024 issued by M/s. Figli Gemignani & Vanelli s.r.l. and certificate of origin and putting his signature on the same; that the certificate of origin issued by M/s. Exclusive Co. Ltd., a firm of Sh. Piyush Nolakha was for Rough Marble Block and the Certificate of origin issued by M/s. Figli Gemignani & Vanelli s.r.l. to M/s. Exclusive Co. Ltd. ;that the Goods imported by him was also Rough marble Block.

Shri Srawan Kumar Sharma was further asked at what rate the marble imported under BOE No.3691909 dated 27.05.2024 was further sold. He stated that it cannot be differentiated at what rate the imported rough marble was sold as it is a continuous process, the goods are not sold immediately; that the goods in stock are sold as per order; that the goods imported under BOE No.3691909 dated 27.05.2024 was imported by them @USD305 P/MT and thereafter after adding Customs Duty, Freight, Local freight it was sold at the margin of 8-10%;that he was submitting sales register for the period April 2024 to June 2024;that he did not have the copy of invoices issued by the original suppliers; that Sh. Piyush Nolakha and other Brokers/Marker never disclose the rate of original supplier; that in 2021 they he had imported Rough Marble Block from settipani s.r.l. Italy @140 EURO/PMT;that he is submitting the relevant Invoice, Bill of

Entry, Bill of lading, Invoices of Shipping charges.

6.5 Further statement of Shri Srawan Kumar Sharma was recorded on 25.09.2025 (**RUD-13**), wherein he inter-alia stated that he is looking after the day to day business of M/s. Wonder Marble Suppliers since last 7-8 years ;that he looks after the purchase and sale of marble and granite, issue of invoices; that in tax related matters he takes assistance of Sh. Kana Ram, their Advocate; that he is submitting Inward, Outward Invoices, Copies of GSTR 2A,GSTR1M,GSTR3B,Bank statement for the Financial Year 2021-22 to till date; that M/s. M/s. Wonder Marble Suppliers purchase Marble Slabs and Marble Blocks from Makrana, Bidiyad, Kishangarh and imported marble slabs and marble blocks, is mainly procured from Hong Kong, Turkey, Italy; that the marble slabs and marble block are sold to local customers as per their requirement and no manufacturing activity is done by them; that the payment for import is made to the foreign supplier through Remittance and for this assistance of our advocate is taken; that the order for import of Marble Blocks and Marble Slabs is placed after seeing the photographs, through Brokers/Suppliers, who comes in mandi; that sometimes order for import is placed through E-mail; that the imported goods are sold at the profit margin of 8-10%;that for release of import consignment from port they provide copy of Invoice, Bill of lading, Packing list to the CHA/CB through E-mail and CHA/CB provide them Transport Bill; that they pay Bill of CHA through RTGS.

Shri Srawan Kumar Sharma during his statement was asked that Vide Bill of Entry No.3691909 dated 27.05.2024, M/s. Exclusive Co Ltd Hongkong in container number HAMU1088921 bearing Seal Number:2694478 supplied 28.500 MT & in container number HLXU3541309 bearing Seal Number:A60240 supplied 29.620 MT of marble Block @305 USD/PMT, accordingly the supplier made Invoice of 17726.7 USD and the Customs duty on the same was paid by M/s. Wonder Marble Suppliers. Further during investigation and on forensic examination of the mobile phone of Sh. Piyush Nolakha it was found that M/s. Figli Gemignani & Vanelli s.r.l.Italy had issued invoice to M/s. Exclusive Co Ltd Hongkong in which it was written that container number HAMU1088921 bearing Seal Number:2694478 supplied 28.500 MT & in container number HLXU3541309 bearing Seal Number:A60240 supplied 29.620 MT of marble Block @1060 EURO/PMT, accordingly the supplier made Invoice of 61607.20 EURO, which is much more than the value of \$17726.60 shown in invoice No. XC/INV/127/23-24 dated 29.03.2024 issued by M/s. Exclusive Co Ltd Hong Kong to M/s. Wonder Marble Suppliers.

Shri Srawan Kumar Sharma replied that he has seen both the invoices, i.e., invoice issued by M/s. Figli Gemignani & Vanelli s.r.l. to M/s. Exclusive Co Ltd Hongkong and invoice issued by M/s. Exclusive Co Ltd Hongkong to M/s. Wonder Marble Suppliers and he found that the container no., seal on containers, the quantity of goods exactly match; however, they have paid Customs duty on the invoice value shown in the invoice issued by M/s. Exclusive Co Ltd Hongkong to M/s. Wonder Marble Suppliers and he could not say anything about the invoice issued by M/s. Figli Gemignani & Vanelli s.r.l. Italy to M/s. Exclusive Co Ltd Hongkong.

Shri Srawan Kumar Sharma in his statement further stated that after seeing the photo of

Marble block/slabs sent by Marker, they place order for import of goods; that mainly they import Baiz Light Grey, Black Coloured Marble blocks/slabs; that they place import order to markers namely, Sh.Piyush Nolakha, Sh. Omji Maheshwari, Pachu Gandhi; that they transfer payment of imported goods through remittance, for which they visit HDFC Bank Branch at Makrana and submit remittance form to the Bank. The Bank, thereafter through their bank account transfer the amount to the account of supplier in EURO/Dollar; that for imported goods the freight is charged per ton; that the CHA/Shipping line raise bill to them on this account; that the goods imported by them at Mundra Port are further transported to their factory by the transporter; that payment for which is made to the CHA/transporter through RTGS; that the imported marble blocks at their factory is unloaded with the help of Loading Crane, whereas the marble slabs are unloaded by the labourer.

7. On further scrutiny of the documents retrieved from the electronic devices of Shri Piyush Nolakha, it was revealed that four invoices (**RUD-14**) issued by the Italy-based supplier, M/s Figli Gemignani & Vanelli S.R.L., and addressed to M/s Xclusive Co. Ltd., Hong Kong (an entity operated and controlled by Shri Piyush Nolakha), were recovered. These invoices pertained to the export of Marble blocks and, upon verification, were found to be directly linked to specific import consignments imported by M/s. Wonder Marble Suppliers. The linkage was established through matching container numbers and seal numbers appearing in the said Italian supplier with those reflected in corresponding Bills of Lading and bills of Entry filed by M/s. Wonder Marble Suppliers at the time of import. The details of invoices issued by M/s Figli Gemignani & Vanelli S.R.L., Italy to M/s Xclusive Co. Ltd., Hong Kong, and the corresponding invoices issued by M/s Xclusive Co. Ltd., Hong Kong to M/s. Wonder Marble Suppliers is as under:

A. Details mentioned in the invoice issued by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong

Invoice No. & Date	Description of goods	Qty. in MT	Rate USD/EURO/PMT	Value In USD/EURO	Bill of Lading No.	Container Number	Container Seal No.
12/E dated 15.03.2024	[2Marble Blocks] (of ST ATUARIETTO Brand)	58.120	1060(ERO)	61607.20(EURO)	-	1.- (Qty.29.620 MT) 2.HAMU1088921 Qty.28.500MT)	1.- 2.2694478

B. Details mentioned in the invoice issued by M/s Xclusive Co. Ltd., Hong Kong, to M/s. Wonder Marble Suppliers

Bill of Entry No. & Date	Name of Foreign Supplier	Invoice No. & Date	Description of goods	Rate	Value	Bill of Lading No.	Container Number	Container Serial No.
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3691909	dated 27.05.2024	M/s. Xclusive CO LTD, Hong Kong	XC/INV/127/23-24 Dated 29.03.2024	Rough Marble Blocks	305 SD/P MT 58.12 OMT(Qty.)	U .60 SD	17726 B/HLC/SPE /MUN	2024EM890	1.- HLXU3541 309(Qty.29.62 0 MT)	1.A602 40
									2.HAMU1088921(Qty.28.500 MT)	2. 2694 478

7.1 From the foregoing facts and documentary evidence, it is observed that the initial commercial invoice issued by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong (an entity operated and controlled by Shri Piyush Nolakha), reflected the shipment particulars as **Container No. : HAMU1088921, Container Seal No. 2694478**, quantity 28.500 MT, description of goods as “Satvario (STATUARIETTO) Marble”, and the unit price as EURO 1,060 per MT. However, in the corresponding invoice issued subsequently by M/s Xclusive Co. Ltd., Hong Kong, to **M/s. Wonder Marble Suppliers**, the shipment particulars namely, Container Number, Container Seal Number, and quantity remained identical, whereas the description of the goods was altered to “Marble Blocks” and the unit price was significantly reduced to USD 305 per MT. Further, it has been observed that the value declared in the Bills of Entry by the importer (i.e., **USD 305 per MT**, total declared assessable value **USD 17726.60**) was substantially lower than the value reflected in the original Italian invoices (total value **EUR 61607.20**), copies of which were retrieved from the mobile phone of Shri Piyush Nolakha. Notably, despite the identical quantity of 28.500 MT and the same container particulars (**Container No.: HAMU1088921, Seal No.: 2694478**) in both sets of invoices i.e., the invoice issued by the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong, and the invoice issued by M/s Xclusive Co. Ltd., Hong Kong, to the Indian importer, **M/s. Wonder Marble Suppliers**, the description and declared value of the goods were materially altered, thereby indicating deliberate undervaluation and misdeclaration in the import documents.

7.2 It has further been observed that **M/s. Wonder Marble Suppliers**, had imported **Satvario (STATUARIETTO)marble blocks** under the very same container numbers, bearing same seal numbers and quantities, in which higher-quality marble blocks/slabs were originally dispatched by the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong an entity controlled and operated by Shri Piyush Nolakha and were thereafter exported *as such* to India. The entire documentary trail, comprising the original Italian invoices, Bills of Lading, and the corresponding Bills of Entry filed in India, clearly establishes that while the Italian invoices accurately reflected the higher-quality goods along with their true commercial value, the importer, in collusion with M/s Xclusive Co. Ltd., Hong Kong, deliberately undervalued and mis-declared the goods in the import documents filed before Indian Customs at

Mundra Port. Specifically, the goods were declared as “**Rough Marble Blocks**” at a substantially lower unit value, instead of the actual **superior-grade Satvario (STATUARIETTO) Marble Blocks** imported in the consignment. The one-to-one correlation between the container numbers and seal numbers appearing in the Italian commercial invoices and those reflected in the Indian import documents conclusively establishes that the same consignments were presented before Indian Customs after altering the description and value. This deliberate mis-declaration and undervaluation appear to have been carried out by the importer, in collusion with the Hong Kong-based entities, with the clear intent to evade payment of legitimate customs duty.

8. Further, the investigation conducted in the cases pertaining to M/s Belstar Techno Solutions (OPC) Pvt. Ltd. and M/s Visual Birds Technology conclusively establishes that substantial amounts of foreign exchange were remitted from India to the overseas bank accounts of M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., Hong Kong both entities having been incorporated, owned, and operated by Shri Piyush Nolakha. The statements of Shri Piyush Nolakha, corroborated by the digital evidence retrieved from his mobile devices and the corresponding remittance records, clearly confirm that these Hong Kong-based entities were created and controlled by him solely for the purpose of receiving foreign remittances under the false pretext of supply of goods or services, despite the fact that no such supply ever took place. It thus appears that M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd. were deliberately established and utilized by Shri Piyush Nolakha as conduit entities for the laundering of foreign exchange under the façade of international trade transactions, thereby facilitating unauthorized outward remittances and contributing to the evasion of customs duties on goods imported into India.

8.1 The investigation has revealed that the importer, in active connivance with Shri Piyush Nolakha, adopted a deliberate modus operandi to suppress the actual commercial value of imported marble blocks and to evade customs duty by resorting to systematic undervaluation through the use of offshore shell entities controlled by Shri Piyush Nolakha. Evidence recovered during the investigation establishes that (STATUARIETTO)-brand Marble Blocks valued at EUR 1,060 per MT were supplied by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong, under Invoice No. 12/E dated 15.03.2024. The said invoice covered 58.120 MT (two marble blocks) stuffed in Container No. 1.- HLXU3541309 (Qty.29.620 MT) sealed with seal no. A60240 & 2. HAMU1088921(Qty.28.500MT) sealed with seal no. 2694478, with a gross/net weight of 58.120 MT.

These very goods were subsequently supplied, without any processing, by M/s Xclusive Co. Ltd., Hong Kong, to **M/s. Wonder Marble Suppliers** (GSTIN: 08BAXPS918D1ZS), under Invoice No. XC/INV/127/23-24 dated 29.03.2024. The downstream invoice clearly reflected the same container number (HAMU1088921), the same seal number (2694478), and the same quantity (28.500MT MT). However, the goods were declared as “Marble Blocks” at a grossly understated and fictitious value of USD 305 per MT, instead of their actual transaction value of EUR 1,060 per MT. The importer remitted only USD 305 per MT through the official banking channel, whereas the differential amount representing the suppressed value was illicitly remitted through hawala channels, thereby concealing the true price actually paid/payable and facilitating

intentional undervaluation and duty evasion.

8.2 Investigation further demonstrates that similar fraudulent modus operandi was adopted by other importers, also in collusion with Shri Piyush Nolakha, wherein high-value marble blocks imported from Italy were routed through the Hong Kong-based shell entity M/s Xclusive Co. Ltd. and supplied to Indian importers at artificially suppressed prices:

(i) Under Invoice no. 10/E dated 15.03.2024, M/s. Figli GEMIGNANI & VANELLI s.r.l., Italy supplied 29.75 MT (Two Marble Blocks of STATUARIETTO varieties) valued at EUR 1060 per MT to M/s. XCLUSIVE CO LTD, HONG KONG. The goods were stuffed in container no. HLBU1021276 (SEAL NO.2693961 wt. 29.75 MT). These goods were further supplied by as such by M/s. XCLUSIVE CO LTD, HONG KONG to M/s. B.H.M. MARBLE & GRANITES, (GSTIN:08AHJPT0801G1ZG), RIICO Industrial Area, Bidiyad, DISTRICT MAKRANA, Nagaur, Rajasthan-341542 vide invoice no. XC/INV/125/23-24 dated 29.03.2024 at an undervalued rate of USD305 per MT, while retaining the same container and seal particulars and the same weight.

(ii) Under Invoice No. 9/E dated 15.03.2024, M/s Figli Gemignani & Vanelli S.R.L., Italy, supplied 53.18 MT (four marble blocks of STATUARIETTO VENATO/ STATUARIETTO varieties) valued at EUR 1,060 per MT to M/s Xclusive Co. Ltd., Hong Kong. The goods were stuffed in Container Nos. HLXU1391690 (Seal No. 2692649; weight 28.340 MT) and HLXU1367610 (Seal No. 2694037; weight 24.840 MT). These goods were further supplied as such by M/s Xclusive Co. Ltd., Hong Kong, to M/s Bhagwati Enterprises (GSTIN: 08DHZPS7896R1ZA), Plot No. G-85, RIICO Industrial Area, Bidiyad, Nagaur, Rajasthan-342542, vide Invoice No. XC/INV/124/23-24 dated 29.03.2024, at an undervalued rate of USD 305 per MT, while retaining the same container and seal particulars and the same weights.

(iii) Under Invoice No. 12/E dated 15.03.2024, M/s Figli Gemignani & Vanelli S.R.L., Italy, supplied 58.12 MT (two marble blocks of STATUARIETTO variety) valued at EUR 1,060 per MT to M/s Xclusive Co. Ltd., Hong Kong. The goods were stuffed in two containers—HLXU3541309 (Seal No. A60240; weight 28.500 MT) and HAMU1088921 (Seal No. 2694478; weight 29.620 MT. These goods were then supplied by M/s Xclusive Co. Ltd., Hong Kong, to M/s Wonder Marble Suppliers (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542, vide Invoice No. XC/INV/127/23-24 dated 29.03.2024, again at an artificially reduced value of USD 305 per MT, with identical container/seal details and weights.

(iv) Under Invoice No. 11/E dated 15.03.2024, M/s Figli Gemignani & Vanelli S.R.L., Italy, supplied 28.45 MT (two marble blocks of STATUARIETTO variety) valued at EUR 1,060 per MT to M/s Xclusive Co. Ltd., Hong Kong. The goods were stuffed in Container No. HAMU1034294 (Seal No. 2694322; weight 28.45 MT). These were subsequently supplied to M/s Galaxy Marble & Granite (GSTIN: 08FXBS6978G1ZP), C/o Mishra Marble, G-245, Industrial Area, Bidiyad, Nagaur, Rajasthan-341542, vide Invoice No. XC/INV/126/23-24 dated 29.03.2024, at the undervalued rate of USD 305 per MT, with all shipment particulars matching the original Italian shipment.

8.3 The above-described flow of goods, documentary trail, identical shipment particulars, suppressed declared prices, and the pattern of dual payments (one through banking channels at USD 305/MT and the balance through hawala) conclusively establish that M/s Wonder Marble Suppliers, along with other importers, knowingly colluded with Shri Piyush Nolakha in systematically suppressing the actual transaction value of marble blocks imported through Hong Kong-based shell companies controlled by him. The acts of deliberate undervaluation, misdeclaration of value, misclassification/incorrect description, and concealment of the true consideration paid/payable constitute willful suppression and fraudulent conduct with the intent to evade customs duty, thereby attracting penal consequences under the Customs Act, 1962.

9. Whereas, it appears that M/s Wonder Marble Suppliers, knowingly and with the intent to defraud the Government exchequer, colluded with Shri Piyush Nolakha and deliberately suppressed the actual value of the imported goods, besides mis declaring the true description of the goods. Instead of declaring the imported consignments as high-value Satvario (STATUARIETTO) Marble Blocks/Slabs, as actually shipped by the Italian supplier, the importer willfully declared them merely as “Rough Marble Blocks/Slabs,” thereby concealing their true commercial quality and value.

The evidence gathered during the investigation clearly establishes that M/s Wonder Marble Suppliers imported Satvario/ STATUARIETTO marble blocks/slabs in the same containers, with identical seal numbers and identical quantities, as those shipped by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong an offshore entity controlled and operated by Shri Piyush Nolakha. The goods were thereafter routed to India without any alteration, and were supplied “as-is” to the importer through the said Hong Kong-based entity.

The documentary trail, comprising the Italian invoices, Bills of Lading, and the corresponding Bills of Entry filed before Indian Customs at Mundra Port, conclusively demonstrates that while the Italian invoices reflected higher-quality Satvario/ STATUARIETTO marble and its true transactional price, the importer acting in concert with M/s Xclusive Co. Ltd., Hong Kong filed import documents before Indian Customs that grossly undervalued the goods and mis declared their description as ordinary “Marble Blocks/Slabs.” This clear one-to-one correlation between the container numbers appearing on the original Italian export invoices and those declared in the Bills of Entry filed by the importer leaves no room for doubt that the consignments were intentionally undervalued and mis declared at the time of import.

Accordingly, it appears that the importer, in collusion with the Hong Kong-based entity controlled by Shri Piyush Nolakha, deliberately mis declared both the value and description of the imported goods with the intent to evade payment of lawful customs duty. The value declared by the importer does not reflect the true and correct transaction value as mandated under Section 14 of the Customs Act, 1962, read with the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, and therefore appears liable for rejection.

10. Rejection of declared value:

10.1 On careful examination of the documentary evidence recovered during the investigation, including the invoices issued by the original Italian supplier, Bills of Lading, overseas supplier confirmations, container- and seal-number correlation, and digital records retrieved from the electronic devices of Shri Piyush Nolakha, it is observed that the value declared by M/s Wonder Marble Suppliers in the Bills of Entry filed at Mundra Port does not represent the true transaction value as required under Section 14(1) of the Customs Act, 1962 read with Rule 3(1) of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007.

10.2 The documents originating from the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., unambiguously disclose that the goods actually exported were *high-value Satvario/ STATUARIETTO Marble Blocks* priced at EUR 1060 per MT. However, the importer, in collusion with M/s Xclusive Co. Ltd., Hong Kong an entity controlled by Shri Piyush Nolakha declared the same consignments before Indian Customs at a grossly suppressed value of USD 305 per MT, while mis declaring the goods as ordinary “Rough Marble Blocks.”

10.3 A one-to-one correlation between: (i) Container numbers, (ii) Seal numbers, and (iii) Gross/net weights, appearing on the Italian supplier’s invoices and the Indian Bills of Entry conclusively establishes that the goods imported into India were the same goods supplied by the Italian exporter. Therefore, the Italian invoices represent the true price paid/payable, whereas the Hong Kong invoices relied upon by the importer reflect a manipulated, artificially deflated, non-genuine value, not indicative of the true commercial transaction.

10.4 Further, investigation has revealed that the importer remitted only USD 305 per MT through official banking channels while arranging for illicit outward remittances through hawala mechanisms for the balance amount, thereby concealing the true consideration actually paid for the imported goods. Such bifurcated payment arrangements amount to clear violation of Rule 4(2) of the Valuation Rules, which mandates rejection of transaction value where the price is influenced by collusion, fraud, or non-transparent payments.

10.5 In view of the foregoing, and in terms of Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, the declared transaction value of USD 305 per MT appears to be liable for rejection, as the same does not represent the price actually paid or payable for the imported goods and does not satisfy the requirements of “transaction value” as prescribed under Rule 3(1) of the said Rules. From the facts, circumstances, and the totality of evidence available on record including documentary materials, digital data retrieved from electronic devices, banking records, and statements tendered by the concerned individuals it clearly emerges that M/s Wonder Marble Suppliers have deliberately mis-declared the description of the goods and wilfully suppressed the actual transaction value in respect of various consignments of imported marble blocks, with the intent to evade payment of customs duty. As elaborated in the preceding paragraphs, the values declared before the Customs authorities at the time of clearance at Mundra Port represented only a fraction of the actual consideration, while substantial additional amounts were remitted separately through undisclosed and non-declared channels to the overseas suppliers. Such deliberate bifurcation of payments, along with the concealment of the true commercial value, renders the declared invoice value incapable of acceptance as the “transaction

value" as envisaged under Section 14 of the Customs Act, 1962, read with Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. Section 14 of the Customs Act, 1962, read with Rule 3 and the Interpretative Notes thereto, mandates that the assessable value must reflect the entire price actually paid or payable for the imported goods, including any amount paid directly or indirectly to or for the benefit of the foreign supplier. It is therefore evident that the declared values in the present case do not reflect the full consideration paid or payable and are consequently liable for rejection under Rule 12 of the Customs Valuation Rules, 2007.

Since the total consideration actually paid/payable is ascertainable from the contemporaneous Italian invoices, digital evidence, and other corroborative records, the declared value appears to be liable for rejection and the correct assessable value is required to be re-determined under Rule 3 of the Customs Valuation Rules, 2007, based on the true price agreed between the parties and reflecting the full commercial value of the imported goods.

11. RE-DETERMINATION OF VALUE

11.1 Upon rejection of the declared transaction value under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, the assessable value of the imported goods is required to be re-determined strictly in accordance with the sequential methodology prescribed under Rules 4 to 9 of the said Rules, as mandated under Rule 3(4). In the present case, authenticated and contemporaneous documentary evidence is available in the form of invoices issued by the original overseas manufacturer-exporter, clearly indicating the actual commercial value of identical goods exported under comparable circumstances. As the contemporaneous price of identical goods exported by the same Italian supplier on the same date to M/s Xclusive Co. Ltd., Hong Kong through whom the impugned consignments were routed to India is readily available and reliable, the provisions of Rule 4 (Transaction Value of Identical Goods) squarely apply to the present case.

11.2 The invoices issued by M/s Figli Gemignani & Vanelli S.R.L., Italy, namely Invoice Nos. 10/E, 9/E, 11/E and 12/E, all dated 15.03.2024, constitute primary, contemporaneous, and credible evidence of the price actually charged by the manufacturer-exporter for identical Satvario/STATUARIETTO marble blocks/slabs. These invoices uniformly reflect a commercial price of EUR 1,060 per MT, demonstrating that identical goods of the same quality, grade, dimensions, and commercial characteristics were exported from Italy and subsequently routed to India through M/s Xclusive Co. Ltd., Hong Kong an offshore entity operated and controlled by Shri Piyush Nolakha. These invoices represent genuine arm's-length transactions and fulfil all statutory conditions stipulated under *Rule 4(1) and Rule 4(2)* for acceptance as the transaction value of identical goods.

11.3 Accordingly, the assessable value of the impugned consignments is proposed to be re-determined under Rule 4, based on the clearly established transaction value of identical goods exported by the original supplier, at EUR 1,060 per MT, subject to permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable.

11.4 In the alternative, and without prejudice to the above, even if it is hypothetically assumed that the application of Rule 4 is not feasible for any reason, the assessable value would in any event be determinable under the provisions of Rule 9 (Residual Method). This is because the commercial documentation obtained from the Italian exporter, coupled with the evidence recovered from the electronic devices of Shri Piyush Nolakha, unambiguously demonstrates that the true transaction value of the imported goods is EUR 1,060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable, and not the grossly suppressed value of USD 305 per MT declared by the importer. Under Rule 9, the value must be determined using reasonable means consistent with the principles and general provisions of the Valuation Rules and Section 14 of the Customs Act, 1962, which again leads to the same conclusion namely, that the actual commercial value of the goods is EUR 1060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable.

11.5 Accordingly, for the purposes of Section 14 of the Customs Act, 1962, the assessable value of the impugned Satvario/ STATUARIETTO Marble Blocks/Slabs is proposed to be re-determined at EUR 1060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable, being the true price paid or payable for the goods in the ordinary course of international trade.

11.6 Further, it is observed that the importer had been consistently importing similar goods from the same overseas suppliers and at identical declared prices. This recurring pattern indicates that, even in respect of the earlier consignments, the importer appears to have adopted the same modus operandi, involving deliberate mis-declaration of the description of the goods and suppression of the actual assessable value in relation to imported marble blocks/slabs. The repeated uniformity of the declared values, when examined in conjunction with the contemporaneous evidence unearthed during the investigation, reinforces the conclusion that the earlier consignments were likewise undervalued through partial and concealed payments made outside the declared banking channels. Accordingly, applying the same rationale and valuation principles, the correct assessable value of the consignments listed in **Table-A**, imported by the Noticee in the past through per Bill of Entries (**RUD-15**), has also been re-determined on the same basis at EURO 1060 per MT plus permissible adjustments under Rule 10 for freight, insurance, handling, and other associated charges as applicable, derived from the contemporaneous Italian invoices, digital evidence, and other corroborative records, in terms of Section 14 of the Customs Act, 1962, read with Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007. Consequently, the differential customs duty arising due to such re-determination of assessable value is liable to be recovered from the importer under Section 28(4) of the Customs Act, 1962, along with interest under Section 28AA, and rendering the importer liable for penal action under Sections 112(a), 114A and 114AA of the Customs Act, 1962.

Table-A

Sr. No.	Bill of Entry No & date	Name Of Foreign Supplier	Declared Assessable value (CIF) in Rs.as per BOE
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1	2	3	4
1	2253718 dt. 06.01.2021	M/s. Baysalli Tekstil Makina San Ve Distic Ltd. Sti, Turkey	3,49,334
2	2640877 dt. 05.02.2021	M/s. Elite International Hongkong	18,24,253
3	2997901 dt. 03.03.2021	M/s. Elite International Hongkong	16,87,940
4	4127757 dt. 29.05.2021	M/s. Elite International Hongkong	11,60,711
5	5368703 dt. 09.09.2021	M/s. Settipani Srl Via Commendatore Navarra, Italy	24,89,232
6	6000750 dt. 26.10.2021	M/s. Royal Trade Dis Tic. Ltd. Sti Muratreis Mah. Yan Sok. Kesici Apt., Turkey	8,64,057
7	6179587 dt. 09.11.2021	M/s. Elite International Hongkong	21,41,517
8	6257109 dt. 15.11.2021	M/s. Blue Eye Stone Ltd., Taiwan	10,26,968
9	6904822 dt. 31.12.2021	M/s. Stay Star Madencilik Sanayi Ticaret, Turkey	4,04,188
10	6992897 dt. 07.01.2022	M/s. Elite International Hongkong	21,68,457
11	7964144 dt. 22.03.2022	M/s. Elite International Hongkong	12,08,717
12	7961577 dt. 22.03.2022	M/s. Elite International Hongkong	15,07,361
13	8927502 dt. 01.06.2022	M/s. Blue Eye Stone Ltd., Taiwan	11,39,804
14	9641606 dt. 20.07.2022	M/s. Dipika Gems, Hong Kong	7,43,297
15	2137321 dt. 24.08.2022	M/s. Elite International Hongkong	13,56,090
16	2362280 dt. 09.09.2022	M/s. D P Designs Ltd., Hong Kong	16,08,836
17	3512208 dt. 29.11.2022	M/s. Elite International Hongkong	24,33,622
18	3512276 dt. 29.11.2022	M/s. Elite International Hongkong	8,12,740
19	3512307 dt. 29.11.2022	M/s. Elite International Hongkong	22,26,842
20	9396579 dt. 25.12.2023	M/s. ETG Grup Tekstil Makina Ltd., Turkey	17,30,447

21	9722925 dt. 18.01.2024	M/s. Tasdelen Global Tekstil Ve Makina Li, Turkey	3,89,354
22	2191222 dt. 17.02.2024	M/s. Villa Morae Co Ltd.Hong Kong	5,83,291
23	2848984 dt. 02.04.2024	M/s. Villa Morae Co Ltd.Hong Kong	8,08,747
24	3691909 dt. 27.05.2024	M/s. Xclusive Co Ltd. Hong Kong	16,68,108
25	4718111 dt. 26.07.2024	M/s. Xclusive Co Ltd. Hong Kong	12,81,402
26	5399149 dt. 03.09.2024	M/s. Xclusive Co Ltd. Hong Kong	14,93,877
27	5693210 dt. 19.09.2024	M/s. Mst Rock Makina Ve Ticaret Ltd. Turkey	21,69,988
28	5615065 dt. 14.09.2024	M/s. Xclusive Co Ltd. Hong Kong	6,95,531
29	5947517 dt. 04.10.2024	M/s. Xclusive Co Ltd. Hong Kong	25,42,848
Total			4,05,17,558

11.7. The invoice No.12/E retrieved from the mobile phone of Shri Piyush Nolakha revealed that the same had been issued on 15.03.2024 by M/s Figli Gemignani & Vanelli S.R.L., Italy, to M/s Xclusive Co. Ltd., Hong Kong, for the dispatch of *Satvario (STATUARIETTO) Marble Blocks* valued at EURO 1060 per MT. Subsequently, M/s Xclusive Co. Ltd., Hong Kong issued Invoice No. XC/INV/127/23-24 dated 29.03.2024, dispatching the same goods at a declared value of USD 305 per MT. Accordingly, the rate of marble blocks in USD per MT was derived as under:

Table-B

B S O E N & o. da te		Rate of Satvario (STA TUARIETTO) Marble Blocks/PMT as Per In voice issued by M/s Xcl usive Co. Ltd., Hong K ong to M/s. Wonder M arble Suppliers	Rate of Satvario (STATUAR IETTO) Marble Blocks/PM T as Per Invoice no.12/E dat ed 15.03.2024 issued by M/s Figli Gemignani & Vanelli S .R.L., Italy to M/s Xclusive Co. Ltd., Hong Kong	Exchange rate of Euro on 27.0 5.2024 i.e., on d ate of Bill of en try filed by M/s . Wonder Mar ble Suppliers	Value of S atvario (S TUAR IETTO) Marble Bl ocks/PM T in Rupees	Exchange rate of USD on 27.0 5.2024 i.e., on d ate of Bill of en try filed by M/s . Wonder Mar ble Suppliers	Rate of Sa tvario (ST ATUARIE TTO) Mar ble Blocks/ PMT in U SD (6 ÷ 7)
1	2	3	4	5	6 (6=4X5)	7	8 (8=6/7)
		36 91 90 9					

1 dt. 27 .0 5. 20 24	305 USD/PMT	1060 EURO/PMT	Rs.92.6	Rs.98156/ PMT	Rs.84.35	1163.67 U SD/PMT
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11.8 The assessable value (CIF) have been recalculated (**Table- C**) by re-determining the actual value of Marble Block as **1163.67 USD** Per/MT based on the invoice No.12/E dated 15.03.2024 by the Italian supplier, M/s Figli Gemignani & Vanelli S.R.L., Italy to M/s Xclusive Co. Ltd., Hong Kong.

Table-C

Sl. No	BOE & Date	Rate of Marble block P/ MT in USD	Qty. In MT	Value in USD	Exchange Rate of USD/EUR on the date of filing of BOE	Value in Rs.	Freight in USD	Exchange Rate of USD/EUR on the date of filing of BOE	Freight in Rs	Freight in Rs	Value + freight in Rs	11x1.125% (Insurance)	CIF Value	Rate of Marble block P/MT in USD as per BOE
1	2	3	4	5=3X4	6	7=5X6	8	9	10=8X9	11=7+10	12		13	14
1	22537 18 dt. 06.01. 2021	1163 .67	23.2	26997.1 4	74.45	20,0 9,93 7	-	74	-	-	20,09,937	22,612	20,32,549	200 U SD
2	26408 77 dt. 05.02. 2021	1163 .67	96.9	112759. 62	73.8	83,2 1,66 0	3,700	74	2,73,060	85,94,720	96,691	86,91,411	214.5 0 USD	
3	29979 01 dt. 03.03. 2021	1163 .67	59	68656.5 3	73.7	50,5 9,98 6	2,820	74	2,07,834	52,67,820	59,263	53,27,083	315.2 5 USD	
4	41277 57 dt. 29.05. 2021	1163 .67	49.68	57811.1 3	74.1	42,8 3,80 4	2,602	74	1,92,808	44,76,613	50,362	45,26,975	260 U SD	
5	53687 03 dt. 09.09. 2021	1163 .67	164	190841. 88	74.5	1,42 .17, 720	6,000	75	4,47,000	1,46,64,720	1,64,978	1,48,29,698	140 E URO	
6	60007 50 dt. 26.10. 2021	1163 .67	54.86	63838.9 4	77	49,1 5,59 8	-	77	-	49,15,598	55,300	49,70,899	175 E URO	
7	61795 87 dt. 09.11. 2021	1163 .67	98.74	114900. 78	75.55	86,8 0,75 4	5,380	76	4,06,459	90,87,213	1,02,231	91,89,444	230 U SD	
8	62571 09 dt. 15.11. 2021	1163 .67	67.21	78210.2 6	75.55	59,0 8,78 5	-	76	-	59,08,785	66,474	59,75,259	200 U SD	
9	69048 22 dt. 31.12. 2021	1163 .67	25.74	29952.8 7	77.15	23,1 0,86 4	1,725	77	1,33,084	24,43,947	27,494	24,71,442	135 U SD	
10	69928 97 dt. 07.01. 2022	1163 .67	90.8	105661. 24	75.4	79,6 6,85 7	5,804	75	4,37,622	84,04,479	94,550	84,99,029	250 U SD	
11	79641 44 dt. 22.03. 2022	1163 .67	46.99	54680.8 5	76.9	42,0 4,95 8	2,888	77	2,22,087	44,27,045	49,804	44,76,849	270 U SD	

12	79615 77 dt. 22.03. 2022	1163 .67	56.98	66305.9 2	76.9 50,9 8,92 5	4,332	77	3,33,131	54,32,056	61,111	54,93,166	265 U SD
13	89275 02 dt. 01.06. 2022	1163 .67	71.7	83435.1 4	78.6 65,5 8,00 2	-	79	-	65,58,002	73,778	66,31,779	200 U SD
14	96416 06 dt. 20.07. 2022	1163 .67	27.78	32326.7 5	79.9 25,8 2,90 8	2,280	80	1,82,149	27,65,056	31,107	27,96,163	250 U SD
15	21373 21 dt. 24.08. 2022	1163 .67	49.09	57124.5 6	80.5 45,9 8,52 7	2,946	81	2,37,153	48,35,680	54,401	48,90,082	280 U SD
16	23622 80 dt. 09.09. 2022	1163 .67	54.1	62954.5 5	80.45 50,6 4,69 3	4,406	80	3,54,463	54,19,156	60,966	54,80,122	285 U SD
17	35122 08 dt. 29.11. 2022	1163 .67	89.7	104381. 2	82.6 86,2 1,88 7	2,250	83	1,85,850	88,07,737	99,087	89,06,824	300 U SD
18	35122 76 dt. 29.11. 2022	1163 .67	29.47	34293.3 5	82.6 28,3 2,63 1	750	83	61,950	28,94,581	32,564	29,27,145	305 U SD
19	35123 07 dt. 29.11. 2022	1163 .67	79.5	92511.7 7	82.6 76,4 1,47 2	3,243	83	2,67,872	79,09,344	88,980	79,98,324	295 U SD
20	93965 79 dt. 25.12. 2023	1163 .67	102.1	118810. 71	83.8 99,5 6,33 7	-	84	-	99,56,337	1,12,009	1,00,68,346	200 U SD
21	97229 25 dt. 18.01. 2024	1163 .67	22.85	26589.8 6	84.25 22,4 0,19 6	-	84	-	22,40,196	25,202	22,65,398	200 U SD
22	21912 22 dt. 17.02. 2024	1163 .67	21.73	25286.5 5	83.9 21,2 1,54 1	250	84	20,975	21,42,516	24,103	21,66,620	305 U SD
23	28489 84 dt. 02.04. 2024	1163 .67	30	34910.1	84 29,3 2,44 8	375	84	31,500	29,63,948	33,344	29,97,293	305 U SD
24	36919 09 dt. 27.05. 2024	1163 .67	58.12	67632.5	84.35 57,0 4,80 1	1,850	84	1,56,048	58,60,849	65,935	59,26,783	305 U SD
25	47181 11 dt. 26.07. 2024	1163 .67	43.95	51143.3	84.55 43,2 4,16 6	1,600	85	1,35,280	44,59,446	50,169	45,09,614	305 U SD
26	53991 49 dt. 03.09. 2024	1163 .67	51.96	60464.2 9	84.85 51,3 0,39 5	1,580	85	1,34,063	52,64,458	59,225	53,23,683	305 U SD
27	56932 10 dt. 19.09. 2024	1163 .67	126.37	147052. 98	84.9 1,24 .84, 798	-	85	-	1,24,84,798	1,40,454	1,26,25,252	200 U SD
28	56150 65 dt. 14.09. 2024	1163 .67	24	27928.0 8	84.9 23,7 1,09 4	790	85	67,071	24,38,165	27,429	24,65,594	305 U SD
29	59475 17 dt. 04.10. 2024	1163 .67	86.79	100994. 92	84.85 85,6 9,41 9	3,200	85	2,71,520	88,40,939	99,461	89,40,399	305 U SD
Total			1,8 03	20, 98,458	16, 67, 15, 164	60,771		47,58,977	17,14,74,14 2	19,29,08 4	17,34,03,2 26	

11.9 Further, the revised duty liability taking the re-determined assessable value, the Freight and Insurance as applicable, has been worked out as **detailed in Table-D (in Col. No.11)**:

Table-D
[All Values in INR]

Sl. No.	Bill No & date	Name Of Foreign Supplier	Declared Assessable value (CIF) in Rs. as per BOE	Applicable Purchase Value (CIF) (converted Euro/USD to INR as per applicable exchange rate) as per col. No.13 of Table-C	Differential Assessable Value (CIF)	BCD @40 % on differential Value	SWS 10% of BCD	Value for Determining IGST	IGST @ 12%	Total Duty short Paid
1	2	3	4	5	6=4-5	7=6X40%	8=7X10%	9= (6+7+8)	10=9X12%	11= 7+8+10
1	2253 718 1 dt. 0 6.01. 2021	M/s. Baysal li Tekstil Ma kina San Ve Distic Ltd. S ti, Turkey	3,49, 334	20,32,54 9	16,83 ,215	6,73,28 6	67,32 9	24, 23,830	2,9 0,860	10,31 ,474
2	2640 877 2 dt. 0 5.02. 2021	M/s. Elite I nternational Hongkong	18,24, 253	86,91,41 1	68,67 ,158	27,46,86 3	-	96, 14,021	11,5 3,683	39,00 ,546
3	2997 901 3 dt. 0 3.03. 2021	M/s. Elite I nternational Hongkong	16,87, 940	53,27,08 3	36,39 ,143	14,55,65 7	-	50, 94,801	6,1 1,376	20,67 ,033
4	4127 757 4 dt. 2 9.05. 2021	M/s. Elite I nternational Hongkong	11,60, 711	45,26,97 4	33,66 ,263	13,46,50 5	-	47, 12,769	5,6 5,532	19,12 ,038
5	5368 703 5 dt. 0 9.09. 2021	M/s. Settipa ni Srl Via C ommendator e Navarra, It aly	24,89, 232	1,48,29,69 8	1,23,40 ,466	49,36,18 6	-	1,72, 76,652	20,7 3,198	70,09 ,385
6	6000 750 6 dt. 2 6.10. 2021	M/s. Royal Trade Dis Ti c. Ltd. Sti M uratres Ma h. Yan Sok. Kesici Apt., Turkey	8,64, 057	49,70,89 9	41,06 ,842	16,42,73 7	-	57, 49,578	6,8 9,949	23,32 ,686

6179 587 7 dt. 0 9.11. 2021	M/s. Elite International Hongkong	21,41, 517	91,89,44 4	70,47 ,927	28,19,17 1	-	98, 67,097	11,8 4,052	40,03 ,222
6257 109 8 dt. 1 5.11. 2021	M/s. Blue Eye Stone Ltd., Taiwan	10,26, 968	59,75,25 9	49,48 ,291	19,79,31 6	-	69, 27,607	8,3 1,313	28,10 ,629
6904 822 9 dt. 3 1.12. 2021	M/s. Stay Star Madencilik Sanayi Ticaret, Turkey	4,04, 188	24,71,44 2	20,67 ,254	8,26,90 2	-	28, 94,155	3,4 7,299	11,74 ,200
6992 897 10 dt. 0 7.01. 2022	M/s. Elite International Hongkong	21,68, 457	84,99,02 9	63,30 ,572	25,32,22 9	-	88, 62,801	10,6 3,536	35,95 ,765
7964 144 11 dt. 2 2.03. 2022	M/s. Elite International Hongkong	12,08, 717	44,76,84 9	32,68 ,132	13,07,25 3	-	45, 75,385	5,4 9,046	18,56 ,299
7961 577 12 dt. 2 2.03. 2022	M/s. Elite International Hongkong	15,07, 361	54,93,16 6	39,85 ,805	15,94,32 2	-	55, 80,128	6,6 9,615	22,63 ,937
8927 502 13 dt. 0 1.06. 2022	M/s. Blue Eye Stone Ltd., Taiwan	11,39, 804	66,31,77 9	54,91 ,975	21,96,79 0	-	76, 88,765	9,2 2,652	31,19 ,442
9641 606 14 dt. 2 0.07. 2022	M/s. Dipika Gems, Hong Kong	7,43, 297	27,96,16 3	20,52 ,866	8,21,14 6	-	28, 74,013	3,4 4,882	11,66 ,028
2137 321 15 dt. 2 4.08. 2022	M/s. Elite International Hongkong	13,56, 090	48,90,08 2	35,33 ,992	14,13,59 7	-	49, 47,588	5,9 3,711	20,07 ,307
2362 280 16 dt. 0 9.09. 2022	M/s. D P Designs Ltd., Hong Kong	16,08, 836	54,80,12 2	38,71 ,286	15,48,51 4	-	54, 19,800	6,5 0,376	21,98 ,890
3512 208 17 dt. 2 9.11. 2022	M/s. Elite International Hongkong	24,33, 622	89,06,82 4	64,73 ,202	25,89,28 1	-	90, 62,483	10,8 7,498	36,76 ,779
3512 276 18 dt. 2 9.11. 2022	M/s. Elite International Hongkong	8,12, 740	29,27,14 5	21,14 ,405	8,45,76 2	-	29, 60,167	3,5 5,220	12,00 ,982
3512 307 19 dt. 2	M/s. Elite International	22,26,	79,98,32	57,71	23,08,59	-	80,	9,6	32,78

	9.11. 2022	Hongkong	842	4	,482	3		80,074	9,609	,202
20	9396 579 dt. 2 5.12. 2023	M/s. ETG G rup Tekstil Makina Ltd. , Turkey	17,30, 447	1,00,68,34 6	83,37 ,899	33,35,16 0	-	1,16, 73,059	14,0 0,767	47,35 ,927
21	9722 925 dt. 1 8.01. 2024	M/s. Tasdel en Global Te kstil Ve Mak ina Li, Turk ey	3,89, 354	22,65,39 8	18,76 ,044	7,50,41 8	-	26, 26,461	3,1 5,175	10,65 ,593
22	2191 222 dt. 1 7.02. 2024	M/s. Villa M orae Co Ltd. Hong Kong	5,83, 291	21,66,62 0	15,83 ,329	6,33,33 2	-	22, 16,661	2,6 5,999	8,99 ,331
23	2848 984 dt. 0 2.04. 2024	M/s. Villa M orae Co Ltd. Hong Kong	8,08, 747	29,97,29 3	21,88 ,546	8,75,41 8	-	30, 63,964	3,6 7,676	12,43 ,094
24	3691 909 dt. 2 7.05. 2024	M/s. Xclusi ve Co Ltd. H ong Kong	16,68, 108	59,26,78 3	42,58 ,676	17,03,47 0	-	59, 62,146	7,1 5,458	24,18 ,928
25	4718 111 dt. 2 6.07. 2024	M/s. Xclusi ve Co Ltd. H ong Kong	12,81, 402	45,09,61 4	32,28 ,212	12,91,28 5	-	45, 19,497	5,4 2,340	18,33 ,625
26	5399 149 dt. 0 3.09. 2024	M/s. Xclusi ve Co Ltd. H ong Kong	14,93, 877	53,23,68 3	38,29 ,806	15,31,92 3	-	53, 61,729	6,4 3,407	21,75 ,330
27	5693 210 dt. 1 9.09. 2024	M/s. Mst R ock Makina Ve Ticaret Lt d. Turkey	21,69, 988	1,26,25,25 2	1,04,55 ,264	41,82,10 6	-	1,46, 37,369	17,5 6,484	59,38 ,590
28	5615 065 dt. 1 4.09. 2024	M/s. Xclusi ve Co Ltd. H ong Kong	6,95, 531	24,65,59 4	17,70 ,063	7,08,02 5	-	24, 78,089	2,9 7,371	10,05 ,396
29	5947 517 dt. 0 4.10. 2024	M/s. Xclusi ve Co Ltd. H ong Kong	25,42, 848	89,40,39 9	63,97 ,551	25,59,02 1	-	89, 56,572	10,7 4,789	36,33 ,809
		Total	4,05,17, 558	17,34,03,22 6	13,28,85 ,668	5,31,54,26 729	67,3	18,61, 07,263	2,23,32 ,872	7,55,54 ,467

* SWS exempted on marble blocks of CTH 25151210, w.e.f. 02.02.2021 vide notf.No.14/2021
dt.01.02.2024

12. *In view of the foregoing facts and the evidence placed on record, the total assessable value of the imported goods, upon re-determination in terms of Section 14 of the Customs Act, 1962 read with Rule 3 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, appears to be ₹17,34,03,226/- Consequently, the differential customs duty works out to ₹ 7,55,54,467/-, as detailed in the computation table above.*

The modus operandi adopted by the Noticee in collusion with Shri Piyush Nolakha involved: (i) procuring genuine invoices from the actual Italian suppliers reflecting the true value of the imported marble blocks; (ii) deliberately suppressing these genuine invoices and instead presenting undervalued invoices issued through the Hong Kong-based conduit entities before Customs authorities; (iii) remitting the differential and illicit foreign exchange to these conduit companies under the false pretext of import-related service payments; and (iv) thereby systematically undervaluing the imported goods, suppressing the actual assessable value, and evading legitimate customs duty.

The deliberate use of these overseas entities incorporated, owned, and controlled by Shri Piyush Nolakha—for unauthorized foreign remittances, coupled with the intentional undervaluation of imports, clearly establishes a planned, coordinated, and fraudulent scheme devised to mislead Customs authorities and appears to have resulted in the evasion of lawful duty liability amounting to ₹ 7,55,54,467 by M/s Wonder Marble Suppliers (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542, merits to be recovered under the provisions of Section 28(4) of the Customs act, 1962.

13. *In view of the above findings, it prima facie appears that the Noticee mis declared and undervalued the imported goods by suppressing the actual transaction value and by intentionally presenting fabricated and undervalued invoices routed through Hong Kong-based conduit entities. Such misdeclaration of the value of imported goods renders the goods liable for confiscation under Section 111(m) of the Customs Act, 1962, as the declared value does not represent the price actually paid or payable and is inconsistent with the provisions of Section 14 of the Customs Act, 1962 read with the Customs Valuation Rules, 2007.*

14. *Further, by intentionally suppressing the genuine supplier invoices, fabricating and utilizing undervalued invoices, and engaging in unauthorized outward remittances under the false pretext of import-related service payments, the Noticee has wilfully attempted to evade customs duty. Such acts constitute contravention of the provisions of the Customs Act, 1962, and render the Noticee liable to the payment of duty short-levied, along with applicable interest, under Section 28(4) of the Customs Act, 1962, as the undervaluation appears to have been carried out by way of collusion, deliberate misstatement, and suppression of facts. Mrs. Vinita Sindulia, being Proprietor of M/s Wonder Marble Suppliers, (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542, is thus, liable for penalty Section 114A of the Customs Act, 1962.*

15. *The acts of presenting undervalued invoices, suppressing genuine commercial documents,*

and causing evasion of duty fall squarely within the ambit of Section 112(a) of the Customs Act, 1962. The Noticee, having undertaken and abetted acts and omissions which rendered the goods liable for confiscation under Section 111(m), is therefore liable to penalty under Section 112(a) for knowingly engaging in and facilitating the evasion of customs duty.

16. *It further appears that the Noticee wilfully used false and fabricated documents namely undervalued invoices generated through overseas entities controlled by Shri Piyush Nolakha before the Customs authorities, knowing or having reason to believe that the said documents were false and did not represent the actual transaction value. Such conduct attracts the penal provisions of Section 114AA of the Customs Act, 1962, which provide for penalty for the use of false and incorrect material, statements, or declarations in any Customs-related proceeding.*

17. *Whereas, the investigation has revealed that Shri Piyush Nolakha knowingly enabled and assisted M/s Wonder Marble Suppliers (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542, in suppressing the actual transaction value and in mis declaring the description/classification of the imported marble blocks. It further appears that Shri Piyush Nolakha, through the deliberate creation and control of overseas conduit entities such as M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., Hong Kong, facilitated the issuance of undervalued invoices and enabled the routing of unauthorized foreign remittances under the false cover of international trade transactions. The evidence on record shows that these entities were intentionally established and operated by him for the purpose of laundering foreign exchange, concealing the true value of the imports, and thereby facilitating evasion of customs duty by the importer. By engaging in acts and omissions which rendered the goods liable to confiscation under Section 111(m) of the Customs Act, 1962, and by knowingly using and causing to be used false and fabricated documents before Customs authorities, Shri Piyush Nolakha appears to be liable for penal action under Sections 112(a) and 114AA of the Customs Act, 1962.*

18. *Now, therefore, M/s Wonder Marble Suppliers (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542, through its Proprietor, Mrs. Vinita Sindulia is hereby required to show cause to the Commissioner of Customs, Customs House, Mundra, within 30 (thirty) days of the receipt of this Show Cause Notice, as to why:*

(i) *The declared assessable value of ₹4,05,17,558/-, as indicated in Table-D (Column No. 4), should not be rejected under Section 14 of the Customs Act, 1962 read with Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007, and why the re-determined assessable value of ₹17,34,03,226/- as shown in Table-C (Column No. 13), should not be accepted and fixed as per the legal provisions mentioned in Column No. 4 of the table (T-1)below.*

(ii) *The goods having total assessable value of ₹ 17,34,03,226/- (Rs. Seventeen Crore thirty four lakh three thousand two hundred and twenty six only) Table-C (Column No. 13), imported by M/s Wonder Marble Suppliers by undervaluing and mis-declaring them to Customs*

Authorities as discussed supra, should not be held liable for confiscation in terms of Sections 111(m) of the Customs Act, 1962.

(iii) The differential Customs duty amounting to ₹ 7,55,54,467/- (Rs. Seven Crore fifty-five lakh fifty four thousand four hundred and sixty-seven only) as reflected in Table-D (Column No. 11), should not be demanded and recovered from them under Section 28(4) of the Customs Act, 1962, by invoking the proviso to Section 28, on the grounds that the duty was short-levied by reason of collusion, wilful misstatement, and suppression of facts.

(iv) Interest on the said differential customs duty should not be recovered from them under Section 28AA of the Customs Act, 1962, calculated from the first day of the month succeeding the month in which the duty ought to have been paid, until the actual date of payment.

19. Now, therefore, Mrs. Vinita Sindulia, Proprietor of M/s Wonder Marble Suppliers (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542 is hereby required to show cause to the Commissioner of Customs, Customs House, Mundra, within 30 (thirty) days of the receipt of this Show Cause Notice, as to why:

(i) Penalty should not be imposed upon them under Section 114A of the Customs Act, 1962, for having knowingly and wilfully suppressed the actual value of the imported goods and for having caused the evasion of customs duty by way of misdeclaration and undervaluation.

20. Now, therefore, Shri Piyush Nolakha, owner and controller of the overseas entities' M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd., Hong Kong, Shri Piyush Nolakha, Flat No. D-001, Jewel of India, Malviya Nagar, Jaipur-302017, is hereby required to show cause to the Commissioner of Customs, Customs House, Mundra, within 30 (thirty) days of the receipt of this Show Cause Notice, as to why:

(i) Penalty should not be imposed upon him under Section 112(a) of the Customs Act, 1962, for knowingly engaging in and abetting acts and omissions which rendered the imported goods liable for confiscation under Section 111(m) of the Customs Act, 1962; and

(ii) Penalty should not be imposed upon him under Section 114AA of the Customs Act, 1962, for knowingly using and causing to be used false and fabricated invoices and documents before the Customs authorities, with the intent to mislead the Department and facilitate evasion of customs duty.

TABLE T-1

S.No.	Name M/s or S/Shri	In the capacity of	Legal/Penal provisions invoked/ Rules of Customs Valuation (Determination of Valuation of Imported Goods) Rules,2007/ Sections of Customs Act, 1962

(1)	(2)	(3)	(4)
1	M/s Wonder Marble Suppliers (GSTIN: 08BAXPS918D1ZS), G-246, RIICO Industrial Area, Makrana, Bidiyad, Nagaur, Rajasthan-341542	Beneficiary, Proprietorship firm of (Shri Srawan Kumar Sharma, being Authorised person)	a read with Rule 12 of the Customs Valuation (Determination of Valuation of Imported Goods) Rules,2007, Sections,28(4),28AA 111(m),114A of Customs Act, 1962
2	Shri Piyush Nolakha, Flat No. D-001, Jewel of India, Malviya Nagar, Jaipur-302017	Mastermind/Co-Conspirator/ controller of Hong Kong based firms, namely, <i>M/s Villa Morae Co. Ltd. and M/s Xclusive Co. Ltd. etc.</i>	112 (a) &114AA of Customs Act, 1962

21. The noticees should clearly state in their written replies to this notice as to whether they desire to be heard in person or through their legal representative before the adjudicating authority. If no reply to this notice is received from them within 30 days from the date of receipt of this notice or if they fail to appear for the personal hearing on the date and time intimated to them, the case is liable to be decided on the basis of the evidence available and merits, without any further reference to them.

22. If no cause is shown against the action proposed to be taken against them within the stipulated period as shown above, or if they fail to appear before the adjudicating authority when the case is posted for hearing, the case will be decided *ex parte* on the basis of pieces of evidence available on the record.

23. The department reserves the right to add, alter, amend, modify, or supplement this notice at any time on the basis of any evidence which may come to the notice of the department after the issue of this notice and prior to adjudication of the case.

24. This Show Cause-cum-Demand Notice is issued under the Customs Act, 1962 without prejudice to any other action that may be taken against the noticees 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.

25. The noticees also have an option to avail provisions of Chapter XIVA Settlement of Cases of the Customs Act, 1962 to settle their case through the Settlement Commission by filing an application if desired and eligible.

Enclosures: RUDs and Annexure-A (List of RUDs)

(Nitin Sain)
Commissioner of Customs
Customs House, Mundra

Show Cause Notice No. 40/2025-26/COMM/N.S./Adjn/MCH Date:29-12-2025**By Speed Post A.D./E-mail To: -**

Noticees;

1. Mrs. Vinita Sindulia , Proprietor,
M/s Wonder Marble Suppliers,
(GSTIN: 08BAXPS918D1ZS),
G-246, RIICO Industrial Area, Makrana,
Bidiyad, Nagaur, Rajasthan-341542

2. Shri Piyush Nolakha, Flat No. D-001,
Jewel of India, Malviya Nagar,
Jaipur-302017

Copy to:

1. The Commissioner of Customs (Preventive) Jodhpur, Hqrs. At Jaipur, Rajasthan
Guard File