

	<b>सीमा शुल्क के प्रधान आयुक्त का कार्यालय</b> <b>सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात</b> <b>OFFICE OF THE PRINCIPAL COMMISSIONER</b> <b>OF CUSTOMS</b> <b>CUSTOMS HOUSE, MUNDRA, KUTCH,</b> <b>GUJARAT</b> <b>Phone No.02838-271165/66/67/68</b> <b>FAX.No.02838-271169/62,</b> <b>Email-adj-mundra@gov.in</b>	
<b>A. फ़ाइल संख्या/File No.</b>	: GEN/ADJ/ADC/307/2025-Adjn-O/o Pr. Commr-Cus-Mundra	
<b>B. जारीकर्ता /Passed by</b>	: Amit Kumar Mishra, Additional Commissioner of Customs, Customs House, AP & SEZ, Mundra.	
<b>C. Noticee(s)/Party/Importer</b> नोटिसकर्ता/पार्टी/आयातक	: <b>M/s A.A. Cable Layers (IEC-AARFA0902A) and others.</b>	
<b>D. DIN/ दस्तावेज़ पहचान संख्या</b>	: 20250171MO0000666C4C	
<b>E. Date of issue</b>	: 28.01.2025	

**SHOW CUASE NOTICE**

**UNDER SECTION 124 OF THE CUSTOMS ACT, 1962**

**Subject: Seizure of Kerosene conforming to IS 1459 and Gas Oil.**

1. A specific intelligence was garnered that M/s A.A. Cable Layers (IEC-AARFA0902A) Mohalla Asdullahpur, Milak, Milak- 244901 (hereinafter referred to as the “importer” or “AA Cable”) were importing restricted products falling under Customs Tariff Heading (CTH) 2710 which, as per the import policy can be imported by State Trading Enterprises (STEs) only. All goods, import of which is permitted only with an Authorisation /Permission/ License or in accordance with the procedure prescribed in a notification / public notice are ‘Restricted’ goods. Restricted items are importable under certain conditions with the necessary approvals from the relevant CA. According to intelligence, the said entities were resorting to the said illicit import by mis-declaring the consignments as “*Mix/Mixed Hydrocarbon Oil (MHO) Or Mixed Hydrocarbon Oil (For Industrial Use Only)*” and mis-classifying them under Customs Tariff Item (CTI) 27101990 wherein the import policy is “Free”. Acting on the said intelligence 66 containers covered under 5 Bills of Entry, pertaining to the importer were put on hold by DRI Noida Regional Unit (hereinafter referred to as “DRI”) for examination by officers of DRI on 29.01.2024 for examination. The details of the containers are given as below:

Sl. No.	BE Number	BE date	Name of the Importer	Container Number	CHA
1	9783769	23-01-2024	A.A. Cable Layers	APZU3171135	Continental Shipping
2		23-01-2024	A.A. Cable Layers	ASLU5009124	

3		23-01-2024	A.A. Cable Layers	ASLU5011374	
4		23-01-2024	A.A. Cable Layers	ASLU5016587	
5		23-01-2024	A.A. Cable Layers	ASLU5023082	
6		23-01-2024	A.A. Cable Layers	ASLU5031703	
7		23-01-2024	A.A.Cable Layers	ASLU5035421	
8		23-01-2024	A.A.Cable Layers	ASLU5038821	
9		23-01-2024	A.A.Cable Layers	ASLU5045883	Service
10		23-01-2024	A.A.Cable Layers	ASLU5047124	
11		23-01-2024	A.A.Cable Layers	ASLU5050344	
12		23-01-2024	A.A.Cable Layers	BSIU3176372	
13		23-01-2024	A.A.Cable Layers	GLDU2941510	
14		23-01-2024	A.A.Cable Layers	TCKU3947555	
15		23-01-2024	A.A.Cable Layers	ASLU5003358	
16		23-01-2024	A.A.Cable Layers	ASLU5004550	
17		23-01-2024	A.A.Cable Layers	ASLU5004610	
18		23-01-2024	A.A.Cable Layers	ASLU5049744	
19		23-01-2024	A.A.Cable Layers	ASLU5057884	
20	9783627	23-01-2024	A.A.Cable Layers	CSCU3032348	Continental Shipping Service
21		23-01-2024	A.A.Cable Layers	IPXU2118461	
22		23-01-2024	A.A.Cable Layers	OOLU1231300	
23		23-01-2024	A.A.Cable Layers	ASLU5028778	
24		23-01-2024	A.A.Cable Layers	ASLU5044790	
25		23-01-2024	A.A.Cable Layers	TCLU2354418	
26		23-01-2024	A.A.Cable Layers	TTNU3555680	
27		21-01-2024	A.A.Cable Layers	ASLU5020822	
28		21-01-2024	A.A.Cable Layers	ASLU5038210	
29		21-01-2024	A.A.Cable Layers	ASLU5043710	
30		21-01-2024	A.A.Cable Layers	ASLU5046853	
31		21-01-2024	A.A.Cable Layers	ASLU5047356	
32		21-01-2024	A.A.Cable Layers	ASLU5049343	
33	9765080	21-01-2024	A.A.Cable Layers	CRSU1326852	Gaurav M. Jhaveri
34		21-01-2024	A.A.Cable Layers	IALU2249864	
35		21-01-2024	A.A.Cable Layers	TLLU2696851	
36		21-01-2024	A.A.Cable Layers	MEDU2383663	
37		21-01-2024	A.A.Cable Layers	TCLU2515359	
38		21-01-2024	A.A.Cable Layers	TRDU7809500	
39		21-01-2024	A.A.Cable Layers	TRHU2527216	
40		21-01-2024	A.A.Cable Layers	VSTU2008995	
41	9765081	21-01-2024	A.A.Cable Layers	CSCU3028754	Gaurav M. Jhaveri
42		21-01-2024	A.A.Cable Layers	ASLU5025450	
43		21-01-2024	A.A.Cable Layers	ASLU5051802	
44		21-01-2024	A.A.Cable Layers	ASLU5050220	
45		21-01-2024	A.A.Cable Layers	CNSU2017505	
46		21-01-2024	A.A.Cable Layers	CRXU1827624	

47		21-01-2024	A.A.Cable Layers	TCKU1962822	
48		21-01-2024	A.A.Cable Layers	UNDU5012018	
49		21-01-2024	A.A.Cable Layers	ASLU5018342	
50		21-01-2024	A.A.Cable Layers	ASLU5023267	
51		21-01-2024	A.A.Cable Layers	ASLU5023415	
52		21-01-2024	A.A.Cable Layers	ASLU5024094	
53		23-01-2024	A.A.Cable Layers	ASLU2199118	
54		23-01-2024	A.A.Cable Layers	ASLU5013382	
55		23-01-2024	A.A.Cable Layers	ASLU5023673	
56		23-01-2024	A.A.Cable Layers	ASLU5025085	
57		23-01-2024	A.A.Cable Layers	ASLU5037384	
58		23-01-2024	A.A.Cable Layers	ASLU5057159	
59	9788458	23-01-2024	A.A.Cable Layers	ASLU5058601	Continental Shipping Service
60		23-01-2024	A.A.Cable Layers	BSIU2861181	
61		23-01-2024	A.A.Cable Layers	ASLU5064395	
62		23-01-2024	A.A.Cable Layers	BSIU3002679	
63		23-01-2024	A.A.Cable Layers	MEDU2173013	
64		23-01-2024	A.A.Cable Layers	TCLU3676595	
65		23-01-2024	A.A.Cable Layers	TCLU3882410	
66		23-01-2024	A.A.Cable Layers	VSBU2016950	

2. Thereafter, the said containers covered under the above-mentioned 5 Bills of Entry were subjected to examination on 02.02.2024 and 03.02.2024 in the presence of the following persons/representatives detailed below:

S.no	Bill Of Entry No	No Of container	Examination date	CHA/ Authorised Representative	Container Freight Station	Representative of CFS
1	9765080 Dt. 21.01.2024	14	02.02.2024	Shri Rafiq Odheja, authorized representative of M/s Gaurav M Jhaveri	CWC CFS Mundra	Shri Anil Tiwari, Manager Operations
2	9765081 Dt. 21.01.2024	12	02.02.2024			
3	9788458 Dt. 23.01.2024	14	03.02.2024	Shri Sayed Salim, G Card Holder of M/s Continental Shipping Services	Mundra CFS	Shri Gurpreet Singh, Sr. manager Operation
4	9783769 Dt. 23.01.2024	14	03.02.2024			
5	9783627 Dt. 23.01.20	12	03.02.2024			

**2.1** And whereas, during the examination, Shri Rafiq Odheja, Authorized Representative of M/s Gaurav M Jhaveri and Shri Sayed Salim, 'G' Card Holder of M/s Continental Shipping Services provided the relevant documents viz Bills of Entry along with the corresponding Invoice and packing list (ANALYSIS REPORTS) **(RUD 01 to 05)** The details of the consignments as per the documents provided are detailed as under:

S.N O	Bill Of Entry No	Goods Description (as per Bill of Entry)	Name of the Supplier (as per Bill of Entry)	Chapter Heading (as per Bill of Entry)	Ass. Value (In Rupees)	Gross Weight (KGs)
1	9765080 Dt. 21.01.2024	Mixed Hydrocarbon Oil	M/s Ecofuel Nexus FZC	27101990	1,04,83,148/ -	271090
2	9765081 Dt. 21.01.2024			27101990	90,49,052/-	233990
3	9788458 Dt. 23.01.2024	Mixed Hydrocarbon Oil (For Industrial Use Only)	M/s Swathi Smart Ventures FZC	27101990	1,16,15,822/ -	270350
4	9783769 Dt. 23.01.2024			27101990	1,14,99,620/ -	267670
5	9783627 Dt. 23.01.2024			27101990	98,75,400/-	229860
TOTAL					5,25,23,042/ -	1272960

**2.2** And whereas during the course of examination, it was observed that Flexi bags containing yellow colored liquid substance were kept inside the containers. The images of the container along with the flexi bag are given below:



(Pictures of the flexibag containers in the consignment)



(Graphical representation of a Flexi bag container- picture taken from open source)

2(iii). Representative samples were drawn from one randomly selected container per Bill of Entry. The samples were drawn in triplicate from the container using one-litre aluminum sample containers. After collecting the samples, the DRI Officer resealed the container with the bottle seal provided by the custodian. The proceedings were documented in panchnamas dated 02.02.2024 and 03.02.2024 **(RUD 06 to 10)**

3. Samples were sent to the lab of IOCL, Panipat for testing purpose. The details of the samples sent to the IOCL Lab are as detailed below:

S.No	Bill Of Entry No and date	Sample No
1	9765080 Dt. 21.01.2024	AB3-344709
2	9765081 Dt. 21.01.2024	AA1-344704
3	9788458 Dt. 23.01.2024	AE2-344681
4	9783769 Dt. 23.01.2024	AD1-344683
5	9783627 Dt. 23.01.2024	AC2-344688

4. And whereas IOCL Panipat tested the samples and sent the respective Test Reports of the above samples on 08.04.2024 **(RUD 11 to 12)**. The test reports as provided by IOCL Panipat are reproduced as below




## PANIPAT REFINERY Quality Control Laboratory

Date: 08.04.2024

Report No. : PR/QC/DRI/2024/1

### Test Report

S.No	Parameters	Product	Method	Kerosene		Kerosene		Results
				Name	AC2	AE2	AD1	
		Seal No			344688	344681	344684	
1	Appearance			Clear and bright		Clear and bright	Clear and bright	
2	Clour Saybolt			27		27	27	
3	Density, Auto, 15 °C (g/mL))	ASTM D4052		0.7832		0.7831	0.7831	
4	Distillation (Manual)	ASTM D86						
a	Distillation, Manual, IBP (°C)			160		160	160	
b	Distillation, Manual, 5% (°C)			168		168	168	
c	Distillation, Manual, 10% (°C)			169		170	170	
d	Distillation, Manual, 20% (°C)			172		172	172	
e	Distillation, Manual, 30% (°C)			175		175	175	
f	Distillation, Manual, 40% (°C)			177		178	177	
g	Distillation, Manual, 50% (°C)			180		180	180	
h	Distillation, Manual, 60% (°C)			183		182	182	
i	Distillation, Manual, 70% (°C)			186		185	185	
j	Distillation, Manual, 80% (°C)			190		190	190	
k	Distillation, Manual, 90% (°C)			198		197	198	
l	Distillation, Manual, 95% (°C)			203		207	207	
m	Distillation, Manual, FBP (°C)			230		230	230	
n	Distillation, Manual, % Loss (%)			1		1	1	
o	Distillation, Manual, % Resid (%)			1		1.5	1.8	
5	Flash Point, °C	IS 1448 P-20		51		52	52	
6	Sulphur, ppm	ASTM D5453		2.0 ppm		2.0 ppm	2.0 ppm	
7	Smoke point, mm	IP 598		27.1		27.2	27.3	
8	Copper Strip Corrosion for 3h @50°C	IS 1448 P-15		1b		1b	1b	
9	Acidity , inorganic, mg KOH/g	ISO 6618		Nil		Nil	Nil	
10	Aromatic Content, %V	ASTM D 6379		14.3		14.9	14.5	
11	Residue on Evaporation, mg/100 ml	IS 1448 P-29		10.6		92.2	5	
12	Burning quality							
	Char Value, mg/kg of oil consumed	IS 1448 P-5		< 20		< 20	< 20	
	Bloom on glass Chimney			Not darker than grey		Not darker than grey	Not darker than grey	

  
 Dr. Y.S.Jhala  
 DGM (QC)

**डॉ यजुवेंद्र सिंह झाला**  
 उप महाप्रबंधक (गुणवत्ता नियंत्रण)  
**Dr Yajuvendra Singh Jhala**  
 Dy General Manager (QC)  
 पानीपत रिफाइनरी (आई.ओ.सी.एल.) 132140  
 Panipat Refinery (I.O.C.L.) 132140





# PANIPAT REFINERY Quality Control Laboratory

Date: 08.04.2024

Report No. : PR/QC/DR/2024/2

## Test Report

Product		Diesel	
Name		AA1	
Seal No		344704	
Parameters		Method	
S.No		Results	
1		Clear and bright	
2		0.8230	
3		ASTM D4052	
4		ASTM D86	
a		165	
b		186	
c		200	
d		212	
e		225	
f		237	
g		252	
h		270	
i		290	
j		312	
k		340	
l		345	
m		360	
n		0.5	
o		2	
4		IS 1448 P.20	
5		ASTM D4294	
6		ASTM D7042	
7		ASTM D4737	
8		IS 1448 P-9	
9		IS 1448 P-10	
10		ISO12937	
11		IS 1448 P-15	
12		ASTM D6371	
13		ASTM D2274	
14		ASTM D6591	
15		ASTM D6591	
16		ISO 12156	
17		BROX	
18		IS 1448 P-2	
19		IS 1448 P-4	
20		ISO10370	
21		EN12662	

Dr. Y.S.Jhala  
DGM (QC)

डॉ. गजुवेंद्र सिंह शर्मा  
उप महाप्रबंधक (लैब.)  
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And whereas the parameters of the Test Reports suggested that the goods being imported in the said containers were Kerosene as per IS:1459 of Bureau of Indian Standards (BIS) and Gas Oil. Further, Gas Oil which is appropriately classifiable under Customs Tariff Heading 27101941 does not stipulate any import condition of conforming to any BIS standard. However, the parameters of Gas oil as per BIS IS: 1789:2022 have been taken here for reference purposes. The specifications of Gas Oil as per IS:17789 are reproduced below:

**Table 1 Requirements for Gas Oil**  
( *Clauses Foreword, 4.3 and 7.1* )

Sl No.	Characteristic	Requirement	Methods of Test, Ref to Part of IS 1448/ISO
(1)	(2)	(3)	(4)
i)	Density at 15 °C, kg/m <sup>3</sup>	780 to 900	Part 167/ Part 16 <sup>1)</sup>
ii)	Kinematic viscosity at 40 °C, mm <sup>2</sup> /s, <i>Max</i>	10	Part 25/Sec 1
iii)	Total sulphur, mass percent	0.004-3.5	Part 153 (For sulphur range – 30 to 500 ppm) ISO 8754 (For sulphur range – 0.03 percent to 3.5 percent)
iv)	Flash point, °C, <i>Min.</i>	40.0	Part 20 <sup>1)</sup> /Part 21
v)	Pour point, °C, <i>Max</i>	+ 24	Part 10/Sec 2
vi)	Distillation:		
	a) 10 percent recovery at °C (T-10)	To report	Part 18
	b) 50 percent recovery at °C (T-50)	To report	
	c) 90 percent recovery at °C (T-90), <i>Max.</i>	390	
vii)	Cetane index, <i>Min</i>	30	Part 174
viii)	Water and sediments, volume percent	To report	Part 41

<sup>1)</sup> In case of dispute, this shall be the referee method.

### Specifications of Gas Oil as per IS 17789

Furthermore, as per the amendment to the Gas Oil Standard BIS IS 17789 dated January 2023, the sulphur content range has been revised to 1.5-3.5. However, it is mentioned in the amendment that Indian refineries may opt for a lower sulphur content based on mutual agreement between the seller and the purchaser. Accordingly, it can be inferred that the sulphur content in Gas Oil is not a characteristic parameter and may vary according to usage and agreements between the user and the seller. The amendment of Gas Oil dated January 2023 is reproduced below for ready reference.

#### **AMENDMENT NO. 1 JANUARY 2023**

#### **TO**

#### **IS 17789 : 2022 GAS OIL — SPECIFICATION**

(Page 2, Clause 3.1, Para 2, line 2) — Add following line at the end:

‘This gas oil used as refinery intermediate and not intended to be used as a fuel.’

[Page 2, Table 1, Sl No. (iii), col 2] — Substitute ‘total sulphur, mass percent<sup>2)</sup>’ for ‘Total sulphur, mass percent’

[Page 2, Table 1, Sl No. (iii), col 3] — Substitute ‘1.5-3.5’ for ‘0.004-3.5’

(Page 2, Table 1) — Add the following below Table 1,<sup>1)</sup>:

<sup>2)</sup> Indian refineries may opt for lower sulphur content on the basis of agreement between seller and purchaser.’

#### **Amendment to Gas Oil dated January 2023**

Further, the specifications of Kerosene as per IS 1459 of Bureau of Indian Standards (BIS) are reproduced below:



IS 1459 : 2018

**Table 1 Specification for Kerosene**  
( Clause 4.2 )

Sl. No.	Characteristic	Requirement		Test Method Refer to [P:] of IS 1448/ISO/ASTM/IP/ Annex IS 1459
		Grade A	Grade B	
(1)	(2)	(3)	(4)	(5)
i)	Appearance	Clear and bright. Free from un-dissolved water, foreign matter and other visible impurities	Clear and bright. Free from un-dissolved water, foreign matter and other visible impurities	Visual
ii)	Acidity, inorganic	Nil	Nil	ISO 6618/ASTM D974 <sup>1)</sup> / IP 139
iii)	Burning quality <sup>2)</sup>			[P : 5] <sup>1)</sup> /IP 10
	a) Char Value, mg/kg of oil consumed, <i>Max</i>	20	20	
	b) Bloom on glass Chimney	Not darker than grey	Not darker than grey	
iv)	Colour			
	a) Saybolt (in case of undyed Kerosene) <sup>3)</sup> , <i>Min</i>	10	10	[P : 14] <sup>1)</sup> /ASTM D 156
	b) Visual (in case of dyed Kerosene)	Blue	Blue	Visual/Annex A <sup>1)</sup>
v)	Copper strip corrosion for 3 h at 50°C	Not worse than No. 1	Not worse than No. 1	[P : 15] <sup>1)</sup> / ASTM D 130 / IP 154
vi)	Density at 15°C, kg/m3	Not limited, but to be reported	Not limited, but to be reported	[P : 16] <sup>1)</sup> /ISO 12185/ ASTM D 1298/ ASTM D 4052
vii)	Distillation			[P : 18] <sup>1)</sup> /ISO 3405/ASTM D 86
	a) Percent recovered below 200°C, percent (v/v), <i>Min</i>	20	20	
	b) Final boiling point, °C, <i>Max</i>	300	300	
viii)	Flash point ( Abel), °C, <i>Min</i>	35	35	[P : 20] <sup>1)</sup> /ISO 13736/ IP 170
ix)	Smoke Point <sup>4)</sup> , mm, <i>Min</i>	18	18	P : 31/ISO 3014 <sup>1)</sup> / ASTM D1322/ IP 598
x)	Total Sulphur Content, percent, m/m, <i>Max</i>	0.10	0.20	[P : 34] <sup>1)</sup> /ISO 8754 <sup>1)</sup> /ASTM D4294/ D 2622/ D 5453

6. And whereas on analysis of the parameters detailed in the Test Reports vis-à-vis the parameters stipulated in the BIS standards of Gas Oil (IS 17789) and Kerosene (IS 1459), it appeared that in accordance with the intelligence, the goods being imported appeared to be mis-declared and the following conclusion appeared to flow from the analysis:

Sl. No.	Bill of Entry No.	Date of Bill of Entry	No. of containers	Product description as per the analysis of the Test report
1.	9765080	21.01.2024	14	Gas Oil
2.	9765081	21.01.2024	12	Gas Oil
3.	9788458	23.01.2024	14	Kerosene conforming to standard IS 1459
4.	9783769	23.01.2024	14	Kerosene conforming to standard IS 1459
5.	9783627	23.01.2024	12	Kerosene conforming to standard IS 1459

Thus, it appeared that the samples drawn from consignments pertaining to two BEs viz - 9765080 and 9765081 conform to limits stipulated in IS: 1789:2022 specifications which pertains to the Indian Standard of Gas Oil, while consignments pertaining to the remaining 3 BOEs 9788458, 9783769 and 9783627 appear to conform to specification of IS:1459 which pertains to Kerosene. Gas Oil which is appropriately classifiable under Customs Tariff Heading

27101941 does not stipulate any import condition conforming to IS 1789:2022 and the aforementioned parameters of IS: 1789:2022 have been taken for reference purposes only and that the items viz kerosene and Gas Oil are restricted and can be imported by the State Trading Enterprises(STEs) only.

7. In the light of the parameters of the Test Reports of the IOCL, the goods imported under BEs 9765080 and 9765081 appear to be liable to be classified under CTH: 27101941 under the description Gas Oil while the goods imported under BEs 9788458, 9783769 and 9783627 appeared to be liable to be classified under CTH 27101932 under the description of Kerosene conforming to standard IS 1459. The relevant description of CTH 27101941 and 27101932 as per Customs Tariff Act'1985 are as below:

27101939	--- Aviation turbine fuels, kerosene type conforming to standard IS 1571	kg.	5.00	5.00	---	11.00	0.50	17.105	State Trading Enterprises	Exemption: See Ntfn 52/2017-Cus. dated 30.06.2017 Import as per Policy Condition (5) of Chapter 27 ACD Nil by Ntfn 32/2022-Cus. Excise Duty by Ntfn 11/2017-CE dated 30.06.2017
--- Gas oil and oils obtained from gas										
27101941	--- Gas oil	kg.	5.00	5.00	---	18.00	0.50	24.490	State Trading Enterprises	Import as per Policy Condition (5) of Chapter 27
27101942	--- Vacuum gas oil	kg.	5.00	5.00	---	18.00	0.50	24.490	State Trading Enterprises	Import as per Policy Condition (5) of Chapter 27
27101943	--- Light diesel oil conforming to standard IS 15770	kg.	5.00	5.00	---	18.00	0.50	24.490	State Trading Enterprises	Import as per Policy Condition (5) of Chapter 27

### Chapter Heading 27101941

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Section V  
Chapter 27

HS CODE (1)	ITEM DESCRIPTION (2)	UNIT (3)	BASIC (4)	EFFECTIVE (5)	PREF. (6)	IGST (7)	SWS (8)	TOTAL (9)	POLICY (10)	REMARKS (11)
2710 12 90	--- Other	kg.	5.00	5.00	---	14% + Rs. 15 per litre			State Trading Enterprises	Import as per Policy Condition (5) of Chapter 27
2710 19	-- Other:									
2710 19 20	--- Solvent 125/240 (petroleum hydrocarbon solvent) as specified under standard IS 1745	kg.	5.00	5.00	---	18.00	0.50	24.490	State Trading Enterprises	Import as per Policy Condition (5) of Chapter 27
	--- Kerosene intermediate and oils obtained from kerosene intermediate:									
2710 19 31	--- Kerosene intermediate	kg.	5.00	5.00	---	18.00	0.50	24.490	State Trading Enterprises	Import as per Policy Condition (5) of Chapter 27
2710 19 32	--- Kerosene conforming to standard IS 1459	kg.	5.00	5.00	---	18.00	0.50	24.490	State Trading Enterprises	Import as per Policy Condition (5) of Chapter 27

### Chapter Heading 27101932

8. Further, as per ITC(HS), 2022, Schedule 1: Import Policy, Section V: Mineral Products, Chapter 27: Mineral Fuels, Mineral Oils And Products Of Their Distillation; Bituminous Substances; Mineral Waxes: Goods falling under the description of "Kerosene intermediate and oils obtained from kerosene intermediate: -- Kerosene conforming to standard IS 1459" and "Gas Oil" the import policy makes the goods restricted by way of importation by State Trading

Enterprises only by virtue of Policy Condition No. 5 which prescribes “*Import allowed through IOC subject to para 2.21 of Foreign Trade Policy, except for the companies who have been granted rights for marketing of transportation fuels in terms of Ministry of P&NGs Resolution No. P23015/1/2001-MKT. Dated 8.3.2002 including HPCL, BPCL and IBP who have been marketing transportation fuels before this date*”. The screenshots of the relevant extracts are as below:

27101932	---	"Kerosene intermediate and oils obtained from kerosene intermediate: ---- Kerosene conforming to standard IS 1459"	State Trading Enterprise	Import as per Policy Condition (5) of Chapter 27.
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27101941	---	Gas oil and oils obtained from gas oil: ---- Gas oil	State Trading Enterprise	Import as per Policy Condition (5) of Chapter 27.
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### Product Description and Import Policy

Sl.No.	Notes	Notification No.	Notification Date
1	Import of naphtha is free.		
2	Import of SKO shall be allowed through State Trading Enterprises (STEs) i.e. IOC, BPCL, HPCL and IBP for all purposes with STC being nominated as a State Trading Enterprise (STE) for supplies to Advance Licence holders. Advance Licence holders shall however, have the option to import SKO from the above mentioned STEs including STC		
3	Import is restricted in terms of Interim PIC Procedure of Rotterdam Convention on Prior Informed Consent procedure for hazardous chemicals and pesticides.		
4	Automobile industries, having RandD registration, are allowed to make free import of reference fuels (Petrol and Diesel) which are not manufactured in India, up to maximum of 5 KL per annum, subjects to the condition that the said imported reference fuels shall be used for RandD and emission testing purposes only		
5	Import allowed through IOC subject to para 2.21 of Foreign Trade Policy, except for the companies who have been granted rights for marketing of transportation fuels in terms of Ministry of P&NGs Resolution No. P23015/1/2001-MKT. Dated 8.3.2002 including HPCL, BPCL and IBP who have been marketing transportation fuels before this date.	08/2023	29/05/2023

### Policy Condition (5) of Chapter 27 of ITC (HS) Import Policy

9. Further, during the course of the investigation, it appeared that the CHAs were actively involved in assisting and facilitating the improper import and clearance of the restricted goods namely “Gas Oil” and “Kerosene conforming to standard IS 1459” as mentioned above, therefore searches were conducted at the premises of CHAs viz. M/s Continental Shipping Services and M/s Gaurav M. Jhaveri on 30.04.2024. The proceedings of the searches were recorded under panchnamas dated 30.04.2024(**RUD 13 to 14**)

10. The voluntary statement of Shri Satish Maheshwari s/o Shri Rayshi Bhai Maheshwari aged 44 years, near GEB Office, Bhatt Pad, Bhachau, Kachchh, Gujarat, 370140, Aadhar Card No-548545219204 Mobile No. 9913038991, Authorised Representative of M/s Krishna Logistics was recorded on 30/04/2024 under Section 108 of the Customs Act 1962(**RUD-15**) wherein he inter-alia stated:

- *Question 1: Please state about yourself? Also state what are the other firms associated with you?*

*Ans: My name is Satish Maheshwari S/o Shri Rayshi bhai Maheswari resident, near GEB Office, Bhatt Pad, Bhachau, Kachchh, Gujarat, 370140. I have done my graduation in B.Sc.(Physics) from Adipur Arts and Science, college in the year of 1999. In 2000 due to earthquake we were not working till 2007. After that I started carrier as Driver till 2009. After that I joined Adani Power as Supervisor, I used to look after Transportation in Adani Power. After that in 2009, I joined Premier Transport Limited as Supervisor, my job was route Survey from one location to destination i.e. to check the route in respect of Load carrying capacity and expected time as per the load of the consignment till December 2014. I grew my expertise in heavy consignments in project logistics and transport from Paradip, Haldi port, Dahej, Hazira, Mundra, Kandla, Pipava Port to Destination at various locations in India majorly for various power plants. After that from 2015, I joined CHA firm M/s. Swati Enterprises as H-Card and assisted in Examination at Mundra Port, thereafter on 28.08.2017, I left M/s. Swati Enterprises.*

*In 2021, I have been authorized by the CHA firm M/s. Continental Shipping Services, CHA No AAEFC9583GCH001 (copy authorization letter and CHA license both duly signed by me are enclosed herewith as annexure 1 running in 5 pages) to look after all operations for Munda port i.e. overall in-charge. M/s. Continental Shipping Services, CHA appointed Shri Sayed Salim, G Card holder G/MNDR1/20234082 to look after work related activities of import (copy enclosed as annexure 2 running in two pages duly signed by me).*

*I am also the authorized person of M/s. Shri Krishna Logistics registered in the name of Mrs Savita Ramesh Shiju. M/s. Shri Krishna Logistics provides handing and forwarding service to our various customer like Shree Nandsai Steel Pvt Ltd, Shree Ashapura Tradelink Pvt and M/s. Global Natural Petro Industries etc. I am enclosing Three Sample invoice raised by M/s. Shri Krishna Logistics for your ready reference copy is enclosed herewith as annexure 3 running in 3 duly signed by me. If required, I will provide documents related to M/s. Shri Krishna Logistics as and when required by your good office.*

- *Question 2: Please state about M/s. Continental Shipping Services? Also please state about your responsibilities?*

*Ans: M/s. Continental Shipping Services, CHA No AAEFC9583GCH001, is a CHA firm who deal in import only, Mrs Shanmuga Jayashree and Mrs Radha are the managing/authorized partners of this CHA firm. As stated above, I have been authorized by the CHA firm M/s. Continental Shipping Services, to look after all operations for Munda port i.e. overall in-charge and handle day to day activities of M/s. Continental Shipping Services.*

- *Question 3: Please state about the Business Nature/operation/Turnover and the Commodities being dealt with by M/s. Continental Shipping Services? Please provide the Details of staff and responsibilities*

*Ans: We majorly deals with Mixed Hydrocarbon oil, Fuel oil, Base oil and stock lot of paper/plastic. Apart from me, Shri Sayed Salim, G Card Contact number 9537281289, holder are working for M/s. Continental Shipping Services. Shri C N Rajender Kumar is F Card, holder appointed is enclosed herewith for your ready reference as annexure 4*

*running in 1 pages duly signed by me. Earlier Shri Naresh Sodham, H-card Holder CHM/H/150/21-22(copy enclosed as annexure5 running in 1 pages duly signed by me), contact detail 8866872222, also looked after all the operation related to M/s. Continental Shipping Services. He has left this office 15 days back.*

- *Question 4: Please provide the past imports and items imported handled by M/s. Continental Shipping Services?*

*Ans: This branch of M/s. Continental Shipping Services looks after import activities of Mundra port, I am enclosing the list of import from Mundra port as annexure 6 running in 4 pages duly signed by me are enclosed herewith. Other port import activates are not dealt by this branch of M/s. Continental Shipping Services.*

- *Question 5: Please state about the firms namely M/s. SkyFalcon Minerals and Chemicals Private Ltd?*

*Ans: M/s. SkyFalcon Minerals and Chemicals Private Ltd (hereinafter referred to as "Skyfalcon"), is a company who is involved in the import of Mixed Hydrocarbon Oil (herein after referred to as "MHO"). Shri Sellappan Ramaniah and Shri R V Shanmugham and Shri Srinivasan Sudhakar are the Partners in Skyfalcon Minerals and Chemicals Private Ltd. The contact person in Skyfalcon is Shri Mahesh, contact detail is 9840081520, later when the consignment were hold by DRI Noida then we also came to know that Shri Raju Pillai was the Real beneficial owner of Skyfalcon.*

*For Skyfalcon our CHA firm has imported 54 consignments, I am enclosing list of all these imports as annexure 7 running in 1 page duly signed by me. Out of these 54 import consignments 42 were given out of charge but rest of the 12 import consignments were put-on hold by DRI NOIDA.*

- *Question 6: Please state about the firms namely M/s. A.A. Cable Layers?*

*Ans: M/s. A. A. Cable Layers is a company which is involved in the import of Mixed Hydrocarbon Oil (herein after referred to as "MHO"). The contact person in A. A. Cable Layers is Shri Gurmeet Singh and Rajinder Pal Singh are the Partners in A. A. Cable Layers. The contact detail is 9870107007, later when the consignment were hold by DRI Noida then we also came to know that Shri Gurmeet Singh was the Real beneficial owner of A. A. Cables Layers.*

*For M/s. A. A. Cable Layers our CHA firm has imported 7 consignments, I am enclosing list of all these imports as annexure 8 running in 1 page duly signed by me. Out of these 7 import consignments 4 were given out of charge but rest of the 3 import consignments were put-on hold by DRI NOIDA.*

- *Question 7: Please provide the Test Reports relating to past reports provided by the supplier/ relating to test conducted by the CRCL?*

*Ans: No such test report were provided by the suppliers. Further all the previous import, test reports of the samples drawn by Customs are uploaded in e-sanchit then only the import consignments are cleared by the Customs Authorities, all these reports can be retrieved from there. Also the same will be provided as and when required to be submitted to your good office.*

- *Question 8: Who files the Bill of Entry? And also state what the basis of filing of Bill of entry is. Also state who decides under which CTH the good would fall?*

*Ans: Shri Sayed Salim, G Card, files the bills of entry (on behalf of importers) and the same is filed on the basis of document provided by these importers through M/s. Versatile Logistics. These documents are received on the email id namely Krishnalogistics889@gmail.com.*

- *Question 9: It appears that these documents are emailed by email of importers not related to M/s. Continental Shipping Services?*

*Ans: We use email of M/s. Continental Shipping Services for bill of Entry filing purpose only. The bill of entry is filed by Shri Sayed Salim, G Card, I am enclosing the copy of authorization letter issued by Skyfalcon to M /s. Continental Shipping Services as annexure 9 running in 2 pages duly signed by me. And authorization letter issued by M/s. A.A. Cable Layers as annexure 10 running in 2 pages duly signed by me.*

- *Question 10: Please provide the details of shipping companies related to the imports done by M/s. SkyFalcon Minerals and Chemicals Private Ltd and M/s. A.A. Cable Layers?*

*Ans: I am enclosing the list of shipping companies related to the imports done by M/s. SkyFalcon Minerals and Chemicals Private Ltd and M/s. A.A. Cable Layers as annexure 11 running in 3 pages duly signed by me (page 1 and 2 are in respect of M/s. SkyFalcon Minerals and Chemicals Private Ltd, whereas the page 3 of annexure is of M/s. A.A. Cable Layers). Moreover these shipping lines are always mentioned in the Bill of Lading or each import consignment.*

- *Question 11: Please provide the details of suppliers/items imported?*

*Ans: The details of supplier and items imported are available in the bill of entry filed by us, the same can be retrieved from E-Sanchit. And if the same is further required I will submit the same as and when the same is required by your office.*

- *Question 12: Please state how the orders are placed and who in your CHA firm gives the order to supplier?*

*Ans: The orders are placed by the importer itself, we CHA only files these bills of entry on the basis of documents provided by respective importers, we as CHA have no role to play with supplier.*

- *Question 13: Please state how do you receive the documents for filing the Bill of entry and who provides these documents, what is the means of getting these documents related to M/s. SkyFalcon Minerals and Chemicals Private Ltd and M/s. A.A. Cable Layers?*

*Ans: As stated above we receive these documents on our email address krishnalogistics889@gmail.com. We received these documents from email versatileimpt@gmail.com. The email is of M/s. Versatile logistics, another clearing and forwarder firm having address as office no. 124, 1st floor, Shiv Centre, Sector 17, Plot*



No 72, Vashi, Navi Mumbai- 400705, mob: 9870107007. Shri Ravi Sawant is the Proprietor of M/s Versatile Logistics (Mobile No-9833391681).

- *Question 14: It appears that the documents for filing the bills of entry are not provided by the importers namely M/s. SkyFalcon Minerals and Chemicals Private Ltd and M/s. A.A. Cable Layers. How do you verify the authenticity of these documents so provided by M/s. Versatile Logistics? It appears that the bills of entry are improperly filed by your CHA firm. How did you conduct the Know Your Customer i.e. KYC of these importers in such scenario when the documents are not provided by the importers themselves? What is the process adopted by your CHA firm for filing the bills or entry? And who makes the payment of duties?*

*Ans: We have been associated in trade terms with other firms who provide us any work related to this Mundra port along with all necessary documents for filing the Bill of entry. We were provided documents by M/s. Versatile logistics we prepared check list. We prepare the check list, then send it back to M/s. Versatile logistics. They then get the same verified from the importer. Thereafter the bill of entry is filed, after assessment of Bill of entry we inform to M/s. Versatile logistics to get the duty paid by the importer i.e. M/s. SkyFalcon Minerals and Chemicals Private Ltd and M/s. A.A. Cable Layers then login to their Icegate account and make the payment of duty directly while making the payment, the importer can always check the Bill of entry filed.*

*We get KYC the verified through M/s. Versatile logistics, such verified KYC is enclosed as annexure 12 running in 7 pages duly signed by me and annexure 13 running in 6 pages duly signed by me.*

- *Question 15: Please state what is Mix Hydrocarbon Oil, what is its Chemical Composition? Please state end use of mixed hydrocarbon Oil imported?*

*Ans: It is one type of oil, and on the basis of documents provided we file the Bill of entry. Samples are drawn by the Customs Authority. And only after the sample report these consignments are cleared by the Customs authority. About the chemical composition the importer are having full knowledge. We file Bill of Entry only on the basis of documents. End use of mixed hydrocarbon Oil so imported is for heating purpose and the same can be answered by the importer.*

- *Question 16: Does this Mix Hydrocarbon Oil requires any import regulation in terms of its packaging? Please state in respect of M/s. SkyFalcon Minerals and Chemicals Private Ltd and M/s. A.A. Cable Layers, is there any violation in respect of Import in flexi bags or violation of petroleum regulation?*

*Ans: Yes, the requirements are Flexi Bag and ISO tank. All these consignments are imported in Flexi Bags. No, there is no violation in respect of Import in flexi bags or violation of petroleum regulation.*

- *Question 17: have you ever imported diesel or kerosene?*

*Ans: No, We have never imported diesel or kerosene.*

- *Question 18: Please state what is the basis of classification of mix Hydrocarbon Oil?*

*Ans: We file the Bill of entry on the basis of Supplier's documents like Commercial Invoice, Packing list Bill of lading etc. later the Customs department check it respect to sample analysis report then clear the import consignments.*

- *Question 19: Please state whether goods i.e. Mix Hydrocarbon Oil so imported in consignments/containers put on hold by DRI and imported in earlier consignments are same?*

*Ans: Yes sir, as per my understanding they are the same.*

- *Question 20: Please state what are the BIS parameters applicable on the item i.e. Mix Hydrocarbon Oil?*

*Ans: No BIS standards are applicable on this imported item i.e. Mix Hydrocarbon Oil.*

- *Question 21: Please state whether Mix Hydrocarbon Oil is fuel or not?*

*Ans: No, it is not Fuel.*

- *Question 22: Please provide the list of buyers of Mix Hydrocarbon Oil vis-a vis end use?*

*Ans: We are not aware who the buyer are. After getting the out of charge, we inform M/s. Versatile logistics. They then inform the importer. The importer then arranges the vehicle for logistics.*

- *Question 23: Please state the container wise vehicle of such consignments cleared for M/s. SkyFalcon Minerals and Chemicals Private Ltd and M/s. A.A. Cable Layers?*

*Ans: I am enclosing a sample gate pass and weighment slip so issued by Custodian bearing number ILDW014153/23-24W dated 04.01.2024 as annexure 14 running in 2 pages duly signed by me. We also maintain such details in our record register of delivery of import containers in the name of "By Road Register". The documents and register are taken over during the proceedings of search today.*

- *Question 24: Please state how the imported item in the name of Mix Hydrocarbon Oil is sold, is it sold by any of the firms related to you be it M/s. Continental Shipping Services or M/s. Shri Krishna Logistics.*

*Ans: The import consignments are handed over to importers only and the same is never sold to any party or anyone else.*

- *Question 25: Please state have you made any payments to the supplier of Mix Hydrocarbon Oil or have received any payment from the buyers? If so please provide the Bank Details for the same?*

*Ans: No, we have never made any payments to the supplier of Mix Hydrocarbon Oil nor have received any payment from the buyers.*

- *Question 26: Please provide the certified copy of Chemical Analysis report or Test report of consignments of Mix Hydrocarbon Oil provided by the supplier.*

*Ans: No such certified copy of Chemical Analysis report or Test report of consignments of Mix Hydrocarbon Oil is provided by the supplier. Such Chemical Analysis report or*

*Test report is irrelevant since the Customs does not clear the import consignment on the basis of such reports. The Customs does not clear such Bill of entry through RMS. The Bill of Entries are cleared only on the basis of chemical analysis report of samples drawn by Customs Authorities.*

- *Question 27: Please provide the certified copy of Buyer-seller agreement for the consignments?*

*Ans: No such buyer seller agreement is available with us.*

- *Question 28: Please state about the overseas supplier of Mix Hydrocarbon Oil whether the same is a trader or manufacturer. Also provide the communication (emails/letters etc.) with the overseas supplier's w.r.t. the consignments.*

*Ans: We have not made any such enquiry about the overseas suppliers whether they are manufacturer or trader, we have not made any communication with supplier, if required we may be allowed some time get the information from our clients.*

- *Question 29: Please provide the copy of Invoice for each consignment, including itemized description, quantities, values, and any applicable discounts or rebates.*

*Ans: The required documents are uploaded in e-sanchit.*

- *Question 30: Please state whether M/s. Continental Shipping Services or M/s. Shri Krishna Logistics have any warehouse or any Customs bonded warehouse in their name, or has been hired on lease for the consignment?*

*Ans: No, M/s. Continental Shipping Services or M/s. Shri Krishna Logistics do-not have any warehouse or any Customs bonded warehouse in their name, or has been hired on lease for the consignment.*

- *Question 31: Do you want to say anything.*

*Ans: No, nothing to add on further.*

**11.** Voluntary statement of Shri Ruparel Ketan S/o Late Shri Shiv Ji aged 51 years, resident of 137, Rameshwar Nagar, Ward-12, Anjar, Kachchh, Anjar, Gujarat-370110, (Aadhar Card No:894385983194), Partner of M/s Shivshakti Shipping was recorded on 01/05/2024 under Section 108 of the Customs Act 1962(**RUD-16**) wherein he inter-alia stated:

- *Question 1: Please state about yourself. Also state what are the other firms associated with you?*

*Ans: I am Ruparel Ketan S/o Late Shri Shiv Ji, permanent resident of House no 137, Rameshwar Nagar, Ward-12, Anjar, Kachchh, Anjar, Gujarat-370110. My age is 51 years and my educational qualification is B.Com from SIS college Bombay. My wife's name is Neeta Ruparel, I have one daughter and one son who live with us at the above-mentioned address. I have been authorized by the CHA firm M/s. Gaurav M. Jhaveri, CHA No AGRPJ9989QCH001 to look after the work of customs filing and clearance work related to Oil consignments for the CHA- Gaurav M Jhaveri and operate from the*

*premises of M/S Ashirwad Shipping & Logistics. I have been doing this Customs filing and facilitation work for M/s. Gaurav M. Jhaveri Since 2017. I am a partner in the firm M/s Shivshakti Shipping and a partner in the firm KRD Logistics. I will provide documents related to M/s Shivshakti Shipping and KRD logistics as and when required by your good office.*

- *Question 2: Please tell us about M/s Ashirwad Shipping & Logistics?*

*Ans: The business of M/s Ashirwad Shipping & Logistics is being looked after by Shri Deepak Majethiya, Contact no- 9879517194, husband of the proprietor Ms Alka Majethiya. M/s Ashirwad Shipping & Logistics conducts the work of container handling facilitation, fuel pumping facilitation and local transportation of the containers at the Customs port area.*

- *Question 3: Please tell us about M/s. Gaurav M. Jhaveri? Also please state about your responsibilities.*

*Ans: M/s. Gaurav M. Jhaveri, CHA No AGRPJ9989QCH001, is a CHA firm, based in Mumbai that deals in import and export of consignments. Shri Gaurav M. Jhaveri is the proprietor of this CHA firm. As stated above I have been authorized by the CHA firm M/s. Gaurav M. Jhaveri, to look after all operations related to oil imports at Mundra port. However, I don't have any authorisation letter with me currently, however, the authorization letter in original will be submitted to you.*

- *Question 4: Please state about the nature of business /operation/turnover and the commodities being dealt with by M/s. Gaurav M. Jhaveri? Please provide the details of staff and responsibilities*

*Ans: M/s. Gaurav M. Jhaveri deals in importing and exporting of various products such as ceramic Tiles, Engine spare parts, Stone slabs and minerals etc however in import they majorly deal in Mixed Hydrocarbon oil, Fuel oil, Base oil, Industrial Oil, Distillate oil and Naptha. Apart from me, Shri Bharat Parmar, G Card Contact number 9909947041, holder is working for M/s. Gaurav M. Jhaveri.*

- *Question 5: Please provide the details of the imports that are being handled by you for M/s. Gaurav M. Jhaveri?*

*Ans: I only look after import activities related to the import of various oils as mentioned in the question above at Mundra port, I am enclosing the list of import consignments currently live at Mundra port as Annexure I. Other port import activities apart for oils are not dealt by me.*

- *Question 6: Please tell us about the firms namely M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Private Limited.*

*Ans: I am providing you the KYC documents of the importers as mentioned in the question above as Annexure II. I talk to the representative of the importer only once or twice initially, just to finalise the charges for filing the customs paperwork after that Shri Barri Praveen (9909843346), who works in the Ashirwad Shipping & logistics looks after the documentation of the importer. I monitor the whole process and supervise as and*

when required. Further all of these importers are into the import of Mix Hydrocarbon Oil. M/s Shree Shyam Fuelco Private Limited has imported 5 consignments, M/s A.A. Cable Layers has imported 27 consignments and M/s Shree Hari Krupa Petrochem has imported 41 consignments through M/s Gaurav M Jhaveri. I am enclosing a list (annexure III) of all these imports along with the E-mail communication of my office with M/S Gaurav M Jhaveri regarding the filing of BOE.

- *Question 7: Who files the Bill of Entry on behalf of the importer? And also state the Basis of filing of Bill of entry.*

*Ans: M/s Gaurav M Jhaveri, files the bills of entry (on behalf of importers) and the same is filed on the basis of documents provided by the importers only, we just collect and forward the documents received from importers. These documents are received on WhatsApp of Shri Barri Praveen which are further forwarded to M/s Gaurav M Jhaveri Through our office mail id [i.einfo.shivshakti1121@gmail.com](mailto:i.einfo.shivshakti1121@gmail.com).*

- *Question 8: Please state what is Mix Hydrocarbon Oil, what is its Chemical Composition? Please state end use of Mix Hydrocarbon Oil imported.*

*Ans: It is a type of petroleum oil, which is a mixture of Hydrocarbon oils and is used mainly for industrial purposes. We file the bill of entry of the product as per the details given by the importer. Also, sometimes the importer provides the chemical analysis report related to the subject consignment and sometimes not. As far as end use of the product, we are not aware of that. We just file the bill of Entry on behalf of the Importer and the end use of the product may be known to the importer only.*

- *Question 9: Please provide the Chemical Analysis report/Test reports relating to past imports of the importers mentioned in the question no 6 above?*

*Ans: It may be noted that as answered above, the chemical analysis reports are not always submitted by the importer and hence cannot be provided for all the consignments. Further, all the reports which are submitted by the importer are uploaded in E-Sanchit and can be retrieved as and when required.*

- *Question 10: What is the whole process of customs clearance of the consignments of Mix hydrocarbon Oil?*

*Ans: First of all the importer sends a Bill Of Lading (Usually By WhatsApp), which we further E-mail to the shipping line to know the estimated time of arrival of the consignment and the CFS to which the consignment is scheduled to be placed. After knowing the ETA and CFS the documents received from the importer are further sent to M/s Gaurav M Jhaveri, who files the Bills of Entry on behalf of the importer.*

- *Question 11: Please provide the details of shipping companies related to the imports done by M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Private Limited.*

*Ans: I am enclosing the list of shipping companies related to the imports done by M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Private Limited as Annexure IV.*

- *Question 12: Please provide the details of suppliers/items imported.*

*Ans: The details of the supplier and items imported are available in the bill of entry filed by us, the same can be retrieved from E-Sanchit. And if the same is further required I will submit the same as and when the same is required by your office.*

- *Question 13: Please state how the orders are placed and who in your CHA firm give the order to supplier?*

*Ans: The orders are placed by the importer itself, we CHA only file these bills of entry on the basis of documents provided by respective importers, we as CHA have not role to play with the supplier.*

- *Question 14: Please peruse the E-mail communications copies of your office with Geo-chem lab (Annexure V) and see the test report of Geo Chem lab about various MHO samples wherein the sulphur levels have been declared between 7 PPM and 20 PPM*

*Ans: The importer sometimes asks for testing of some specific parameters of some consignments which we ask Geo-Chem lab to test the sample for the desired parameters. The test results are then shared with the importer through WhatsApp by Shri Deepak Majethiya. The sulphur levels indicated in the lab report are as per the testing and further the same are shared with the importer.*

- *Question 15: Please refer to the question 14 above and state whether sulphur can be in the range as specified in the question above in case of Mix Hydrocarbon Oil?*

*Ans: About this I have a very little idea. We just do as told by the importer.*

- *Question 16: Please state how do you receive the documents for filing the Bill of entry and who provided these documents related to M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Private Limited?*

*Ans: We receive the documents for filing the Bill of entry through WhatsApp only. The importer himself or a representative of the importer sends the relevant documents to Shri Barri Praveen. The details of persons who sends the documents are mentioned below in table :*

<i>S.No</i>	<i>Importer</i>	<i>Contact person name</i>	<i>Mobile No.</i>
<i>1</i>	<i>M/s A.A. Cable Layers</i>	<i>Praveen</i>	<i>9811234553</i>
		<i>Vipin</i>	<i>8860160031</i>
<i>2</i>	<i>M/s Shree Hari Krupa Petrochem</i>	<i>Amit</i>	<i>9601768136</i>
<i>3</i>	<i>M/s Shree Shyam Fuelco Private Limited</i>	<i>Chirag Gupta</i>	<i>8826689311</i>

- *Question 17: Is there any Standard or Literature that defines your product i.e. “ Mix Hydrocarbon Oil”?*

*Ans.: Mix Hydrocarbon Oil is generally a blend of 2 or 3 different oils and as per my knowledge there is no specific standard to define the same.*



- *Question 18: Is there any import regulation that has to be followed for importing the said commodity i.e. "Mix Hydrocarbon Oil"*  
*Ans.: I am not aware of any such regulation for importing the commodity in question.*
- *Question 19: Please state can this Mix Hydrocarbon Oil be imported in Flexi bags, Is there any violation of the Petroleum Act?*  
*Ans: As it is a routine product and all the importers are importing the commodity in Flexi Bags and according to me there is no violation in respect of Import in flexi bags. Further I am not aware of any violation of the petroleum Act.*
- *Question 20: Have the importers viz. M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Private Limited have ever imported diesel or kerosene?*  
*Ans: No, as per my knowledge, the consignments which were custom cleared by M/s Gaurav M Jhaveri in respect of these three parties have never imported diesel or kerosene.*
- *Question 21: Please state whether goods i.e. Mix Hydrocarbon Oil so imported in consignments/containers hold by DRI and imported in earlier consignments are same?*  
*Ans: Yes sir, as per my understanding they are the same.*
- *Question 22: Please state what are the BIS parameters applicable on the item i.e. Mix Hydrocarbon Oil?*  
*Ans: No BIS standards are applicable on this imported item i.e. Mix Hydrocarbon Oil.*
- *Question 23: Please state whether Mix Hydrocarbon Oil is fuel or not?*  
*Ans: As per my understanding MHO is fuel only.*
- *Question 24: What is the process once the Container are OOC at the port?*  
*Ans: Once the containers are OOC we receive a delivery order from the shipping line, which we forward to CFS to get NOC from the surveyor. Surveyor then checks the validity of delivery order and issues NOC for the containers. The NOC is then handed over to CFS. After that, the importer sends a tanker truck to load the cargo. Our office then provides a pump to load the oil from flexi-tanks to the tanker truck. The tanker truck is then sent for weighment at the weighment bridge and the weighment slip is sent to the importer through WhatsApp for information and further instruction if any.*
- *Question 25: Please see the documents in Annexure VI related to Shakti Amba tank storage, what is the role of a storage facility after the OOC of the containers from the port?*  
*Ans: Sometimes the importers do not get orders from the prospective buyers immediately and hence then require the facility to store the already OOC tankers.*
- *Question 26: Please mention the partners of the firm Shakti Amba Tank Storage.*

*Ans: Ms. Neeta Ketan Ruparel W/o Sh. Ruparel Ketan and Ms Alka Deepak Majethiya W/O Sh Deepak Majethiya, are the two partners in Shakti Amba Tank Storage facility. Further it has a total capacity to store 3200 KL Liquid.*

- *Question 27: Please state have you made any payments to the supplier of Mix Hydrocarbon Oil or have received any payment from the buyers? If so please provide the Bank Details for the same?*

*Ans: No, we have never made any payments to the supplier of Mix Hydrocarbon Oil nor have received any payment from the buyers.*

- *Question 28: Please provide the certified copy of Buyer-seller agreement for the consignments.*

*Ans: No such buyer seller agreement is available with us.*

- *Question 29: Please state whether the overseas suppliers of MHO Oil, are traders or manufacturers. Also provide the communication (emails/letters etc.) with the overseas supplier's w.r.t. the consignments.*

*Ans: I am not aware of the fact that the overseas suppliers are trader or manufacturer. We are not in touch with any of the suppliers or trader overseas.*

- *Question 30: Please provide the copy of Invoice for each consignment, including itemized description, quantities, values, and any applicable discounts or rebates.*

*Ans: The required documents are uploaded in e-sanchit.*

- *Question 31: Do you want to say anything.*

*Ans: No, nothing to add on further.*

**12.** In view of the Test Reports and voluntary statements, it appeared that the imported goods were mis-declared as “Mixed Hydrocarbon Oil” and mis-classified under CTH: 27101990 instead of CTH: 27101941 and CTH: 27101932 by the importer with the intent of importing “Gas Oil” and “Kerosene as per IS:1459” which are restricted commodities and *can be imported by STEs only as per the import policy as brought out above*. As a result, it seems that they attempted to import the restricted commodities by mis-declaring the same. Consequently, the imports made by the importer under BE No. 9765080 dated 21.01.2024, BE No. 9765081 dated 21.01.2024, BE No. 9788458 dated 23.01.2024, BE No. 9783769 dated 23.01.2024, and BE No. 9783627 dated 23.01.2024 appeared to be illicit and in gross violation of the relevant provisions of the Foreign Trade Policy 2023, the Import Policy conditions, and the Customs Act of 1962. Therefore, the goods imported under the aforementioned Bills of Entry at Mundra Port seemed liable for confiscation under the provisions of Section 111(d), (f), (l), and (m) of the Customs Act, 1962. As a result, the consignments were seized vide Seizure memos as detailed below:

S. No	Bill Of Entry No and Date	Seizure memo DIN no.	Seizure date
1	9788458 dt. 23.01.2024	202405DDZ80000116241(RUD-17)	07/05/2024
2	9783627 dt. 23.01.2024		
3	9783769 dt. 23.01.2024	202405DDZ80000666F1F	27/05/2024

		<b>(RUD-18)</b>	
4	9765080 dt. 21.01.2024	202405DDZ80000555BC4	27/05/2024
5	9765081 dt. 21.01.2024	<b>(RUD-19)</b>	

**13.** And whereas, summons were also issued to CHAs M/s Continental Shipping Services and M/s Gaurav M. Jhaveri on 05.07.2024 **(RUD-20 and 21)** for appearance on 10.07.2024&12.07.2024 respectively. Shri Gaurav M. Jhaveri appeared in the office in compliance of the summons served upon him and tendered his voluntary statement on 10.07.2024.

**14.** Voluntary statement of Shri Gaurav Madhusudan Jhaveri S/o Late Shri Madhusudan Jhaveri aged 44 years, resident of 105/7, 4<sup>th</sup> Floor, Damodar Building, Princess Street, Kalba devi, Mumbai, Maharashtra-400002-, proprietor of firm M/s Gaurav M Jhaveri was recorded on 10/07/2024 under Section 108 of the Customs Act 1962**(RUD- 22)** wherein he inter-alia stated:

- I completed my B.COM Graduation from the University of Bombay in the year 2000, after that I completed my diploma in import and export management from Indian merchant Chambers in the year 2001. Then I started my career with Niranjani Shipping Agency India Pvt Ltd in Bombay, where I worked from 2001 to 2004. After that, I switched my job to ASR Logistics, India Private Limited and I worked there till 2012. I cleared my CHA exam in the year 2011 and was issued F-card in the year 2012. Since then I have been providing customs clearance services to various customers. I am living with my wife MsRitka G. Jhaveri along with my mother and 2 kids, one son and one daughter on the above-mentioned subject.*
- Question 1: Please explain the business of M/s Gaurav M. Jhaveri?*  
*Answer: M/s Gaurav M Jhaveri is a proprietorship firm, in which I am a proprietor. As stated by me above the firm is engaged in the custom clearance of import and export consignments at various ports.*
- Question 2: Please give details of your F Card and also state the customs formation which has issued you the F card.*  
*Answer: My F-card bearing no. 4106/2022, has been issued by the office of the Principal Commissioner of Customs (General), New Custom House, Ballard Estate, Mumbai. I am submitting a copy of the said F-card for information under my signature.*
- Question 3: Please state the present location of your firm.*  
*Answer: Presently my office is located at 305/306 Sai Sadan 3<sup>rd</sup> floor 76/78 Modi Street fort Mumbai. However, earlier my office was located at 105/7, 4<sup>th</sup> Floor, Damodar Building, Princess Street, Kalbadevi, Mumbai, Maharashtra-400002 which I shifted to this address in May 2013, which I intimated to the Customs Association Bombay. And the same is updated in the record of customs Mumbai.*

- *Question 4: It is seen that the address mentioned in your F card remains unchanged. please clarify in the light of question no 3 above.*

*Answer: The address in the F card remains unchanged at which the F card is issued at the first time. If there is any change in the official address the same is communicated through a letter to the customs dept. as well as Bombay Customs Broker Association (BCBA). I will submit a copy of the same for information.*

- *Question 5: How many people are working in your firm. Please provide their details, designation, responsibilities and Mobile no*

*Answer: A total of 4 people work in my firm whose details are as under:*

<i>Name</i>	<i>Designation/ Work Assigned</i>	<i>Mobile No.</i>
<i>Sh Ramesh Patva</i>	<i>Accountant</i>	<i>9820862895</i>
<i>Sh Sahil Chavan</i>	<i>Documentation handling</i>	<i>9594493674</i>
<i>Sh Ajay Kumar Gaur</i>	<i>G card holder- handles field work at the CFS and Customs examination</i>	<i>9322526924</i>
<i>Sh. Rahul thakur</i>	<i>Field work at the CFS/Customs</i>	<i>7304633611</i>
<i>Sh Ravi Kumar</i>	<i>H-Card Holder</i>	<i>6377584097</i>

- *Question 6: Please name the companies/firms for whom you are providing customs clearance services?*

*Answer: Our major clients include:*

- *M/s Sunalco Alloys India Pvt Ltd, Mumbai.*
- *M/s Padmini Innovative marketing solutions Pvt Ltd, Mumbai.*
- *M/s AA Cable Layers, Milak- Rampur*
- *M/s Hindustan Copper Ltd.*
- *M/s Impulse Pharma Pvt Ltd.*

- *Question 7: What are the ports where you are providing customs clearance services?*

*Answer: Our major business is at Nhava Sheva and Mundra however we also do conduct small business at Bombay Sea Port, Sahar Air Cargo complex, Ahmedabad ICD etc.*

- *Question 8: How do you provide customs clearance facilities? Please explain the same with regard to the functioning of your firm.*

*Answer: Our client forwards the import documents on our email- gauravjhaveri80@gmail.com/ docsgmj@gmail.com which are examined by the staff who later on prepare check list which is sent to the client for approval. Once the checklist is approved, the bill of entry is filed online on the ICEGATE website. After it is approved, the examination of the cargo by the customs officers is conducted in the presence of the G-card holder of the firm. After the examination and out-of-charge given by the customs the documents are handed*

*over to the transporter who is engaged by the importer only for delivery at the designated address.*

- *Question 9: Have you authorised companies/firms to provide customs clearance work? If so name the firms/companies who have been authorized to provide customs clearance services by using your F Card.*

*Answer: In order to bring more business at the local level of the port, we have an understanding with some business firms who are associated with us but do not have the requisite F-Card for customs clearance. These firms contact clients and send documents through their email to us for filing online at the ICEGATE portal after verification and analysis of the documents by our staff. After approval and generation of the documents, the same is provided to the associate firms who then inform the importer/exporter. After customs clearance, the associate firms receive the payment and after deducting their share, the balance amount is electronically transferred to us. The names of such associated firms are given below:*

- *M/s Shiv Shakti Shipping at Mundra, which is being handled by Sh Ketan Ruparel.*
  - *M/s Kinjal Logitrans India Pvt Ltd at Mundra is being handled by Sh Bharat Parmar.*
- *Question 10: How did you come across these associate firms that are being handled by Sh Ketan Ruparel and Sh Bharat Parmar?*

*Answer: Sh Bharat Parmar was my office colleague in M/s ASR Logistics India Pvt Ltd in 2009, from there we became good friends, hence this associate firm. I met with Ketan Ruparel in 2015 as he was a mutual friend of Bharat Parmar. Then me and Ketan Ruparel also became friends and I got connected with his firm M/s Shiv Shakti Shipping.*

- *Question 11: How the firms named in the question No 9 above have been authorized to conduct the business of customs clearance?*

*Answer: These firms only bring business and forward the documents for further customs-related work to us only. There is no written agreement and we conduct business together on the basis of oral and verbal understanding.*

- *Question 12: Please name the companies related to Sh. Ketan Ruparel who are provided custom clearance services by your firm.*

*Answer: Some of the major companies include:*

- *M/s AA Cable Layers*
- *M/s Shree Harikrupa Petrochem*
- *M/s Divya Petrochem*
- *M/s Rainbow Corporation*
- *M/s Shree Shyam Fuelco*
- *M/s Mainline Global Energy Pvt Ltd, Etc*

- *Question 13: Please state which goods are dealt by Sh Ketan Ruparel at Mundra for which he provides the documentation.*

*Answer: Sh Ketan Ruparel looks after the clients who import Oil and other petroleum products at Mundra Port.*

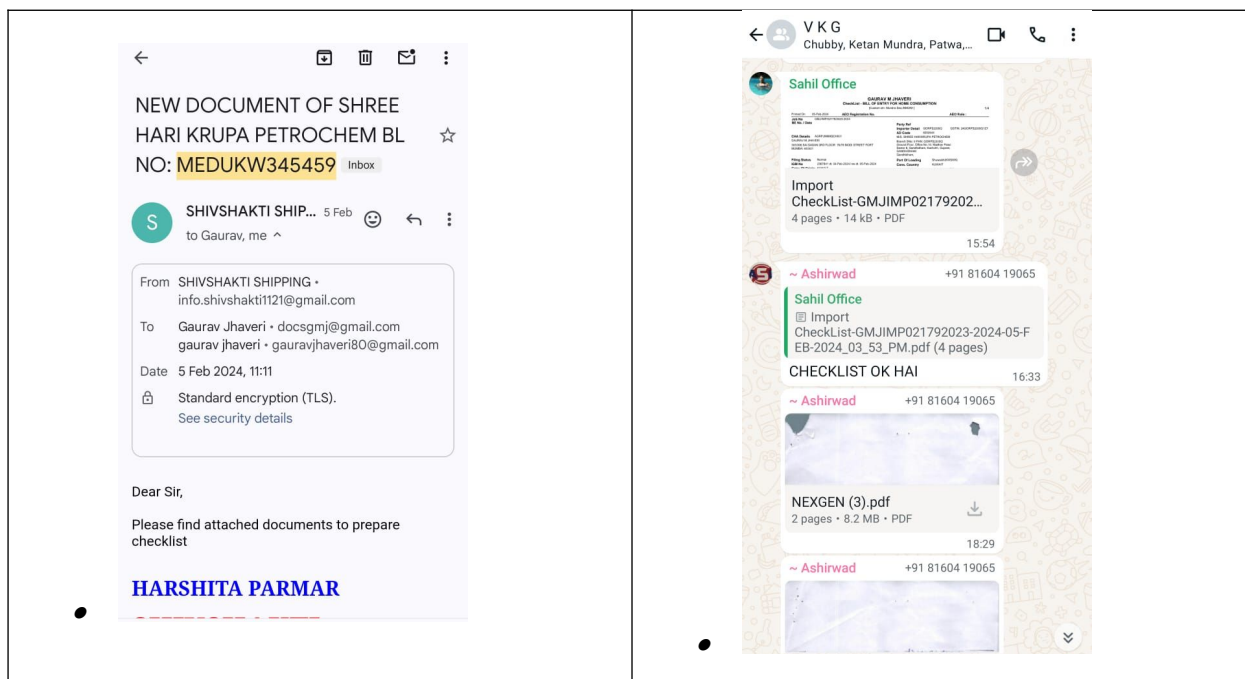
- *Question 14: Please elaborate as to how customs clearance services are provide to the companies mentioned in the reply to the question 12 above.*

*Answer: First of all Sh. Ketan Ruparel, contacts the clients who wish to get the consignments cleared at Mundra Port. He negotiates the terms and conditions on our behalf with the client. After the terms are finalized and is approved by me, the importer sends the documents related to the import consignment on the E-mail id of M/s Shiv Shakti Shipping, which are then forwarded to us for analysis and examination as per the customs provisions. After analysis and examination, a checklist is prepared which is sent back to M/s Shiv Shakti Shipping via mail/WhatsApp, who then further forwards it to the importer. After the importer gives approval to the checklist, the Bill of entry is filed on the ICEGATE Portal. After the BOE is approved the Duty is paid by the Importer. After the payment of Duty, the consignment is examined by customs. Since the firms being dealt with by M/s Shiv Shakti Shipping, imports MHO, samples are drawn which are sent for testing. After the test reports are received the consignment are given out of charge by the customs and handed over to the customer.*

- *Question 15: Your kind attention is invited to your reply to Question 14 above wherein you mentioned that once the importers approve the checklist then your office files Bill of Entry on behalf of the importer. Please state by what medium you get the approval and kindly provide a copy of the same.*

*Answer: As stated above M/s Shiv Shakti Shipping sends the checklist to the importer for approval. After receiving approval from the importer M/s Shiv Shakti Shipping confirms the approval to us for filing of Bill of Entry. These approvals are done usually on WhatsApp or through mail. I am providing screenshots of one such approval for your information*





- As can be seen from the screenshots attached above, the documents pertaining to BL no MEDUKW345459 pertaining to M/S Shree Hari Krupa Petrochem were sent to our Email i.e. [Docsgmj@gmail.com](mailto:Docsgmj@gmail.com) by M/s Shiv Shakti Shipping. After receiving the documents a checklist is prepared with the help of a software namely Live Impex. The Checklist is then forwarded to M/s Shiv Shakti Shipping for approval from the client. After receiving approval from the client through M/s Shiv Shakti Shipping, Bill of entry is filed by our firm. In this case, BOE no 9999773 dated 06.02.2024 was filed on behalf of the importer. I am submitting the screenshots and documents attached in the mail along with the checklist for your perusal.
- Question 16:** Please define your payment terms/agreements with the associate firms namely M/s Shiv Shakti Shipping and M/s Kinjal Logitrans India Pvt Ltd.

**Answer:** There is no written agreement or terms for payment with the associate firms, as both the persons namely Sh ketal Ruparel of M/s Shiv Shakti Shipping and Sh Bharat Parmar of M/s Kinjal Logitrans India Pvt Ltd are old friends. However, we have decided the rates per container, verbally. M/s Kinjal Logitrans India Pvt Ltd usually handles documentation with the clients related to Export and M/s Shiv Shakti Shipping generally handles the documentation for Import. For import, we charge a fee of Rs 750 per container from the importer through M/s Shiv Shakti Shipping and for export, we charge a fee of Rs 100 per container from the exporter through M/s Kinjal Logitrans India Pvt Ltd.
- Question 17:** Please state how much commission you give to the associate firm M/s Shiv Shakti Shipping for the documentation handling for import consignments.

**Answer:** As stated above, we have a fixed charge policy for filing BOE with our associate firms. We charge Rs 750/- per container from M/s Shiv Shakti Shipping for which the invoice is raised by M/s Shiv Shakti Shipping. We are not

*concerned about the commission that M/s Shiv Shakti Shipping might be getting from the importer.*

- *Question 18: Who files the BOE in respect of the companies for whom M/s Shiv Shakti Shipping, provides necessary documents?*

*Answer: As stated by me in the answer to above question, M/s Shiv Shakti Shipping provides documents related to the import of the consignments, after that the BOE is filed at the office of M/s Gaurav M. Jhaveri by Sh. Sahil, an employee of the firm through the ICEGATE ID of M/s Gaurav M. Jhaveri.*

- *Question 19: Please state, who gets the examination conducted at the port for the import consignment of your clients?*

*Answer: The examination at the port is conducted by Sh. Ravi Kumar, an employee, of M/s Gaurav M. Jhaveri, holding H-Card, who has been appointed by the firm for facilitating customs clearance at Mundra Port.*

- *Question 20: During the examination and sampling process of the consignments that were put on hold by DRI NRU, Shri Ravi Kumar H-Card holder was not present and due to which the whole proceeding was conducted in the presence of Sh Rafiq your authorized representative. Please elaborate.*

*Answer: As far as I can remember at the time of examination of consignments by DRI Officers Sh Ravi Kumar H card holder was on leave and hence Shri Rafiq was made the authorized representative of the firm to witness the proceedings.*

- *Question 21: Are you aware that some containers which have been declared to contain MHO have been put on hold by the DRI Noida Regional unit at Mundra port?*

*Answer: Yes I am aware of the fact that DRI Noida Regional Unit has put on hold some consignments of MHO of our various clients as detailed below:*

<i>S.NO</i>	<i>IEC Name</i>	<i>BOE No</i>	<i>No of containers</i>
<i>1</i>	<i>M/S A. A. Cable Layers</i>	<i>9765080 Dt. 21.01.2024</i>	<i>14</i>
		<i>9765081 Dt. 21.01.2024</i>	<i>12</i>
<i>2</i>	<i>M/S Shree Hari Krupa Petrochem</i>	<i>2083192 Dt. 10.02.2024</i>	<i>10</i>
		<i>2100062 Dt. 12.02.2024</i>	<i>10</i>
		<i>9999773 Dt. 06.02.2024</i>	<i>10</i>
		<i>2043286 Dt. 08.02.2024</i>	<i>10</i>
		<i>2148664 Dt. 15/02/2024</i>	<i>10</i>

3	M/S Shree Shyam Fuelco Private Limited.	2131398 Dt. 14.02.2024	10
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- *Question 22: Since the Bills of Entry have been filed by you on behalf of the above mentioned importers, please state how did these importers come in contact with you*

*Answer: The importers mentioned in the answer to question number 15 above are clients of our associate, Ms Shiv Shakti Shipping. The customs related work in respect of these firms, has come thorough Ms Shiv Shakti Shipping.*

- *Question 23: What were the documents that were provided by the importers mentioned by you in reply to question no 15 above and from whom they were received when you filed the BOE on their behalf.?*

*Answer: These Importers forwarded invoices, packing list and Bill of Lading to M/s Shiv Shakti through mail which were subsequently forwarded to us through mail on the basis of which we file the respective bill of entry. I am submitting copies of 2 such emails for your perusal.*

- *Question 24: What is the Item "MHO/ Mix Hydrocarbon Oil/Mixed Hydrocarbon Oil/Mineral Hydrocarbon Oil", mentioned in the Bills of entries filed by you on behalf of these importers.*

*Answer: As per my understanding and information provided by the importers it is a type of petroleum product.*

- *Question 25: Please state, what is the use of MHO?*

*Answer: As per the information provided by the importer it is for industrial Use.*

- *Question 26: Please specifically state and clarify the industrial use as mentioned in your reply to question no 26 above.*

*Answer: I am not aware of the specific industrial use of the product. This can be clarified by the importer only.*

- *Question 27: Please state whether you have been provided with any chemical analysis report/ test report of the product by the importer issued by the supplier.*

*Answer: No, we have not been provided with any chemical analysis report or test report by the importer issued by the importer.*

- *Question 28: If no chemical analysis report/ test report of the product is submitted by the importer then what was the basis of classification of the product under Chapter Heading 27101990 in the category of item "Others"*

*Answer: As per our understanding and experience in customs clearance since there was no specific entry for the item, it was classified under CTH 27101990 which pertains to others.*

- *Question 29: Please refer to Question no 29 above and state who classifies the goods to be filed in the Bill of Entry. Further without any chemical analysis report or test report how do you come to the conclusion to classify the product as MHO in the Bill of Entry?*

*Answer: The classification of the goods is done by our firm only and the goods are classified under CTH 27101990-“others”. However, the classification is based on the documents such as Bill of lading Invoice and packing list provided by the importer, our knowledge as well as the practice being followed at the ports for clearing similar goods. I am submitting all the documents provided by the importer for the consignments that have been put on hold by DRI Noida Regional Unit.*

- *Question 30: Did you ask the importer or insist upon them, for providing chemical analysis report /test reports?*

*Answer: No, we did not insist upon them for any chemical analysis report or test report.*

- *Question 31: Please peruse the respective test reports of consignments that have been put on hold by DRI Noida regional Unit and are mentioned in reply to question 15 above. The test results of each of the consignment have been summarized in the table below.*

<i>S.N O</i>	<i>IEC Name</i>	<i>BOE No</i>	<i>No of containers</i>	<i>Sample no.</i>	<i>Test report result</i>	<i>Test Lab</i>
<i>1</i>	<i>M/S A. A. Cable Layers</i>	<i>9765080 Dt. 21.01.20 24</i>	<i>14</i>	<i>AB3- 344709</i>	<i>Gas Oil</i>	<i>IOC L</i>
		<i>9765081 Dt. 21.01.20 24</i>	<i>12</i>	<i>AA1- 344704</i>	<i>Gas Oil</i>	<i>IOC L</i>
<i>2</i>	<i>M/S Shree Hari Krupa Petrochem</i>	<i>2083192 Dt. 10.02.20 24</i>	<i>10</i>	<i>HCI- A21770 0</i>	<i>Automotive Diesel Fuel BS(IV)</i>	<i>CRC L</i>
		<i>2100062 Dt. 12.02.20 24</i>	<i>10</i>	<i>HD3- A21769 2</i>	<i>Automotive Diesel Fuel BS(IV)</i>	<i>CRC L</i>
		<i>9999773 Dt. 06.02.20 24</i>	<i>10</i>	<i>HB1- A21769 3</i>	<i>Adulterated Diesel</i>	<i>CRC L</i>
		<i>2043286</i>	<i>10</i>	<i>HAI-</i>	<i>Automotive</i>	<i>CRC</i>

		Dt. 08.02.20 24		A21768 6	ve Diesel Fuel BS(IV)	L
		2148664 Dt. 15/02/20 24	10	HEI- A21538 9	Automoti ve Diesel Fuel BS(IV)	CRC L
3	M/S Shree Shyam Fuelco Private Limited.	2131398 Dt. 14.02.20 24	10	SSA3- A21549 00	HFHSD (High Flash High Speed Diesel)	CRC L

*Having perused the test reports please offer your comments.*

*Answer: I have perused each of the test reports detailed above. I have also gone through the parameters mentioned in each of the test reports. I have signed the test reports as a token of having seen the same. On perusal of the test reports, it is seen that the lab has come to a conclusion that the consignment does not consist of MHO but a different oil as mentioned in the Respective report.*

- *Question 32: Do you agree with the outcome of the test reports and the result mentioned therein?*

*Answer: Having perused each of the test reports as well as the parameters I am in agreement with the conclusion arrived at by the lab as mentioned in the respective test report*

- *Question 33: Please give your opinion on whether MHO as declared by you in the bills of entry and the item identified as per the test result of the respective item are same or different?*

*Answer: The goods identified by the laboratory as per the test report and the item description & CTH declared in the Bill of Entry are different.*

- *Question 34: Please refer to regulation 10 (e) of the Customs Brokers Licensing Regulations, 2018, wherein it is specifically mentioned that due diligence is to be exercised by customs Broker to ascertain the correctness of any information which is imparted by you to the client with reference to any work related to the clearance of the cargo or baggage. In the light of discrepancies noticed as per test report vis-à-vis declaration made in the Bill of Entry in respect of the goods and its classification, it appears that due diligence has not been exercised to ensure that description of the goods is appropriately given and correctly classified. Please offer your comments.*

*Answer: As per my knowledge and documents provided by the importer, the classification of the goods as MHO and under CTH 27101990 is correct. Further as a general trade practice, MHO is being imported at Mundra Port under CTH 27101990 only. The discrepancy has come to notice only as a result of the test*

*report of the sample submitted by the laboratory. The Importer can only explain the Discrepancy so noticed and is not on the end of my firm.*

- *Question 35. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Shyam Fuelco Private Limited wherein the oil has been found to be “HFHSD as per IS 16861:2018” .On the basis of the conclusion of CRCL lab, the goods are actually HFHSD as per IS 16861:2018 and are hence classifiable under CTH 27101949. In the light of the test report and your reply to question No 33 above, do you agree that the HFHSD as per IS 16861:2018 imported in consignment covered under BOE no 2131398 Dt. 14.02.2024 filed by you and imported by M/S Shree ShyamFuelco Private Limited, is correctly classifiable under CTH 27101949 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion of the CRCL report, I agree that the correct classification of the goods in the consignment covered under BOE no 2131398 Dt. 14.02.2024 should be under CTH 27101949. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 36. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2083192 Dt. 10.02.2024 wherein the oil has been found to be “Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH 27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported in consignment covered under Bill of Entry no 2083192 Dt. 10.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion of the CRCL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 2083192 Dt. 10.02.2024 should be under CTH 27101944. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 37. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2100062 Dt. 12.02.2024 wherein the oil has been found to be “Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH 27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported by you in consignment covered under Bill of Entry no 2100062 Dt. 12.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion of the CRCL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 2100062 Dt.*

*12.02.2024 should be under CTH 27101944. The declaration of the item made in the bills of entries is incorrect and wrong.*

- Question 38. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2043286 Dt. 08.02.2024 wherein the oil has been found to be "Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH 27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported in consignment covered under Bill of Entry no 2043286 Dt. 08.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion of the CRCL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 2043286 Dt. 08.02.2024 should be under CTH 27101944. The declaration of the item made in the bills of entries is incorrect and wrong.*

- Question 39. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2148664 Dt. 15/02/2024 wherein the oil has been found to be "Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH 27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported in consignment covered under Bill of Entry no 2148664 Dt. 15/02/2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion of the CRCL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 2148664 Dt. 15/02/2024 should be under CTH 27101944. The declaration of the item made in the bills of entries is incorrect and wrong.*

- Question 40. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 9999773 Dt. 06.02.2024 wherein the oil has been found to be adulterated diesel fuel. On the basis of the conclusion of CRCL lab, the goods are actually Adulterated diesel fuel which as per the parameters, can be classified as GAS oil under CTH 27101941. In the light of the test report and your reply to question No 33 above, do you agree that the GAS oil imported in consignment covered under Bill of Entry no 9999773 Dt. 06.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion of the CRCL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 9999773 Dt.*

*06.02.2024 should be under CTH 27101941. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 41. Your kind attention is invited to the conclusion of the test report for the sample of M/S A. A. Cable Layers filed under Bill of Entry no 9765080 Dt. 21.01.2024 wherein as per the parameters given by the IOCL lab the oil has been found to be Gas Oil. On the basis of the parameters given by IOCL lab, the goods are actually Gas Oil which is correctly classified under CTH 27101941. In the light of the test report and your reply to question No 33 above, do you agree that the GAS oil imported in consignment covered under Bill of Entry no 9765080 Dt. 21.01.2024 filed by you and imported by M/S A. A. Cable Layers is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion made as per the parameters given by OICL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 9765080 Dt. 21.01.2024 should be under CTH 27101941. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 42. Your kind attention is invited to the conclusion of the test report for the sample of M/S A. A. Cable Layers filed under Bill of Entry no 9765081 Dt. 21.01.2024 wherein as per the parameters given by the IOCL lab the oil has been found to be Gas Oil. On the basis of the parameters given by IOCL lab, the goods are actually Gas Oil which is correctly classified under CTH 27101941. In the light of the test report and your reply to question No 33 above, do you agree that the GAS oil imported in consignment is covered under Bill of Entry no 9765081 Dt. 21.01.2024 filed by you and imported by M/S A. A. Cable Layers is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion made as per the parameters given by OICL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 9765081 Dt. 21.01.2024 should be under CTH 27101941. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 43: Please take cognizance of your reply to the question no 35-42 above and state whether the goods declared in the Bills of entries were mis-declared.*

*Answer: I have already admitted that the goods identified by the lab and the one declared in the Bills of entry are different. Though prima-facie it appears to be a case of misdeclaration however I wish to submit that the declaration and classification in the bill of entry was made on the basis of the documents and information provided by the respective importers.*

- *Question 44: Please take cognizance of the reply to question no 43 above. The items identified by the lab comprising the consignments and classifiable under the said headings are not freely importable as they are restricted in nature and*



*can only be imported by STEs(State Trading Enterprises). Then why Bill of Entry has been filed by way of misdeclaration for restricted items.*

*Answer: I agree that the items identified by the lab comprising of the said consignments are restricted and can only be imported by STEs. I reiterate that the Bill of entry was filed on the basis of documents and information provided by the importer. Under what circumstance the mis-declared restricted goods were imported can only be explained by the respective importer.*

- *Question 45: Your kind attention is invited to CTH 27101990- "Others" and chapter 27, and that there are a lot of restricted goods in this chapter that can only be imported by STEs. Please state whether this particular CTH 27101990 was chosen by you as the import policy associated with this CTH is "free to import"? And further state as CHA should you not be extra careful that the importer should not bring any restricted item/goods in lieu of free goods?*

*Answer: As stated in different questions above, the basis of classification of the goods under CTH is because the product does not fall under any other CTH in this chapter. Further general trade practice at the port regarding this product is that it is to be classified under CTH 27101990. However just to be double sure and being careful about the nature of the goods, we always opt for the first check of the consignment. This allows us to double-check the consignments imported by the importer.*

- *Question 46: Do you wish to state anything else?*

*Answer: I wish to submit that my firm has no role in the discrepancies noticed in the consignment. The importer is liable to face any action on account of misdeclaration of the consignment. It is requested that this aspect maybe considered accordingly while concluding the instant case.*

15. Subsequent to the receipt of the Test Reports from the IOCL, in order to ascertain the role of Sh. Ruparel Ketan, of M/s Shivshakti Shipping in facilitating illicit import of Gas Oil and Kerosene at Mundra Port, Summons were issued to him on 05.07.2024 (**RUD- 23**) for appearance on 10.07.2024 in compliance to which Shri Ruparel Ketan appeared on 10.07.2024 to tender his voluntary statement, his voluntary statement was recorded on 10.07.2024 under section 108 of the customs Act 1962.

16. Voluntary statement of Shri Ruparel Ketan S/o Late Shri Shiv Ji aged 51 years, resident of 137, Rameshwar Nagar, Ward-12, Anjar, Kachchh, Anjar, Gujarat-370110, (Aadhar Card No:894385983194), partner of M/s Shivshakti Shipping was recorded on 10/07/2024 under Section 108 of the Customs Act 1962 (**RUD- 24**) wherein he inter-alia stated:

- *Question 1: Please refer to Question no. 1 & 2 of your statement dated 01.05.2024 and explain your relationship with M/s Ashirwad Shipping & Logistics.*

*Answer: As submitted by me in my statement dated 01.05.2024 in reply to question no. 1 that I am utilizing the premises of M/s Ashirwad Shipping & Logistics for conducting Customs related work pertaining to Mundra Port of my firm M/s Shivshakti Shipping. The proprietor of M/s Ashirwad Shipping & Logistics is a very close friend of mine of more than 20 years and therefore in order to save expenses he has permitted me to use his offices for the conduct of business of my firm. I do not pay any rent or any other charges while using the premises for my work, However I share portion of agency charges which is received for Customs related work. Further, since M/s Ashirwad Shipping & Logistics is into similar business, I also take the services of his staff in conducting the business.*

- *Question 2: Please provide details of your own office along with the details of your staff.*

*Answer: it is submitted that I went through a very difficult period about 8 years ago and was under heavy debt. Due to which I lost almost everything. At that time my friends namely; Shri Deepak Majethiya husband of the proprietor of M/s Ashirwad Shipping & Logistics, Shri Gaurav Madhusudan Jhaveri Proprietor of M/s Gaurav M Jhaveri and Shri Apparao Gunti Proprietor of M/s A.R. Shipping & Logistics helped me and supported me during the difficult period from 2016 to 2021. During this period, I used their office premises for conducting business of my own firm as I could not afford rent of an independent office and employees. Since then, I'm still continuing to use their respective premises for conducting my business as well as utilizing the services of their staff also. However, as far as my own staff is concerned, they mostly are doing field work at the Mundra port while some of my staff uses the office premises of M/s A.R. Shipping & Logistics belonging to my friend Shri A.R. Gunti at Plot no.338, Dc-5, Adipur, Katchh. My firm M/s Shivshakti Shipping also is registered at this address only. Further the details of my staff is as under:*

<i>Name</i>	<i>Designation/ Work Assigned</i>	<i>Mobile No.</i>
<i>Rafik Odheja</i>	<i>Field Work at Mundra Port</i>	<i>8758975947</i>
<i>Lakharam</i>	<i>Field Work at Mundra Port</i>	<i>9680252051</i>
<i>Tagharam</i>	<i>Field Work at Mundra Port</i>	<i>7976451623</i>
<i>Rahul Saran</i>	<i>Field Work at Mundra Port</i>	<i>7877498116</i>
<i>GovindGirdhari Ram</i>	<i>Field Work at Mundra Port</i>	<i>8302921991</i>
<i>NarayanNarna Ram</i>	<i>Field Work at Mundra Port</i>	<i>8905451800</i>
<i>Vivek Soni</i>	<i>Field Work at Mundra Port</i>	<i>9979689585</i>
<i>Devi Lal</i>	<i>Field Work at Mundra Port</i>	<i>9660253347</i>

- *Question 3: With reference to your statement tendered on 01.05.2024 please explain your relationship with M/s Gaurav M. Jhaveri.*

*Answer: As stated by me in the answer to the previous question, Gaurav M. Jhaveri proprietor of M/s Gaurav M Jhaveri is an old friend of mine who helped me in my difficult period which began in 2016. I bring business for M/s Gaurav M. Jhaveri and provide documents obtained from the party, which are forwarded*

*through E-mail “info.shivshakti1121@gmail.com” or WhatsApp for Customs clearance related work like filing of Bill of Entry, Examination of consignment, Out of charge of consignment after examination etc.*

- *Question 4: After the documents have been forwarded through your email to M/s Gaurav M Jhaveri, who files the Bill of entry on behalf of the importers.*

*Answer: As per my knowledge, an employee by the name of Sahil files online Bill of entry on behalf of the importers on ICEGATE website by using the ID of M/s Gaurav M Jhaveri.*

- *Question 5: Please state what is the agreement or payment terms between your firm and M/s Gaurav M Jhaveri?*

*Answer: As stated by me in previous questions, I use office space, office staff and facilities of M/s Ashirwad Shipping & Logistics for agency charges which are negotiated with the importer. Bill is raised first by M/s Ashirwad Shipping & Logistics for the entire amount. Thereafter after deducting the share which is approx. 25% of the total amount, M/s Shiv Shakti Shipping raises bill for this amount upon M/s Ashirwad Shipping & Logistics. Thereafter M/s Gaurav M Jhaveri raised a bill for fixed amount of Rs. 750/- per container which is transferred by me online. The balance amount retained by me after deducting the expenses incurred on port handling. There is no written agreement between M/s Shivshakti Shipping and Gaurav M Jhaveri as well as M/s Ashirwad Shipping & Logistics.*

- *Question 6: Why payment is not being made by the importer directly to the CHA firm instead of the manner as stated by you in reply to your question no. 5?*

*Answer: According to me there is nothing wrong in this practice. If there is a forwarder or associate in between the importer and the CHA, he is the contact person who takes responsibility for the realization of the payment from the importer. After realization of the payment, the share of the CHA is paid as per agreed terms for the services of the Customs Clearance rendered by him.*

- *Question 7: Please specify the Customs port for which you negotiate with parties with regard to Customs related works.*

*Answer: I negotiate with the clients for getting their Customs related works at Mundra Port.*

- *Question 8: What are the commodities being dealt by you for which you are providing services related to Customs work.*

*Answer: My firm M/s Shivshakti Shipping deals with the importer who are engaged in the import of petroleum Products*

- *Question 9: Please specify the petroleum products as replied by you in answer to Ques no.8.*

*Answer: The Petroleum Products include Mix Hydrocarbon Oil (MHO), Base Oil and Fuel Oil.*

- *Question 10: What is the reason for specialization and concentration in petroleum products only?*

*Answer: The clients for whom I am looking after customs related work import only these petroleum Products and I get new business reference in the same field from the existing clients.*

- *Question 11: How is the classification of the items Mix Hydrocarbon Oil decided.*

*Answer: The classification is decided on the basis of import documents provided by the importer. After the documents are forwarded online by M/s Shivshakti Shipping, a checklist is prepared which is forwarded on whatsapp group or through mail to the importer. The importer conveys his approval to the checklist back through either whatsapp or mail which is then accordingly communicated M/s Gaurav M Jhaveri, Who afterwards files bill of entry on the basis of the said checklist. As far as classification is concerned the same is done on the basis of the description given in the import documents, provisions of Customs Tariff and practice followed in respect of similar items at the Customs Port.*

- *Question 12: Please provide the printout of approval granted by the importer and communicated by you to M/s Gaurav M Jhaveri.*

*Answer: The approval communicated must be available in the Mobile phone resumed on 01.05.2024.*

- *Question 13: Your attention is invited to your reply to Question no. 8 of your statement dated 01.05.2024, wherein you have replied that Mix Hydrocarbon Oil is used for industrial purposes. Please specifically state for which industry and the purpose the said Mix Hydrocarbon Oil imported by your clients namely; M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Pvt Ltd.*

*Answer: The said reply was given on the basis of the information provided by the importer as well as my knowledge that the Mix Hydrocarbon Oil is used in the furnace of various industries.*

- *Question 14: Please refer to your further reply to Question no. 8 of your statement dated 01.05.2024, wherein you had stated that "sometimes the importer provides the chemical analysis report related to the subject consignment and sometimes not." In the light of this submission please furnish copies of the said chemical analysis report as you have already stated in reply to Question no. 7 of your statement dated 01.05.2024 that the customer provides documents on whatsapp.*

*Answer: Yes, I admit that I had made the said submissions in my reply to Question no. 7 & 8 of my statement dated 01.05.2024. As far as submission of the*

*copies of the said submission is concerned, as per my knowledge these three parties namely; M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Pvt Ltd have not provided chemical analysis reports in respect of any of the consignment but apart from these three parties, I look after the Customs related work for several other companies like; M/s Divya Petrochem, M/s Kumar Enterprises, etc. I don't readily remember which party specifically provided chemical analysis report. However, if any party submits chemical analysis report, the same is uploaded with other import documents at the time of filing of the Bill of entry.*

- *Question 15: Did you ask the respective importers to provide chemical analysis report/test report/literature in support of the goods declared to be as MHO in the consignment which have been put on hold and currently are in investigation?*

*Answer: I made inquiries with the importer regarding chemical analysis report/test report in support of the goods declared to be as MHO in the import consignment, they informed that no such chemical analysis/Test report was provided by the supplier to them.*

- *Question 16: Please refer to your reply to the Question above. If the chemical analysis report in respect of the said three importers namely; M/s A.A. Cable Layers, M/s Shree Hari Krupa Petrochem and M/s Shree Shyam Fuelco Pvt Ltd was not provided by them. then how it was decided to classify the said goods i.e., Mix Hydrocarbon Oil/Mix Mineral oil under the Customs Tariff heading 27101990 pertaining to "others".*

*Answer: Based on the import documents provided by the importer and the practice of the classification being followed at Mundra Port in respect of Mix Hydrocarbon Oil/Mix Mineral oil imported by other parties at the Mundra port, it was decided to classify the consignments accordingly under the Customs Tariff heading 27101990 pertaining to "others".*

- *Question 17: Your attention is invited to your reply to Question No. 21 of your statement dated 01.05.2024, wherein on being asked "whether goods i.e., Mix Hydrocarbon Oil so imported in consignments/containers hold by DRI and imported in earlier consignments are same" and you had replied that "Yes sir, as per my understanding they are the same". In this regard, please peruse the respective test reports of consignments that have been put on hold by DRI Noida regional Unit. The test results of each of the consignment have been summarized in the table below.*

<i>S.NO</i>	<i>IEC Name</i>	<i>BOE No</i>	<i>No of containers</i>	<i>Sample no.</i>	<i>Test report result</i>
<i>1</i>	<i>M/S A. A. Cable Layers</i>	<i>9765080 Dt. 21.01.2024</i>	<i>14</i>	<i>AB3-344709</i>	<i>Gas Oil</i>
		<i>9765081 Dt. 21.01.2024</i>	<i>12</i>	<i>AA1-344704</i>	<i>Gas Oil</i>
<i>2</i>	<i>M/S Shree</i>	<i>2083192</i>	<i>10</i>	<i>HCI-</i>	<i>Automotive</i>

	<i>Hari Krupa Petrochem</i>	<i>Dt. 10.02.2024</i>		<i>A217700</i>	<i>Diesel Fuel BS(IV)</i>
		<i>2100062 Dt. 12.02.2024</i>	<i>10</i>	<i>HD3-A217692</i>	<i>Automotive Diesel Fuel BS(IV)</i>
		<i>9999773 Dt. 06.02.2024</i>	<i>10</i>	<i>HB1-A217693</i>	<i>Adulterated Diesel</i>
		<i>2043286 Dt. 08.02.2024</i>	<i>10</i>	<i>HA1-A217686</i>	<i>Automotive Diesel Fuel BS(IV)</i>
		<i>2148664 Dt. 15/02/2024</i>	<i>10</i>	<i>HE1-A215389</i>	<i>Automotive Diesel Fuel BS(IV)</i>
<i>3</i>	<i>M/S Shree Shyam Fuelco Private Limited.</i>	<i>2131398 Dt. 14.02.2024</i>	<i>10</i>	<i>SSA3-A2154900</i>	<i>HFHSD (High Flash High Speed Diesel)</i>

*Having perused the test reports please offer your comments in the light of your reply to Question No. 21 of your statement dated 01.05.2024.*

*Answer: I have seen the test reports detailed above as well as the parameters detailed therein. Further, I have also signed all the said test reports as a token of having seen them. On perusal of the test reports, it is seen that contrary to my submission that Mix Hydrocarbon Oil so declared in the bill of entry and sought to be imported in consignments/containers hold by DRI and imported in earlier consignments are same, the lab has come to a conclusion that the consignment does not consist of MHO but a different oil as mentioned in the Respective report.*

- Question 18: Do you agree with the outcome of the test reports and the result mentioned therein?*

*Answer: Since the samples have been tested in approved and competent laboratory, I agree with the test reports and the parameters as mentioned in the respective test.*

- Question 19: Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Shyam Fuelco Private Limited wherein the oil has been found to be "HFHSD as per IS 16861:2018". On the basis of the conclusion of CRCL lab, the goods are actually HFHSD as per IS 16861:2018 and are hence classifiable under CTH 27101949. In the light of the test report and your reply to question No 33 above, do you agree that the HFHSD as per IS 16861:2018 imported in consignment covered under BOE no 2131398 Dt. 14.02.2024 filed by you and imported by M/S Shree Shyam Fuelco Private Limited, is correctly classifiable under CTH 27101949 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "HFHSD as per IS 16861:2018". I also agree that the correct classification of the oil in the consignment covered under BOE no 2131398 Dt. 14.02.2024 should be under CTH 27101949. Thus the declaration of the item made in the bill of entry is incorrect and wrong.*

- *Question 20. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2083192 Dt. 10.02.2024 wherein the oil has been found to be "Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH 27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported in consignment covered under Bill of Entry no 2083192 Dt. 10.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I again agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Automotive Diesel Fuel as per IS 1460:2017. I also agree that the correct classification of the oil in the consignment covered under BOE no 2083192 Dt. 10.02.2024 should be under CTH 27101944. Thus the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- *Question 21. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2100062 Dt. 12.02.2024 wherein the oil has been found to be "Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH 27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported by you in consignment covered under Bill of Entry no 2100062 Dt. 12.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In this case also I am in agreement with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Automotive Diesel Fuel as per IS 1460:2017. I also agree that the correct classification of the oil in the consignment covered under BOE no 2100062 Dt. 12.02.2024 should be under CTH 27101944. Thus the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- *Question 22. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2043286 Dt. 08.02.2024 wherein the oil has been found to be "Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH*

27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported in consignment covered under Bill of Entry no 2043286 Dt. 08.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.

Answer: I am in agreement with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Automotive Diesel Fuel as per IS 1460:2017. I also agree that the correct classification of the oil in the consignment covered under BOE no 2043286 Dt. 08.02.2024 should be under CTH 27101944. Thus the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.

- Question 23. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 2148664 Dt. 15/02/2024 wherein the oil has been found to be "Automotive Diesel Fuel as per IS 1460:2017. On the basis of the conclusion of CRCL lab, the goods are actually ADF as per IS 1460:2017 and are hence classifiable under CTH 27101944. In the light of the test report and your reply to question No 33 above, do you agree that the ADF as per IS 1460:2017 imported in consignment covered under Bill of Entry no 2148664 Dt. 15/02/2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101944 and not 27101990 as classified by you in the bill of entry filed by you.

Answer: In this case also I am in agreement with the result of the test report in respect of the said consignment and the conclusion that the correct classification of the oil in the consignment covered under Bill of Entry no 2148664 Dt. 15/02/2024 should be under CTH 27101944. The declaration of the item made in the bills of entries is incorrect and wrong.

- Question 24. Your kind attention is invited to the conclusion of the test report for the sample of M/S Shree Hari Krupa Petrochem filed under Bill of Entry no 9999773 Dt. 06.02.2024 wherein the oil has been found to be adulterated diesel fuel. On the basis of the conclusion of CRCL lab, the goods are actually Adulterated diesel fuel which as per the parameters, can be classified as GAS oil under CTH 27101941. In the light of the test report and your reply to question No 33 above, do you agree that the GAS oil imported in consignment covered under Bill of Entry no 9999773 Dt. 06.02.2024 filed by you and imported by M/S Shree Hari Krupa Petrochem is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.

Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Gas Oil". I also agree that the correct classification of the oil in the consignment covered under BOE no 9999773 Dt. 06.02.2024 should be under CTH 27101941. Thus the declaration of the item made in the bill of entry is incorrect and wrong.



- *Question 25. Your kind attention is invited to the conclusion of the test report for the sample of M/S A. A. Cable Layers filed under Bill of Entry no 9765080 Dt. 21.01.2024 wherein as per the parameters given by the IOCL lab the oil has been found to be Gas Oil. On the basis of the parameters given by IOCL lab, the goods are actually Gas Oil which is correctly classified under CTH 27101941. In the light of the test report and your reply to question No 33 above, do you agree that the GAS oil imported in consignment covered under Bill of Entry no 9765080 Dt. 21.01.2024 filed by you and imported by M/S A. A. Cable Layers is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In view of the conclusion made as per the parameters given by IOCL report, I agree that the correct classification of the oil in the consignment covered under Bill of Entry no 9765080 Dt. 21.01.2024 should be under CTH 27101941. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 26. Your kind attention is invited to the conclusion of the test report for the sample of M/S A. A. Cable Layers filed under Bill of Entry no 9765081 Dt. 21.01.2024 wherein as per the parameters given by the IOCL lab the oil has been found to be Gas Oil. On the basis of the parameters given by IOCL lab, the goods are actually Gas Oil which is correctly classified under CTH 27101941. In the light of the test report and your reply to question No 33 above, do you agree that the GAS oil imported in consignment is covered under Bill of Entry no 9765081 Dt. 21.01.2024 filed by you and imported by M/S A. A. Cable Layers is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I again agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Gas Oil". I also agree that the correct classification of the oil in the consignment covered under BOE no 9765081 Dt. 21.01.2024 should be under CTH 27101941. Thus the declaration of the item made in the bill of entry is incorrect and wrong.*

- *Question 27: Please take cognizance of your reply to the question no 19-26 above and state whether the goods declared in the Bills of entries were mis-declared.*

*Answer: on consideration of the test result and the declaration made in the bill of entry as well as its classification, it is evident that there is a mis-match between the two and thus the declaration made in the Bill of entry is incorrect and wrong. I have already stated my acceptance with all the test reports shown to me and referred to in Question no. 19-26. Though prima-facie it appears to be a case of mis-declaration however I wish to submit that all the declaration and classification made in the bill of entry were on the basis of the documents provided by the respective importers.*

- *Question 28: Please take cognizance of the reply to question no 27 above. The goods identified by the lab comprising the consignments and classifiable under*

*the said headings are not freely importable as they are restricted in nature and can only be imported by STEs (State Trading Enterprises). Then why Bill of Entry has been filed by way of mis-declaration for restricted items.*

*Answer: I agree that the items identified by the lab comprising of the said consignments are restricted and can only be imported by STEs. I again submit that the Bill of entry was filed on the basis of documents and information provided by the importer. The importer can only explain the discrepancy with regard to the declaration given in the import documents in respects of the goods vis-à-vis the goods identified by the Laboratory.*

- *Question 29: Do you wish to state anything else?*

*Answer: I wish to request that the facts of the case may be taken into consideration while arriving at the role of my firm. M/s Shivshakti Shipping and that of M/s Gaurav M Jhaveri under whose F-card my firm conducted Custom related work of the companies under investigation.*

**17.** And whereas, summons were issued to M/s Continental Shipping Services on 21.06.2024 (**RUD-25**) for appearance on 02.07.2024. Further, Sh. Sayed Salim Nizamudin, G- Card Holder of M/s Continental Shipping Services appeared on 12.07.2024 in compliance with the summons served upon M/s Continental Shipping Services. However, Sh. Sayed Salim Nizamudin in his voluntary statement submitted that he was very new to the company and hence had very little knowledge of the details related to the case. He also submitted that MrsShanmuga Jayashree, partner of M/s Continental Shipping Services might give the requisite details related to the case. Further Summons dated 25.07.2024 (**RUD-26**) were issued in the name of Mrs Shanmuga Jayashree, partner of M/s Continental Shipping Services for appearance on 19.09.2024.

**18.** Voluntary statement of Shri Sayed Salim Nizamudin S/o Sayed nizamudin aged 34 years, resident of 162, sector 6, Ganesh Nagar, Gandhidham, Kachchh, Gujarat, 370201 contact details Mobile 9537281289 (Aadhar Card No: 9475 9289 6799) - was recorded on 12/07/2024 under Section 108 of the Customs Act 1962(**RUD-27**) wherein he inter-alia stated:

- *I submit that I completed my B.COM Graduation from the University of Kachchh in the year 2014. Then I started my career with Anchor Logistics, Gandhidham where I worked till to 2015. Then I switched job to M/s Kandla Logistics and worked there from 2015 to 2017. After that I started freelancing work of Logistics. Then in year 2023 I got my G-card and I started working for M/s Continental Shipping Services as a G card holder. Since then I have been providing customs clearance services to various customers. I am living with my wife MrsShabeena, my son, father and elder brothers family on the above-mentioned Address.*
- *Question 1: Please explain the business of M/s Continental shipping services.*  
*Answer: M/s Continental Shipping Services is a partnership firm with partners namely MrsShanmuga Jayashree and Mrs Radha, was established in the year*

1999. Sh Rajendra Kumar is the F-card holder in the firm. As stated by me above the firm is engaged in the custom clearance of import and export consignments at various ports.

- Question 2: Please give details of your G Card and also state the customs formation which has issued you the G card.

Answer: My G-card bearing no. G/M/NDRI/20234082, has been issued by the office of the Asst. Commissioner of Customs (General), Mundra Customs. I am submitting a copy of the said G-card for information under my signature.

- Question 3: Please state the present location of M/s Continental Shipping Services, your present working office in Mundra and head office of M/s Continental Shipping Services.

Answer: Presently my office is located at Office no 17, Ghanshyam complex, near the bridge, New Adani port road, Dhrab, Kachchh, Gujarat-370421. I work from this office address only. The head office of M/s Continental Shipping Services is at No-112, Bhuvana Towers, S.D. Road, Secunderabad, Hyderabad, Telangana-500003.

- Question 4: How many people are working in your firm. Please provide their details, designation, responsibilities and Mobile no

Answer: Apart for me a total of 19 people work at M/s Continental Shipping Services, Mundra office, whose details are as under:

Sr No	Name	Designation	Mob No
1	Ansari Mamad Hakim	Custom Executive/ Examination	8866396331
2	Arvind Goyal	Operation	9714292635
3	Banvari Bhil	Documentation/ Coleection Do	9879492046
4	Bijaya Kumar Mata	Custom Executive/ House Custom	9348573891
5	Chaiya Durgesh Shamji	Documentation/ Coleection Do	8320380729
6	Grijesh Kumar	Operations	7361849970
7	Hardik Sanatbhai Parikh	Sr.Accountant	7043758849
8	Indra Bhushan Mishra	Documentation	7486086936
9	JaydipJesangNanjar	Operations	7623060541
10	Jeta Ram Benival	Operations	9680090537
11	KunbharAshpakAdam	Operations	8866382732
12	Manohar Lal Jandu	Operations	8955734988
13	MitMadhukant Shah	Custom Executive/ Examination	8141419834
14	Mota Vivek Vinodbhai	Jr.Accountant	8238629102
15	Pura Ram	Operations	7232885220

16	Sanjay Kumar	Documentation	9106507154
17	Sanjeev Kumar Chaudhary	Custom Executive/ Examination	7574967463
18	Sodha ManojkumarKalubha	Custom Executive/ Examination	9726120587
19	Vikash Ranjan Baral	Documentation	6364055 070

- Further I am not aware of the details of the employees at other locations of M/s Continental Shipping services. These details can either be provided by MrsShanmuga Jayashree, partner of M/s Continental Shipping Services or Sh. Rajendra Kumar, the F-card holder of the firm.

- Question 5: Please state how much salary do you get for working at M/s Continental Shipping Service?

Answer: I get a salary of Rs 25000/- from M/s Continental Shipping Services, which I receive in my ICICI bank savings account.

- Question 6: Please name the companies/firms for whom you are providing customs clearance services.

Answer: Our major clients include:

SR. NO	NAME
1	APEX IMPEX
2	AVADHOOT ENTERPRISE
3	CREATIVE INDIA CO
4	SKY FALCON MINERALS PVT LTD
5	A.A. CABLE LAYERS
6	B J PETROCHEM
7	KUSUM PETRO CHEMICALS
8	MAA KIRPA
9	PITAMBER ORAGANICS
10	REVOLUTION PETROCHEM LLP
11	SHREE ASHAPURA TRADELINK PVT LTD
12	TANISH TRADING CO
13	SINDHVAI LUBES

- I am again submitting that these are only the major clients of the Mundra branch of M/s Continental Shipping Services. Details of other major clients of M/s Continental Shipping Services can be provided either by MsShanmuga Jayashree, partner of M/s Continental Shipping Services or Sh. Rajendra Kumar, the F-card holder of the firm.

- Question 7: What are the ports where you are providing customs clearance services?

Answer: As per my knowledge M/s Continental shipping services operates at Nhava Sheva, Chennai and Mundra sea ports.

- Question 8: How do you provide customs clearance facilities? Please explain the procedure in this regard.

*Answer: We get Import documents such as Packing list Bill of Lading, and Invoice on our email- [continentalmundra@gmail.com](mailto:continentalmundra@gmail.com) as well as by hand, which are then examined by our staff who later on prepare a check list which is then sent to the importers/M/s ShriKrishna logistics for approval. Once the checklist is approved, the bill of entry is filed online on the ICEGATE website. After it is approved, the examination of the cargo by the customs officers is conducted in the presence of our field executives. I as a G-card holder of the firm, also sometimes present myself at the time of examination if required. Then After the examination and assessment of the consignment, out-of-charge is given by the Customs, the documents are then handed over to the transporter who is engaged by the importer only, for delivery at the designated address.*

- *Question 9: Please refer to your answer to question no. 8 above and please state why do you send the checklist to M/s Shri Krishna Logistics?*

*Answer: M/s Krishna Logistics brings clients for us at the port, related to customs clearance, and therefore as a practice the checklist is routed through M/s Shri Krishna Logistics only.*

- *Question 10: Please provide information regarding M/s Shri Krishna Logistics.*

*Answer: M/s Krishna Logistics is a proprietorship firm which is being operated by Sh Satish Maheshwari. M/s Krishna Logistics brings client for M/s Continental Shipping Services, this arrangement has been there before my joining M/s Continental Shipping services.*

- *Question 11: Please provide the office address of M/s Shri Krishna Logistics.*

*Answer: M/s Krishna Logistics has its registered office at 215, Zero Point, Kashish arcade, Anan Kapaya, Mundra Kachchh Gujarat- 370421.*

- *Question 12: Please submit a copy of agreement regarding terms and conditions of your business with M/s Shri Krishna Logistics.*

*Answer: I am not aware of any such agreement and this can only be clarified by MrsShanmuga Jayashree, partner of M/s Continental Shipping Services or Sh. Rajendra Kumar, the F-card holder of the firm.*

- *Question 13: Please provide the contact details of partners of M/s Continental Shipping Services and Sh Rajendra Kumar, F-card Holder?*

*Answer: I only have the mobile no of MrsShanmugan Jayashree- 8925567772, I do not have the mobile nos of other partner or F-card Holder.*

- *Question 14: Do you wish to state anything else?*

*Answer: I wish to submit that as already submitted by me that I have joined M/s Continental Shipping Services in year 2023 only and I have limited knowledge of the organization, and whatever information and details were known to me have been provided. If any further information is required apart from this then that*

*can only be provided either by the partners of the firm or Sh Rajendra kumar F-card holder of M/s Continental Shipping Services.*

19. And whereas, summons were issued to M/s A.A. Cable on 21.06.2024(**RUD-28**) for appearance on 02.07.2024. Vide e-mail dated 01.07.2024, (**RUD- 29**) Sh. Gurmeet Singh, Authorised representative of M/s AA Cable Layers, expressed his inability to attend to the summons citing his health condition and he requested for some time before his appearance at the office of DRI. Therefore, fresh summons were again issued on 05.07.2024(**RUD-30**) for appearance on 16.07.2024 to which Sh. Gurmeet Singh vide e-mail dated 16.07.2024 again expressed his inability to attend to the summons due to some family emergency. However, Shri Gurmeet Singh, Partner M/s A.A. Cable layers, voluntarily appeared on 22.07.2024 to tender his voluntary statement. His statement was recorded on 22.07.2024 under section 108 of the Customs Act 1962.

20. Voluntary statement of Shri Gurmeet Singh, Partner M/s A.A. Cable layers resident of 0, Mohalla Asdullapur, behind Tehsil, Milak Rampur, 243701 aged 49 years, (AADHAR No. 683736774667), - was recorded on 22/07/2024 under Section 108 of the Customs Act 1962(**RUD-31**) wherein he inter-alia stated:

- I am the Partner of the firm M/s A.A. Cable Layers. The other partner of the firm is Sh Rajinder Pal Singh, he is my younger brother. I look after the overall work related to the firm and Sh Rajinder Pal Singhis however is not involved in the operations related to the firm. M/s A.A. Cable Layers was established in 2010, as a company and is engaged in the Infra projects such as road construction, various govt infra projects etc. In June 2023 M/s A.A. Cable Layers, got its IEC code and got engaged in the import of Mix/Mixed Hydrocarbon Oil. The registered office of the Company is 0, Mohalla Asdullapur, behind Tehsil, Milak Rampur, 243701. There are currently two employees working for the firm, who looks after the accounting and normal routine office work.*

*As far as my personal details are concerned, I am BA Graduate from RP Degree College, Meergunj Bareilly, which I completed in 1996. After completing my graduation I started working with my father in the construction business only. Then in year 2010, I along with my brother registered M/s A.A. Cable Layers. Then in year 2023 I ventured into the Oil Business and started importing Mix Hydrocarbon Oil.*

*I am married to Ms Amandeep Kaur, I have 2 sons, I live with my mother, the family of my younger brother and my wife and kids at the above-mentioned address only.*

- Question 1: Please provide a certified copy of the Buyer-seller agreement for the consignments.*

*Answer: There is no buyer-seller agreement between us and the overseas supplier.*

- *Question 2: Please state with whom and how do you place an order with the overseas supplier.*  
*Answer: The order is generally placed by me with the overseas suppliers over the Mobile phone.*
- *Question 3: How many consignments have you imported till now.*  
*Answer: We have imported approx. 16-17 consignments of oil till now.*
- *Question 4: Please submit the details of the overseas suppliers of MHO (Mineral Hydrocarbon Oil) imported by you which have been put on hold by DRI at Mundra.*  
*Answer: We generally import through a limited no of selected suppliers, but mainly from M/s Swathi Smart Ventures FZC and M/s Ecofuel Nexus. I contact a person namely ShriRajlakshmi, in Dubai, who looks after the sales of the M/s Swathi Smart Ventures FZC, on his mobile +97144319010 and similarly Sh. Das ji who looks after the sales of the M/s Ecofuel Nexus on his mobile phone +971569919192.*
- *Question 5: What is the status of the overseas supplier of the import of MHO(Mineral Hydrocarbon Oil)?*  
*Answer: To my knowledge all the overseas suppliers, are traders only.*
- *Question 6: What are your payment terms with the overseas supplier?*  
*Answer: Once an order is finalized over the mobile phone, full payment in advance is made via SWIFT to the overseas suppliers who then send the consignment to the designated port in India.*
- *Question 7: Please describe your product viz MHO (Mineral Hydrocarbon Oil) and state the characteristic parameters/specifications based on which the declaration has been made.*  
*Answer: To my understanding, MHO is Mix Hydrocarbon Oil. As far as the parameters/specification of the product i.e. MHO is concerned I do not know in detail. MHO is used for industrial purposes.*
- *Question 8: If you are not aware of the parameters/specifications of the MHO (Mineral Hydrocarbon Oil) then on what basis it is being imported by you?*  
*Answer: The requirement of oil (MHO) is communicated to us by our clients and based on the requirement we place orders with the overseas suppliers. After that, we communicate the same requirement to the overseas supplier from Dubai. We are just traders of the product and work on the market demand.*
- *Question 9: Please provide certified copies of the Chemical Analysis report or Test report of all the consignments of MHO (Mineral Hydrocarbon Oil) imported by you.*

*Answer: I have submitted copies of the chemical analysis report that has been provided by the supplier in respect of the consignments put on hold.*

- Question 10: In the said reports it has been mentioned that the tests conducted are as per ASTM testing standards. In the light of your reply to question no.05 wherein you had mentioned that all your suppliers are traders, is the report of the supplier without any technical qualification mentioned therein, is valid and proper?*

*Answer: I am not aware about his technical qualification and competency to issue the lab report but since it was provided by the supplier, I have submitted the same*

- Question 11: Please state whether the goods pertaining to the said consignment has been declared as MHO in the invoice, packing list on the basis of the parameters mentioned in the chemical analysis report.*

*Answer: I am not sure about but I think the supplier has considered these parameters while declaring the goods declared so in the import documents.*

- Question 12: Do you have any literature or documents that can help you classify your product as MHO according to the chemical analysis report provided by the overseas supplier?*

*Answer: We do not have any documents or literature that helped us in the classification of the product as MHO according to the test report provided by the overseas supplier. Our CHA only guided us in the classification of the same as MHO.*

- Question 13: Please provide the Details of the refinery/oil firm from where each consignment has originated/been manufactured.*

*Answer: I am not aware of the source of purchase of MHO by my overseas supplier.*

- Question 14: Please provide the Chemical Analysis Report issued by the Original manufacturer/refinery/oil firm for each of the consignments that are put on hold by the office of DRI, along with a Certified copy of the invoice generated by the firm to the overseas supplier and Details (contact details and correspondence addresses) of all traders between the overseas supplier and the Original manufacturer/ refinery for each consignment.*

- Answer: I have submitted copies of the Chemical Analysis Report provided by the overseas supplier for all the BOEs I do not have Chemical Analysis Report provided by the original manufacturer. I have submitted the invoices pertaining to the consignments that were put on hold by your office. Further, I am not aware of the address and details of the traders as sought by you.*



- *Question 15: In the light of your reply to question no 12 above. Kindly detail the basis of the classification of the consignment under CTI 27101990 and declaration of the same as Mix Hydrocarbon Oil.*  
*Answer: We declared the product as MHO (Mineral Hydrocarbon Oil) and classified it under CTH 27101990 as per the discussions with the CHA and as per the general practice of the trade.*
- *Question 16: Please provide a Certified copies of each :  
 Load Port reportsurveyor report of the port,Compliance report.*  
*Answer: No such document or report is available with me, nor has been provided by the overseas supplier.*
- *Question 17: Please refer to the reply of Question 02 and 04 above and provide the certified copies of communication (emails/letters etc.) with the overseas suppliers w.r.t. the consignments.*  
*Answer: As stated by me above all the communication with the supplier happens telephonically over mobile phone and hence no such copies of communication (emails/letters etc.) are available with me*
- *Question 18: Please provide details of key officials (name and designation) of your company.*  
*Answer: All the operations of the company are being handled by me only.*
- *Question 19: Please provide a Certified copy of the Invoice for each consignment, including itemized description, quantities, values, and any applicable discounts or rebates.*  
*Answer: M/s A.A. Cable Layers has imported about 16-17 Consignments of Mix/mixed Hydrocarbon oil since July 2013, including the ones that have been put on hold by DRI. I am submitting the documents such as Bill of Lading, Bill of Entry, invoice and packing list of the consignment that are put on hold by DRI Noida Regional Unit.*
- *Question 20: Please provide a Certified copy of bank statement indicating payments made to suppliers for consignments.*  
*Answer: I do not have the copy of the bank statement right now however I will provide the same at the earliest.*
- *Question 21. Please provide the details of the warehouse/storage place where the imported goods are stored after their import by your firm?*  
*Answer. M/s A.A. Cable Layers does not have any warehouse/storage place where the imported goods are stored as the MHO imported by the firm after customs clearance is delivered directly to the buyers.*
- *Question 22. Please peruse the test report submitted by IOCL Panipat dated 08.04.2024 with regard to the test memo dated 16.02.2024 pertaining to samples drawn from your consignment on hold at Mundra port covered underBOE no*

9788458 dated 23/01/2024. As per the parameters described in the test report, the conclusion arrived at, regarding the goods is "Kerosene conforming to standard IS 1459:2018". Please peruse the said report and offer your comments.  
 Answer. I have seen the copy of the test report dated 08.04.2024 of the IOCL Panipat in respect of the sample drawn from the consignment covered under BOE no 9788458 dated 23/01/2024 pertaining to M/s A.A. Cable Layers and I have signed the said report as a token of having seen it. I have also perused the parameters detailed in the test report and I submit that I agree with the parameters of the report of IOCL and that they meets the specifications of "Kerosene conforming to standard IS 1459:2018".

- *Question 23. Please peruse the test report submitted by IOCL Panipat dated 08.04.2024 with regard to the test memo dated 16.02.2024 pertaining to samples drawn from your consignment on hold at Mundra port covered under BOE no 9783627 dated 23/01/2024. As per the parameters described in the test report, the conclusion arrived at, regarding the goods is "Kerosene conforming to standard IS 1459:2018". Please peruse the said report and offer your comments.*  
*Answer. I have seen the copy of the test report dated 08.04.2024 of the IOCL Panipat in respect of the sample drawn from the consignment covered under BOE no 9783627 dated 23/01/2024 pertaining to M/s A.A. Cable Layers and I have signed the said report as a token of having seen it. I have also perused the parameters detailed in the test report and I submit that I agree with the parameters of the report of IOCL and that they meets the specifications of "Kerosene conforming to standard IS 1459:2018".*
- *Question 24. Please peruse the test report submitted by IOCL Panipat dated 08.04.2024 with regard to the test memo dated 16.02.2024 pertaining to samples drawn from your consignment on hold at Mundra port covered under BOE no 9783769 dated 23/01/2024. As per the parameters described in the test report, the conclusion arrived at, regarding the goods is "Kerosene conforming to standard IS 1459:2018". Please peruse the said report and offer your comments.*  
*Answer. I have seen the copy of the test report dated 08.04.2024 of the IOCL Panipat in respect of the sample drawn from the consignment covered under BOE no 9783769 dated 23/01/2024 pertaining to M/s A.A. Cable Layers and I have signed the said report as a token of having seen it. I have also perused the parameters detailed in the test report and I submit that I agree with the parameters of the report of IOCL and that they meet the specifications of "Kerosene conforming to standard IS 1459:2018".*
- *Question 25. Please peruse the test report submitted by IOCL Panipat dated 08.04.2024 with regard to the test memo dated 16.02.2024 pertaining to samples drawn from your consignment on hold at Mundra port covered under BOE no 9783769 dated 21/01/2024. As per the parameters described in the test report, the conclusion arrived at, regarding the goods is "Gas Oil". Please peruse the said report and offer your comments.*  
*Answer. I have seen the copy of the test report dated 08.04.2024 of the IOCL Panipat in respect of the sample drawn from the consignment covered under BOE no 9765080 dated 21/01/2024 pertaining to M/s A.A. Cable Layers and I have signed the said*

*report as a token of having seen it. I have also perused the parameters detailed in the test report and I submit that I agree with the parameters of the report of IOCL and that they meet the specifications of "Gas Oil".*

- *Question 26. Please peruse the test report submitted by IOCL Panipat dated 08.04.2024 with regard to the test memo dated 16.02.2024 pertaining to samples drawn from your consignment on hold at Mundra port covered under BOE no 965081 dated 21/01/2024. As per the parameters described in the test report, the conclusion arrived at, regarding the goods is "Gas Oil". Please peruse the said report and offer your comments.*

*Answer. I have seen the copy of the test report dated 08.04.2024 of the IOCL Panipat in respect of the sample drawn from the consignment covered under BOE no 9765081 dated 21/01/2024 pertaining to M/s A.A. Cable Layers and I have signed the said report as a token of having seen it. I have also perused the parameters detailed in the test report and I submit that I agree with the parameters of the report of IOCL and that they meet the specifications of "Gas Oil".*

- *Question 27. Your kind attention is invited to the conclusion of the test report wherein the parameters suggests that the oil has been found to be "Kerosene conforming to standard IS 1459:2018". whereas you have declared the same as Mixed Hydrocarbon Oil in BOE no 9788458 dated 23/01/2024, filed by you. The test report suggests misdeclaration on your part. Please offer your comment in this regard.*

*Answer. I agree that the description given in BOE no 9788458 dated 23/01/2024, and the conclusions of the test reports of IOCL dated 08.04.2024 are different. The Bill of Entry was filed on the basis of the order placed by me with the overseas supplier and the import documents provided by me. I had specifically ordered for Mixed Hydrocarbon oil but as per the report I can see that the supplier has sent wrong item by mistake and not the one that I ordered. I regret for the mistake and having accept the findings of the IOCL, Panipat, I request that the same may be re-exported back to the supplier.*

- *Question 28. Your kind attention is invited to the conclusion of the test report wherein the parameters suggests that the oil has been found to be "Kerosene conforming to standard IS 1459:2018". whereas you have declared the same as Mixed Hydrocarbon Oil in BOE no 9783627 dated 23/01/2024, filed by you. The test report suggests misdeclaration on your part. Please offer your comment in this regard.*

*Answer. I agree that the description given in BOE no 9783627 dated 23/01/2024, and the conclusions of the test reports of IOCL dated 08.04.2024 are different. The Bill of Entry was filed on the basis of the order placed by me with the overseas supplier and the import documents provided by me. I had specifically ordered for Mixed Hydrocarbon oil but as per the report I can see that the supplier has sent wrong item by mistake and not the one that I ordered. I regret for the mistake and having accept the findings of the IOCL, Panipat, I request that the same may be re-exported back to the supplier.*

- *Question 29. Your kind attention is invited to the conclusion of the test report wherein the parameters suggests that the oil has been found to be “Kerosene conforming to standard IS 1459:2018”. whereas you have declared the same as Mixed Hydrocarbon Oil in BOE no 9783769 dated 23/01/2024, filed by you. The test report suggests misdeclaration on your part. Please offer your comment in this regard.*

*Answer. I agree that the description given in BOE no 9783769 dated 23/01/2024, and the conclusions of the test reports of IOCL dated 08.04.2024 are different. The Bill of Entry was filed on the basis of the order placed by me with the overseas supplier and the import documents provided by me. I had specifically ordered for Mixed Hydrocarbon oil but as per the report I can see that the supplier has sent wrong item by mistake and not the one that I ordered. I regret for the mistake and having accept the findings of the IOCL, Panipat, I request that the same may be re-exported back to the supplier.*

- *Question 30. Your kind attention is invited to the conclusion of the test report wherein the parameters suggests that the oil has been found to be “Gas Oil”. whereas you have declared the same as Mixed Hydrocarbon Oil in BOE no 9765080 dated 21/01/2024, filed by you. The test report suggests misdeclaration on your part. Please offer your comment in this regard.*

*Answer. I agree that the description given in BOE no 9765080 dated 21/01/2024, and the conclusions of the test reports of IOCL dated 08.04.2024 are different. The Bill of Entry was filed on the basis of the order placed by me with the overseas supplier and the import documents provided by me. I had specifically ordered for Mixed Hydrocarbon oil but as per the report I can see that the supplier has sent wrong item by mistake and not the one that I ordered. I regret for the mistake and having accept the findings of the IOCL, Panipat, I request that the same may be re-exported back to the supplier.*

- *Question 31. Your kind attention is invited to the conclusion of the test report wherein the parameters suggests that the oil has been found to be “Gas Oil”. whereas you have declared the same as Mixed Hydrocarbon Oil in BOE no 9765080 dated 21/01/2024, filed by you. The test report suggests misdeclaration on your part. Please offer your comment in this regard.*

*Answer. I agree that the description given in BOE no 9765081 dated 21/01/2024, and the conclusions of the test reports of IOCL dated 08.04.2024 are different. The Bill of Entry was filed on the basis of the order placed by me with the overseas supplier and the import documents provided by me. I had specifically ordered for Mixed Hydrocarbon oil but as per the report I can see that the supplier has sent wrong item by mistake and not the one that I ordered. I regret for the mistake and having accept the findings of the IOCL, Panipat, I request that the same may be re-exported back to the supplier*

- *Question 32. Your kind attention is again invited to the conclusion of the test report wherein the oil has been found to be “Kerosene conforming to standard IS 1459:2018” .On the basis of the analysis of the parameters as described in the report of IOCL, Panipat, that the goods are kerosene conforming to standard IS 1459:2018, classifiable under CTH 27101932. In light of the test report and your reply to question No 27 above, do you agree that the Kerosene conforming to*

*standard IS 1459:2018 imported by you in consignment covered under BOE no 9788458 dated 23/01/2024 is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you?*

*Answer. In view of the conclusion of the IOCL report, I agree that the correct classification of the oil in the consignment covered under BOE no 9788458 dated 23/01/2024 is under CTH 27101932, however, we had ordered for Mixed Hydrocarbon oil only, classifiable under CTH 27101990.*

- *Question 33. Your kind attention is again invited to the conclusion of the test report wherein the oil has been found to be “Kerosene conforming to standard IS 1459:2018” .On the basis of the analysis of the parameters as described in the report of IOCL, Panipat, that the goods are kerosene conforming to standard IS 1459:2018, classifiable under CTH 27101932. In light of the test report and your reply to question No 28 above, do you agree that the Kerosene conforming to standard IS 1459:2018 imported by you in consignment covered under BOE no 9783627 dated 23/01/2024 is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you?*

*Answer. In view of the conclusion of the IOCL report, I agree that the correct classification of the oil in the consignment covered under BOE no 9783627 dated 23/01/2024 is under CTH 27101932, however, we had ordered for Mixed Hydrocarbon oil only, classifiable under CTH 27101990.*

- *Question 34. Your kind attention is again invited to the conclusion of the test report wherein the oil has been found to be “Kerosene conforming to standard IS 1459:2018” .On the basis of the analysis of the parameters as described in the report of IOCL, Panipat, that the goods are kerosene conforming to standard IS 1459:2018, classifiable under CTH 27101932. In light of the test report and your reply to question No 29 above, do you agree that the Kerosene conforming to standard IS 1459:2018 imported by you in consignment covered under BOE no 9783769 dated 23/01/2024 is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you?*

*Answer. In view of the conclusion of the IOCL report, I agree that the correct classification of the oil in the consignment covered under BOE no 9782769 dated 23/01/2024 is under CTH 27101932, however, we had ordered for Mixed Hydrocarbon oil only, classifiable under CTH 27101990.*

- *Question 35. Your kind attention is again invited to the conclusion of the test report wherein the oil has been found to be “Gas Oil” .On the basis of the analysis of the parameters as described in the report of IOCL, Panipat, that the goods are Gas Oil, classifiable under CTH 27101941. In light of the test report and your reply to question No 30 above, do you agree that the Gas Oil imported by you in consignment covered under BOE no 9765080 dated 21/01/2024 is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you?*

*Answer. In view of the conclusion of the IOCL report, I agree that the correct classification of the oil in the consignment covered under BOE no 9765080 dated*

*21/01/2024 is under CTH 27101941, however, we had ordered for Mixed Hydrocarbon oil only, classifiable under CTH 27101990.*

- *Question 36. Your kind attention is again invited to the conclusion of the test report wherein the oil has been found to be "Gas Oil" .On the basis of the analysis of the parameters as described in the report of IOCL, Panipat, that the goods are Gas Oil, classifiable under CTH 27101941. In light of the test report and your reply to question No 31 above, do you agree that the Gas Oil imported by you in consignment covered under BOE no 9765081 dated 21/01/2024 is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you?*

*Answer. In view of the conclusion of the IOCL report, I agree that the correct classification of the oil in the consignment covered under BOE no 9765081 dated 21/01/2024 is under CTH 27101941, however, we had ordered for Mixed Hydrocarbon oil only, classifiable under CTH 27101990.*

- *Question 37. Please refer to your reply to question number 32,33,34,35 and 36above wherein you have agreed that the correct classification of the oil i.e. Kerosene as per IS 1459 and Gas Oil, are restricted items and can only be imported by STE (State Trading Enterprise). Please offer your comments about this.*

*Answer. Yes, I have been shown the said provisions and I have come to know that Kerosene as per IS 1459 and Gas Oil are restricted items and can only be imported by STE (State Trading Enterprise). In view of this fact and also as stated by me, since it is not as per my order and as requested by me in reply to questions no 32,33,34,35 and 36 above, I once again request that the consignment may be reexported back to the overseas supplier.*

**21.** And whereas, investigation and other proceedings of the case could not be completed within stipulated period of six months, an extension of further six months was sought from the competent authority, which was accordingly granted vide letter dated 27.07.2024(**RUD-32**).

**23.** And whereas, summons were issued to Ms. Shanmuga Jayashree (**RUD-33**) for appearance on 03.10.2024. Ms. Shanmuga Jayashree, Partner M/s Continental shipping Services, appeared on 03.10.2024 to tender her voluntary statement. Her statement was recorded on 03.10.2024 under section 108 of the Customs Act 1962.

**24.** Voluntary statement of Ms. Shanmuga Jayashree aged 45 years, resident of 38/66, Purasaiwakkam, Venkatesabakthan Street, Perumalet, VTC: Vepery, PO: Vepery, Chennai, Tamil Nadu-600007, contact details (Aadhar Card No: 8321 5268 3819)), (**RUD-34**)- was recorded on 03/10/2024 under Section 108

- *I submit that I got married to Shri Shanmugachetty in 2003. I along with my 15-year-old son and my husband are living at the above-mentioned address. I completed MBA from the Alagappa University, Chennai in the year 2015. In*

2019, I along with my sister Radha taken over M/s Continental Shipping Services. We are partners of the company. I hold 80% share of the company. Me and my husband look after the work of M/s Continental Shipping Services.

- *Question 1: Please explain the business of M/s Continental shipping Services?*

*Answer: M/s Continental Shipping Services is a partnership firm, in which I along with my sister are partner of the firm and I hold 80% share of the firm. The firm is engaged in the custom clearance of import and export consignments at various ports.*

- *Question 2: Please give details of your F Card and also state the customs formation which has issued you the F card.*

*Answer: I have not been issued any F-card but one of our employees Shri Rajendra Kumar Chillar has been issued F-card from Hyderabad Customs which is utilised by us in the Customs clearance.*

- *Question 3: Please state the present location of your firm.*

*Answer: Our Head office is located at Bharani Complex, Minister Road, Flat No. F-55, 2<sup>nd</sup> floor, Begampet, Hyderabad. We have branches in Chennai, Mundra, Tuticorin and Kolkata. We had one branch in Mumbai also but the same had been closed now.*

- *Question 4: How many people are working in your firm.*

*Answer: A total no. of 15 people works in our firm. Staff position in various branches of our firm is given below:*

<i>Branch City</i>	<i>No. of Employees</i>
<i>Hyderabad (Head Office)</i>	<i>1 Employee</i>
<i>Chennai</i>	<i>2 Employees</i>
<i>Mundra</i>	<i>3 Employees</i>
<i>Tuticorin</i>	<i>3 Employees</i>
<i>Kolkata</i>	<i>6 Employees</i>

- *Question 5: Please name the companies/firms for whom you are providing customs clearance services?*

*Answer: Our major clients include:*

- 1) M/s Sky Falcon Minerals and Chemicals Pvt ltd,*
- 2) M/s Babadev Plastics,*
- 3) M/s AA Cable Layers,*
- 4) M/s Tata International Limited,*
- 5) M/s Prime Industries,*
- 6) M/s Kutch Petrochem Pvt ltd,*
- 7) M/s Ramdev Plastics,*
- 8) M/s Hind Global Energy,*
- 9) M/s Infinity Oil Pvt ltd.*

- *Question 6: What are the ports where you are providing customs clearance services?*  
*Answer: Our major business is at Mundra and Kolkata, however we also do conduct small business at Chennai, Tuticorin and Hyderabad port etc.*
- *Question 7: How do you provide customs clearance facilities at Mundra? Please explain the same with regard to the functioning of your firm.*  
*Answer: Our client forwards the import documents to M/s Krishna Logistics, who work is handled by Shri Satish Maheshwari and M/s Krishna Logistics forwards all the document to our firm by hand only which are examined by the staff who later on prepare check list which is sent to the client for approval. Once the checklist is approved, the bill of entry is filed online on the ICEGATE website. After it is approved, the examination of the cargo by the customs officers is conducted in the presence of the G-card holder or Authorised person of the firm. After the examination and out-of-charge given by the customs the documents are handed over to the transporter who is engaged by the importer or sometimes by us or by M/s Krishna Logistics also*
- *Question 8: How the firm named M/s Krishna Logistics is associated with your firm? Is there any written contract?*  
*Answer: M/s Krishna Logistics only brings business and forward the documents for further customs-related work to us only. There is no written agreement and we conduct business together on the basis of oral and verbal understanding.*
- *Question 9: Please name the companies related to Shri Satish Maheshwari who are provided custom clearance services by your firm.*  
*Answer: All the firms/companies whom M/s Continental Shipping services provides Custom Clearance Services at Mundra are associated to Shri Satish Maheshwari only.*
- *Question 10: Please state which goods are dealt by Sh Satish Maheshwari at Mundra for which he provides the documentation.*  
*Answer: Sh Satish Maheshwari looks after the clients who import Oil, other petroleum products, Plastic items, granule, Machinery items at Mundra Port.*
- *Question 11: Your kind attention is invited to your reply to Question 7 above wherein you mentioned that once the importers approve the checklist then your office files Bill of Entry on behalf of the importer. Please state by what medium you get the approval and kindly provide a copy of the same.*  
*Answer: As stated above M/s Krishna Logistics sends the checklist to the importer for approval. After receiving approval from the importer M/s Krishna Logistics confirms the approval to us for filing of Bill of Entry. One or two employees of M/s Krishna Logistics sits in our office only.*
- *Question 12: Please define your payment terms/agreements with the associate firm namely M/s Krishna Logistics.*



*Answer: There is no written agreement or terms for payment with M/s Krishna Logistics. However, we have decided the rates per container, verbally. We raise an invoice of Rs 1180/- per container to M/s Krishna Logistics.*

- *Question 13: Please state how much commission you give to the associate firm M/s Krishna Logistics.*

*Answer: As stated above, we have a fixed charge policy for filing BOE with our associate firms. We charge Rs 1180/- per container. We are not concerned about the commission that M/s Krishna Logistics might be getting from the importer.*

- *Question 14: Please state, who gets the examination conducted at the Mundra port for the import consignment of your clients?*

*Answer: The examination at the port is conducted by Sh. Salim Sayd G-Card holder and Shri Naresh Sodham, H- card holder, employees, of M/s Continental Shipping Services, who have been appointed by the firm for facilitating customs clearance at Mundra port.*

- *Question 15: Are you aware that some containers which have been declared to contain MHO have been put on hold by the DRI Noida Regional unit at Mundra port?*

*Answer: Yes I am aware of the fact that DRI Noida Regional Unit has put on hold some consignments of MHO of our various clients as detailed below:*

<i>S.NO</i>	<i>IEC Name</i>	<i>BOE No</i>	<i>No of containers</i>
<i>1</i>	<i>M/S A. A. Cable Layers</i>	<i>9788458 Dt.23.01.2024</i>	<i>14</i>
		<i>9783769 Dt.23.01.2024</i>	<i>14</i>
		<i>9783627 Dt. 23.01.2024</i>	<i>12</i>
<i>2</i>	<i>M/S Skyfalcon Minerals and Chemicals Private Limited</i>	<i>9788466 Dt. 23.01.2024</i>	<i>12</i>
		<i>9788470 Dt. 23.01.2024</i>	<i>12</i>
		<i>9788488 Dt. 23.01.2024</i>	<i>16</i>
		<i>9788473 Dt. 23.01.2024</i>	<i>16</i>
		<i>9788474 Dt. 23.01.2024</i>	<i>16</i>
		<i>9788476 Dt. 23.01.2024</i>	<i>12</i>
		<i>9788487 Dt. 23.01.2024</i>	<i>16</i>
		<i>9788468 Dt.23-01-</i>	<i>12</i>

		2024	
		2040130 Dt.	12
		Dt.08/02/24	
		2087386 Dt.	12
		Dt.10/02/24	
		2088871 Dt.	10
		Dt.10/02/24	
		2088881 Dt.	10
		Dt.10/02/24	

- *Question 16: Since the Bills of Entry have been filed by you on behalf of the above-mentioned importers, please state how did these importers come in contact with you.*

*Answer: The importers mentioned in the answer to question number 15 above are clients of our associate, M/s Krishna Logistics. The customs related work in respect of these firms, has come thorough M/s Krishna Logistics.*

- *Question 17: What were the documents that were provided by the importers mentioned by you in reply to question no 15 above and from whom they were received when you filed the BOE on their behalf.?*

*Answer: These Importers forwarded invoices, packing list and Bill of Lading to M/s Krishna Logistics through mail which were subsequently forwarded to us by hand on the basis of which we file the respective bill of entry.*

- *Question 18: What is the Item “MHO/ Mix Hydrocarbon Oil/Mixed Hydrocarbon Oil/Mineral Hydrocarbon Oil”, mentioned in the Bills of entries filed by you on behalf of these importers.*

*Answer: As per my understanding and information provided by the importers it is a type of petroleum product.*

- *Question 19: Please state, what is the use of MHO?*

*Answer: As per the information provided by the importer it is for industrial Use.*

- *Question 20: Please specifically state and clarify the industrial use as mentioned in your reply to question no 19 above.*

*Answer: I am not aware of the specific industrial use of the product. This can be clarified by the importer only. As we are concerned only with custom clearance related work.*

- *Question 21: Please state whether you have been provided with any chemical analysis report/ test report of the product by the importer issued by the supplier.*

*Answer: We were provided an analysis report on the letter head of the supplier by the importer but no chemical test report by the authorised laboratory was provided.*

- *Question 22: If no chemical analysis report/ test report of the product is submitted by the importer then what was the basis of classification of the product under Chapter Heading 27101990 in the category of item “Others”*

*Answer: As per our understanding and discussion of our employees with the importer, it was classified under CTH 27101990 which pertains to others.*

- *Question 23: Please refer to Question no 22 above and state who classifies the goods to be filed in the Bill of Entry. Further without any chemical analysis report or test report how do you come to the conclusion to classify the product as MHO in the Bill of Entry?*

*Answer: As stated above, after discussion with the importers and the documents provided by the importer, goods are classified under CTH 27101990- “others”.*

- *Question 24: Did you ask the importer or insist upon them, for providing chemical analysis report /test reports?*

*Answer: No, we did not insist upon them for any chemical analysis report or test report.*

- *Question 25: Please peruse the respective test reports of consignments that have been put on hold by DRI Noida regional Unit and are mentioned in reply to question 15 above. The test results of each of the consignment have been summarized in the table below.*

S.No	Name Of Importer	BOE	No of Containers	Sample No.	Test Report Result
1	M/s A. A. Cable Layers	9788458 Dt.23.01.2024	14	AE2344681	Kerosene
2		9783769 Dt.23.01.2024	14	AD1-344683	Kerosene
3		9783627 Dt. 23.01.2024	12	AC2-344688	Kerosene
4	M/s Sky Falcon Minerals	9788466 Dt. 23.01.2024	12	SA2- 344923	Gas Oil
5		9788470 Dt. 23.01.2024	12	SE1-344700	Gas Oil
6		9788488 Dt. 23.01.2024	16	SB3-344703	Kerosene
7		9788473 Dt. 23.01.2024	16	SD2-344693	Kerosene
8		9788474 Dt. 23.01.2024	16	SC3-344720	Gas Oil
9		9788476 Dt. 23.01.2024	12	SG3-344699	Gas Oil
10		9788487 Dt. 23.01.2024	16	SF2-344695	Gas Oil

11	<i>and Chemicals Pvt Ltd</i>	9788468 <i>Dt.23-01-2024</i>	12	SH3-344711	Kerosene
12		2040130 <i>Dt.</i> <i>Dt.08/02/24</i>	12	SMD3-A217701	Gas Oil
13		2087386 <i>Dt.</i> <i>Dt.10/02/24</i>	12	SMB1-A217714	Gas Oil
14		2088871 <i>Dt.</i> <i>Dt.10/02/24</i>	10	SMC2-A217709	Kerosene
15		2088881 <i>Dt.</i> <i>Dt.10/02/24</i>	10	SMA1-A217684	Kerosene

*Having perused the test reports please offer your comments.*

*Answer: I have perused each of the test reports detailed above. I have also gone through the parameters mentioned in each of the test reports. I have signed the test reports as a token of having seen the same. On perusal of the test reports, it is seen that the lab has come to a conclusion that the consignment does not consist of MHO but a different oil as mentioned in the Respective report.*

- Question 26: Do you agree with the outcome of the test reports and the result mentioned therein?*

*Answer: Yes, I am in agreement with the conclusion arrived at by the lab as mentioned in the respective test report.*

- Question 27: Please give your opinion on whether MHO as declared by you in the bills of entry and the item identified as per the test result of the respective item are same or different?*

*Answer: No, the goods identified by the laboratory as per the test report and the item description & CTH declared in the Bill of Entry are different.*

- Question 28: Please refer to regulation 10 (e) of the Customs Brokers Licensing Regulations, 2018, wherein it is specifically mentioned that due diligence is to be exercised by customs Broker to ascertain the correctness of any information which is imparted by you to the client with reference to any work related to the clearance of the cargo or baggage. In the light of discrepancies noticed as per test report vis-à-vis declaration made in the Bill of Entry in respect of the goods and its classification, it appears that due diligence has not been exercised to ensure that description of the goods is appropriately given and correctly classified. Please offer your comments.*

*Answer: As per the documents provided by the importer and the discussion, the classification of the goods as MHO and under CTH 27101990 is correct. The discrepancy has come to notice only as a result of the test report of the sample submitted by the laboratory. The Importer can only explain the Discrepancy so noticed.*

- Question 29. Your kind attention is invited to the conclusion of the test report for the sample of M/S A.A. Cable Layers wherein the oil has been found to be*

*“Kerosene as per IS 1459:2018”. On the basis of the conclusion of do you agree that the BOE no 9788458 Dt. 23.01.2024 filed by you and imported by M/S A.A. Cable Layers, is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In this case I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of “Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 9788458 Dt. 23.01.2024 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- Question 30. Your kind attention is invited to the conclusion of the test report for the sample of M/S A.A. Cable Layers wherein the oil has been found to be “Kerosene as per IS 1459:2018”. On the basis of the conclusion of do you agree that the BOE no 9783769 Dt. 23.01.2024 filed by you and imported by M/S A.A. Cable Layers, is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of “Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 9783769 Dt. 23.01.2024 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- Question 31. Your kind attention is invited to the conclusion of the test report for the sample of M/S A.A. Cable Layers wherein the oil has been found to be “Kerosene as per IS 1459:2018”. On the basis of the conclusion of do you agree that the BOE no 9783627 Dt. 23.01.2024 filed by you and imported by M/S A.A. Cable Layers, is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In this case also I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of “Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 9783627 Dt. 23.01.2024 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- Question 32: Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be “Gas Oil”. On the basis of the conclusion of do you agree that the BOE no 9788466 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report and the conclusion that the same consists of "Gas Oil" and the correct classification of the oil in the consignment covered under BOE no 9788466 Dt. 23.01.2024 should be under CTH 27101941. As such, the declaration of the item made in the bill of entry is incorrect and wrong.*

- *Question 33. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Gas Oil". On the basis of the conclusion of do you agree that the BOE no 9788470 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report and the conclusion that the same consists of "Gas Oil" and the correct classification of the oil in the consignment covered under BOE no 9788470 Dt. 23.01.2024 should be under CTH 27101941. Therefore, the declaration of the item made in the bill of entry is also incorrect and wrong.*

- *Question 34. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Kerosene as per IS 1459:2018". On the basis of the conclusion of do you agree that the BOE no 9788488 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In this case also I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 9788488 Dt. 23.01.2024 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- *Question 35. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Kerosene as per IS 1459:2018". On the basis of the conclusion of do you agree that the BOE no 9788473 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 9788473 Dt. 23.01.2024 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- *Question 36. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Gas Oil". On the basis of the conclusion of do you agree that the BOE no 9788474 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Gas Oil" and the correct classification of the oil in the consignment covered under BOE no 9788474 Dt. 23.01.2024 should be under CTH 27101941. Thus, the declaration of the item made in the bill of entry is incorrect and wrong.*

- *Question 37. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Gas Oil". On the basis of the conclusion of do you agree that the BOE no 9788476 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Gas Oil" and the correct classification of the oil in the consignment covered under BOE no 9788476 Dt. 23.01.2024 should be under CTH 27101941. Thus, the declaration of the item made in the bill of entry is incorrect and wrong.*

- *Question 38. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Gas Oil". On the basis of the conclusion of do you agree that the BOE no 9788487 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Gas Oil" and the correct classification of the oil in the consignment covered under BOE no 9788487 Dt. 23.01.2024 should be under CTH 27101941. Thus, the declaration of the item made in the bill of entry is also incorrect and wrong.*

- *Question 39. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Kerosene as per IS 1459:2018". On the basis of the conclusion of do you agree that the BOE no 9788468 Dt. 23.01.2024 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is*

*correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In this case also I am in agreement with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 9788468 Dt. 23.01.2024 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- *Question 40. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Gas Oil". On the basis of the conclusion of do you agree that the BOE no 2040130 Dt. 08/02/24 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Gas Oil" and the correct classification of the oil in the consignment covered under BOE no 2040130 Dt. 08/02/24 should be under CTH 27101941. Thus, the declaration of the item made in the bill of entry is incorrect and wrong.*

- *Question 41. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Gas Oil". On the basis of the conclusion of do you agree that the BOE no 2087386 Dt. 10/02/24 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101941 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of "Gas Oil" and the correct classification of the oil in the consignment covered under BOE no 2087386 Dt. 10/02/24 should be under CTH 27101941. Thus, the declaration of the item made in the bill of entry is also incorrect and wrong.*

- *Question 42. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be "Kerosene as per IS 1459:2018". On the basis of the conclusion of do you agree that the BOE no 2088871 Dt. 10/02/24 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: In this case also I am in agreement with the result of the test report in respect of the said consignment and the conclusion that the same consists of*



*“Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 2088871 Dt. 10/02/24 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- *Question 43. Your kind attention is invited to the conclusion of the test report for the sample of M/S Skyfalcon Minerals and Chemicals Private Limited wherein the oil has been found to be “Kerosene as per IS 1459:2018”. On the basis of the conclusion of do you agree that the BOE no 2088881 Dt. 10/02/24 filed by you and imported by M/S Skyfalcon Minerals and Chemicals Private Limited, is correctly classifiable under CTH 27101932 and not 27101990 as classified by you in the bill of entry filed by you.*

*Answer: I agree with the result of the test report in respect of the said consignment and the conclusion that the same consists of “Kerosene as per IS 1459:2018. I also agree that the correct classification of the oil in the consignment covered under BOE no 2088881 Dt. 10.02.2024 should be under CTH 27101932. Thus, the declaration of the item made in the bills of entries is incorrect and wrong in case of this Bill of Entry also.*

- *Question 44: Please take cognizance of your reply to the question no 29-43 above and state whether the goods declared in the Bills of entries were mis-declared.*

*Answer: I have already admitted that the goods identified by the lab and the one declared in the Bills of entry are different. Though prima-facie it appears to be a case of misdeclaration, I wish to submit that the declaration and classification in the bill of entry was made on the basis of the documents and information provided by the respective importers.*

- *Question 45: Please take cognizance of the reply to question no 44 above. The items identified by the lab comprising the consignments and classifiable under the said headings are not freely importable as they are restricted in nature and can only be imported by STEs(State Trading Enterprises). Then why Bill of Entry has been filed by way of misdeclaration for restricted items.*

*Answer: I agree that the items identified by the lab comprising of the said consignments are restricted and can only be imported by STEs. I reiterate that the Bill of entry was filed on the basis of documents and information provided by the importer. Under what circumstance the mis-declared restricted goods were imported can only be explained by the respective importer.*

- *Question 46: Your kind attention is invited to CTH 27101990- “Others” and chapter 27, and that there are a lot of restricted goods in this chapter that can only be imported by STEs. Please state whether this particular CTH 27101990 was chosen by you as the import policy associated with this CTH is “free to import”? And further state as CHA should you not be extra careful that the importer should not bring any restricted item/goods in lieu of free goods?*

*Answer: As stated in different questions above, the basis of classification of the goods under CTH is because the product does not fall under any other CTH in this chapter. Further general trade practice at the port regarding this product is that it is to classified under CTH 27101990. However just to be double sure and being careful about the nature of the goods, we always opt for the first check of the consignment. This allows us to double-check the consignments imported by the importer.*

- *Question 47: Do you wish to state anything else?*

*Answer: I wish to submit that my firm has no role in the discrepancies noticed in the consignment. The importer is liable to face any action on account of misdeclaration of the consignment. It is requested that this aspect maybe considered accordingly while concluding the instant case.*

**25.(a)** In order to ascertain the role of M/s Versatile Logistics having address as - 1<sup>st</sup> Floor, Plot no 72, Office no 124, Shiv Centre Premises Society LTD, Vashi, Turbhe Road, Sector 17, Arenja Corner, Vashi, Navi Mumbai, Thane, Maharashtra, summons **(RUD-35)** were issued on 10/01/2025 for their appearance on 15/01/2025.

**25(b)** Shri Ravinder Sawant, proprietor of M/s Versatile Logistics appeared in the Office of the DRI on the scheduled date i.e 15/01/2025 and tendered his voluntary statement under Section 108 of Customs Act'1962 **(RUD-36)** wherein he inter-alia stated as under:

*I am Shri Ravindra Rajaram Sawant S/o late Shri Rajaram Sawant, permanent resident of resident of 17/1004 Trinity Hills CHS, GB Road Kasarvadavali Thane West, Haware Citi, Thane, Maharashtra-40061. My age is 44years and I completed by 12<sup>th</sup> standard in Bombay. My wife's name is Ms Rashmi Ravindra Sawant, I have one son, aged 11 years. All of us live at the above-mentioned address only. As far as my professional life is concerned started my career in a courier company in the year 2000 in Bombay, later in the year 2003 I joined M/s Swastik Shipping, a CHA firm that looked after customs-related clearance, I worked as a runner boy there. I worked there till 2006. From 2006 to 2012 I worked with an importer M/s Shree International, here also I worked as an office boy to prepare and see the documentation for customs clearance. Then from 2015 I started my own partnership firm- M/s Corner Stone Logistics, with other two partners Sh Rahul Dubey and Sh Vishwanath Kotion, we use to do clearing and forwarding work through this firm. Then in 2018 due to an internal dispute between the partners I was out of the partnership. The in year 2019 I registered my own proprietorship Firm- M/s Versatile Logistics (GSTIN- 27AZLPS9969E2ZE), address- 1<sup>st</sup> Floor, Plot no 72, Office no 124, Shiv Centre Premises Society LTD, Vashi, Turbhe Road, Sector 17, Arenja Corner, Vashi, Navi Mumbai, Thane, Maharashtra- 400703.*

- *Question 2: Please tell us about M/s Versatile Logistics?*

*Ans: As stated above, I am the Proprietor of the firm M/s Versatile Logistics. M/s Versatile Logistics conducts the work of freight forwarding and facilitation of customs clearing.*

- *Question3: Please tell us about M/s. Shree krishna Logistics? Also please state about your responsibilities.*

*Ans: In Feb 2023, I came in contact with Shri Satish Maheshwari of M/s Shree Krishna logistics. Then in June 2023 we started working together regarding the clearance of Customs related work.*

- *Question 4: Please refer to Question 4 above and elaborate what kind of clearance work were you doing together and how?*

*Ans: M/s Versatile Logistics, facilitates importers about their imports at various ports and connects them with the right CHAs for clearance. When an importer contacts us for import of any kind then we connect them to the right CHA of the specific port as per the request of the Importer.*

- *Question 5: How much money do you charge for this kind of facilitation work?*

*Ans: The charges are variable and changes from importer to importer however we generally charge around 3 to 4 thousand for this facilitation that we provide.*

- *Question6: Please refer to the question no 5 above and state what happens after connecting the importer to the concerned CHA?Is your work ends here?*

*Ans: Our work ends once the consignment is cleared from customs. Once the importer is connected to the CHA, we do regular follow ups with the CHA and update the importer about the developments.*

- *Question 7: In the questions above, you stated that you just connect Importer and CHA for their work then why are you doing follow-ups and updating the importers about the developments taken from CHA.*

*Ans: The importer pays us for this facilitation work that is why we are engaged in the work till customs clearance of the goods and give regular updates to the importer about the same.*

- *Question 8: Once you have connected the CHA and importer then why do the importer gives you facilitation charges for all the consignments and not contact the CHA directly for the import related work?*

*Ans: This work is based on trust, so sometimes the importer does not have enough trust directly on the CHA so they let us be involved in the whole thing of clearance till the consignment is cleared from customs.*

- *Question 9: Have you been issued any type of license to work as a CHA under the CBLR rules?*

*Ans: No I have not been issued any such license under CBLR regulations 2018.*

- *Question 10: If you have not been issued any license as per CBLR rules 2018, then under which provisions are you conducting this business of customs clearance?*

*Ans: M/s Versatile Logistics, only facilitates the clearance work and do not conduct customs clearance or examination work directly.*

- *Question 11: Please refer to question no 3 above and state the nature of work, that you do with M/s Shri Krishna logistics, also please state the name of the importers for which M/s Versatile Logistics and M/s Shri Krishna Logistics work together.*

*Ans: As stated in above answers, I do business with Shri Krishna logistics as per the nature of demand of the importer. Shri Satish Maheshwari is a business associate and handles the work at Mundra port in Gujarat, so if any importer comes with a request to work at Mundra port I connect them to Shri Satish Maheshwari of M/s Shri Krishna logistics. I had two importer clients M/s Skyfalcon chemicals and Minerals and M/s AA Cable Layers, who requested us to import Mix Hydrocarbon Oil at Mundra Port so I contacted Shri Satish Maheshwari of M/s Shri Krishna logistics to facilitate the clearance work of the clients at Mundra port.*

- *Question 12: Please tell us about M/s.Skyfalcon Chemicals and Minerals Pvt ltd and M/s AA Cable layers. Also please share the details of the representative persons from both the firms who came in contact with you for this clearance work.*

*Ans. Shri S Sudhakar, partner of M/s Skyfalcon chemicals and minerals pvt ltd and Shri Gurmeet Singh, Proprietor of M/s AA Cable Layers, contacted me for facilitating this work of import clearance of Mix hydrocarbon oil at Mundra Port.*

- *Question 13: What was the flow of documents/work of this facilitation that you are saying your firm does?*

*Ans: First of all, the importers viz- M/s Skyfalcon Chemicals and Minerals Pvt Ltd and M/s AA Cable Layers, send the documents viz, Invoice, Packing list, Bill of Lading, Chemical Analysis report etc to M/s Versatile logistics on E-mail id, versatileimpt@gmail.com. We then forward all the documents to M/s Shri Krishna logistics who then further forwards the documents to M/s Continental Shipping services for preparation of checklist. Once the checklist is prepared, M/s Continental Shipping services, forwards the checklist to M/s Shri Krishna logistics who further forwards it to us. We then forward the checklist to the importer for approval. Once the approval of the checklist is received from the importer, the same is again forwarded to M/s Shri Krishna logistics who then forwards it to M/s Continental Shipping Services for filing of documents. This process is followed in all the communications.*

- *Question 13: Whether all the communications and correspondences related to the filing work were done through E- mail ?*

*Ans: All the correspondences and communications were done mostly through E-mail only. However, sometimes approvals and communications were received through Whatsapp also.*

- *Question 14: What is the process of payments to the shipper and duty payments on the port? Were these payments made by you on behalf of the importer?*

*Ans: All the payments related to the consignment were made by importer only. Like I told in reply to question no 12 above, the process of communication is the same though. Like the shipper will issue invoice and send to the CHA- M/s Continental shipping services, who then sends the invoice to M/s Shri Krishna logistics, who will then send the invoice to us- M/s Versatile logistics, we will forward the invoice to the importer for payment as per the invoice. The importer will then share the payment screen shot to us which will then flow in reverse manner above from us to the shipper as explained.*

- *Question 15: Please state about the business turnover and the commodities being dealt by you at various ports? Please provide the details of staff and responsibilities.*

*Ans: We majorly deal in the import of oil, plastic granules, and reconditioned machinery. Our firm is based in Mumbai so we majorly do work based in Mumbai only. We did the facilitation work for only two importers viz M/s Skyfalcon chemicals and Minerals Pvt ltd and M/s AA Cable Layers on Mundra port. Our turnover is approx. 80 to 90 lakhs. I have total 4 people working for me in my office as detailed below:*

<i>• S.NO</i>	<i>• Name of the staff</i>	<i>• Work profile</i>	<i>• Contact No.</i>
<i>• 1.</i>	<i>• Mayuri</i>	<i>• Documentation work at office</i>	<i>• 9870107007</i>
<i>• 2</i>	<i>• Chetan</i>	<i>• Follow up at port</i>	<i>• 7208503431</i>
<i>• 3</i>	<i>• Vikrant</i>	<i>• Delivery order collection</i>	<i>• 9579804485</i>

- *Question 16: Please provide the details of shipping companies related to the imports done by M/s A.A. Cable Layers and M/s Skyfalcon Chemical and Minerals Pvt Ltd.*

*Ans: Majorly imports were done by Iyer Shipping, Maersk and Cordelia shipping line for both the importers.*

- *Question 17: Please state how the orders are placed and who in your firm gives the orders to supplier?*

*Ans: The orders are placed by the importer itself, we only forward the documents i.e these bill of entry only on the basis of documents provided by respective importers, we have no role to play with the supplier.*

- *Question 18: What is the commodity in question i.e Mix Hydrocarbon Oil that the consignments of the importers viz M/s Skyfalcon Minerals and Chemicals Pvt Ltd and M/s AA Cable Layers contain?*

*Ans: I have a very limited knowledge of the commodity in question however as per my understanding Mix Hydrocarbon Oil is a blend of various oils and the main usage of the oil is for industrial purposes.*

- *Question 19: Please specifically state and clarify the industrial use as mentioned in your reply to question no 26 above.*

*Answer: I am not aware of the specific industrial use of the product. This can be clarified by the importer only.*

- *Question20:Are you aware of any Standard or Literature that defines the product i.e. “ Mix Hydrocarbon Oil”?*

*Ans:. Mix Hydrocarbon Oil is generally a blend of 2 or 3 different oils and as per my knowledge there is no specific standard to define the same.*

- *Question21: Is there any import regulation that has to be followed for importing the said commodity i.e. “Mix Hydrocarbon Oil”*

*Ans: I am not aware of any such regulation for importing the commodity in question.*

- *Question22: Please state whether goods i.e. Mix Hydrocarbon Oil so imported in consignments/containers hold by DRI and imported in earlier consignments are same?*

*Ans: Yes sir, as per the documents provided by the importer and the declaration of the commodity in the documents they are the same.*

- *Question 23: Please state what are the BIS parameters applicable on the item i.e. Mix Hydrocarbon Oil?*

*Ans: No BIS standards are applicable on this imported item i.e. Mix Hydrocarbon Oil.*

- *Question 24: Please state have you made any payments to the supplier of Mix Hydrocarbon Oil or have received any payment from the buyers? If so please provide the Bank Details for the same?*

*Ans: No, we have never made any payments to the supplier of Mix Hydrocarbon Oil nor have received any payment from the buyers. As stated above we just facilitated the process and never involved in the sale purchase of the commodity.*

- *Question 25: Please define your payment terms/agreements with the importer and the firm namely M/s Shri Krishna logistics.*

*Ans: There is no written agreement for the payment terms between us, the importer and the firm M/s Shri Krishna logistics. M/s Skyfalcon Minerals and Chemicals Pvt Ltd and M/s AA Cable Layers, pays us Rs 5000/- (GST Excl) per container as facilitation charges, out of which we pay Rs 1000/- (GST Excl) to M/s Shri Krishna Logistics. All these figures were decided verbally. We raise invoice to importers and Shri Krishna logistics raises invoice to us. I am not aware of the payment terms of Shri Krishna Logistics and M/s Continental Shipping services.*

- *Question 26: Please peruse the respective test reports of consignments that have been put on hold by DRI Noida regional Unit and are mentioned in reply to*

question 15 above. The test results of each of the consignment have been summarized in the table below.

S.No	Bill of Entry No and date	Name of the Importer	No. of containers	Testing Lab	Test result
1	9788466 Dt. 23.01.2024	M/S Skyfalcon Minerals And Chemicals Private Limited	12	IOCL	Gas Oil
2	9788470 Dt. 23.01.2024		12		Gas Oil
3	9788488 Dt. 23.01.2024		16		Kerosene
4	9788473 Dt. 23.01.2024		16		Kerosene
5	9788474 Dt. 23.01.2024		16		Gas Oil
6	9788476 Dt. 23.01.2024		12		Gas Oil
7	9788487 Dt. 23.01.2024		16		Gas Oil
8	9788468 Dt. 23-01-2024		12		Kerosene
9	2040130 Dt. 08.02.2024		12	CRCL	Gas Oil
10	2087386 Dt. 10.02.2024		12		Gas Oil
11	2088871 Dt. 10.02.2024		10		Kerosene
12	2088881 Dt. 10.02.2024		10		Kerosene
13	9788458 Dt. 23.01.2024	M/S A. A. Cable Layers,	14	IOCL	Kerosene
14	9783769 Dt. 23.01.2024		14		Kerosene
15	9783627 Dt. 23.01.2024		12		Kerosene
	Total Containers		196		

- Having perused the test reports please offer your comments.  
Answer: I have perused each of the test reports detailed above. I have also gone through the parameters mentioned in each of the test reports. I have signed the test reports as a token of having seen the same.
- Question 27: Do you agree with the outcome of the test reports and the result mentioned therein?  
Answer: Having perused each of the test reports as well as the parameters I am in agreement with the conclusion of the report.

- *Question 28: Please give your opinion on whether MHO as declared by you in the bills of entry and the item identified as per the test result of the respective item are same or different?*

*Answer: The goods identified by the laboratory as per the test report and the item description & CTH declared in the Bill of Entry are different.*

- *Question 29. Your kind attention is invited to the conclusions of the test report for the sample of M/s A. A. Cable Layers and M/s Skyfalcon Chemicals and Mineral Pvt ltd, filed under Bills of Entry no. 9788488 Dt. 23.01.2024, 9788473 Dt. 23.01.2024, 9788468 Dt. 23-01-2024, 2088871 Dt. 10.02.2024, 2088881 Dt. 10.02.2024, 9788458 Dt. 23.01.2024, 9783769 Dt. 23.01.2024 and 9783627 Dt. 23.01.2024 wherein as per the parameters given by the IOCL and CRCL lab the oil has been found to be Kerosene, which is correctly classified under CTH 27101932. In the light of the test report and your reply to question No 26 above, do you agree that the Kerosene imported in consignment covered under Bills of Entry as mentioned above are correctly classifiable under CTH 27101932 and not 27101990 as classified in the bill of entry.*

*Answer: In view of the conclusion made as per the parameters given by OICL report, I agree that the correct classification of the oil in the consignment covered under Bills of Entry no. 9788488 Dt. 23.01.2024, 9788473 Dt. 23.01.2024, 9788468 Dt. 23-01-2024, 2088871 Dt. 10.02.2024, 2088881 Dt. 10.02.2024, 9788458 Dt. 23.01.2024, 9783769 Dt. 23.01.2024 and 9783627 Dt. 23.01.2024 should be under CTH 27101932. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 30. Your kind attention is invited to the conclusions of the test report for the sample of M/s Skyfalcon Chemicals and Mineral Pvt ltd, filed under Bills of Entry no. 9788466 Dt. 23.01.2024, 9788470 Dt. 23.01.2024, 9788474 Dt. 23.01.2024, 9788476 Dt. 23.01.2024, 9788487 Dt. 23.01.2024, 2040130 Dt. 08.02.2024 and 2087386 Dt. 10.02.2024 wherein as per the parameters given by the IOCL and CRCL lab the oil has been found to be Gas Oil, which is correctly classified under CTH 27101941. In the light of the test report and your reply to question No 26 above, do you agree that the GAS oil imported in consignment covered under Bills of Entry as mentioned above are correctly classifiable under CTH 27101932 and not 27101990 as classified in the bill of entry.*

*Answer: In view of the conclusion made as per the parameters given by OICL report, I agree that the correct classification of the oil in the consignment covered under Bills of Entry no. 9788466 Dt. 23.01.2024, 9788470 Dt. 23.01.2024, 9788474 Dt. 23.01.2024, 9788476 Dt. 23.01.2024, 9788487 Dt. 23.01.2024, 2040130 Dt. 08.02.2024 and 2087386 Dt. 10.02.2024 should be under CTH 27101941. The declaration of the item made in the bills of entries is incorrect and wrong.*

- *Question 31: Please take cognizance of your reply to the question no 29-30 above and state whether the goods declared in the Bills of entries were mis-declared been filed by way of misdeclaration for restricted items.*



*Answer: I agree that the items identified by the lab comprising of the said consignments are restricted and can only be imported by STEs. Under what circumstance the mis-declared restricted goods were imported can only be explained by the respective importer.*

- *Question 33: Do you wish to state anything else?*

*Answer: I wish to submit that my firm has no role in the discrepancies noticed in the consignment. The importer is liable to face any action on account of misdeclaration of the consignment. It is requested that this aspect maybe considered accordingly while concluding the instant case.*

## 26. LEGAL PROVISIONS

**26.1** From the foregoing it appears that the goods in the instant case, Gas Oil is correctly classifiable under CTH 2710 1941 and kerosene is correctly classifiable under CTH 2710 1932. The relevant portion of the Customs tariff head 2710 reads as under:

### SECTION-V

### CHAPTER-27

(1)		(2)	Policy	Remarks
2710		Petroleum oils and oils obtained from bituminous minerals, (other than crude) preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations other than those containing bio-diesel and other than waste oils		
		Petroleum oils and oils obtained from bituminous minerals (other than crude) and preparations not elsewhere specified or included, containing by weight 70% or more of petroleum oils or of oils obtained from bituminous minerals, these oils being the basic constituents of the preparations, other than those containing biodiesel and other than waste oils:		
2710 19	--	Other :		
2710 1932	----	Kerosene conforming to standard IS 1459	State trading enterprises	Import as per policy conditions (5) of Chapter 27

2710 19 41	----	Gas Oil	State trading enterprises	Import as per policy conditions (5) of Chapter 27
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## 26.2 Policy Conditions of Chapter 27:

- (1) ----.
- (2) ----.
- (3) ----.
- (4) ----.
- (5) *Import allowed through IOC subject to para 2.20 of Foreign Trade Policy, except for the companies who have been granted rights for marketing of transportation fuels in terms of Ministry of P&NG's Resolution No. P23015/1/2001-MKT. Dated 8.3.2002 including HPCL, BPCL & IBP who have been marketing transportation fuels before this date.*

## 26.3. Section 3 of The Foreign Trade (Development and Regulation) Act, 1992 :

*Powers to make provisions relating to imports and exports. –*

- (1) -----
- (2) *The Central Government may also, by Order published in the Official Gazette, make provision for prohibiting, restricting or otherwise regulating, in all cases or in specified classes of cases and subject to such exceptions, if any, as may be made by or under the Order, the import or export of goods.*
- (3) *All goods to which any Order under sub-section (2) applies shall be deemed to be goods the import or export of which has been prohibited under section 11 of the Customs Act, 1962 (52 of 1962) and all the provisions of that Act shall have effect accordingly.*

## 26.4. Section 2(2) of the Customs Act, 1962:

*“assessment” means determination of the dutiability of any goods and the amount of duty, tax, cess or any other sum so payable, if any, under this Act or under the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act) or under any other law for the time being in force, with reference to-*

- (a) *the tariff classification of such goods as determined in accordance with the provisions of the Customs Tariff Act;*
- (b) *the value of such goods as determined in accordance with the provisions of this Act and the Customs Tariff Act;*
- (c) *exemption or concession of duty, tax, cess or any other sum, consequent upon any notification issued therefore under this Act or under the Customs Tariff Act or under any other law for the time being in force;*
- (d) *the quantity, weight, volume, measurement or other specifics where such duty, tax, cess or any other sum is leviable on the basis of the quantity, weight, volume, measurement or other specifics of such goods;*
- (e) *the origin of such goods determined in accordance with the provisions of the Customs Tariff Act or the rules made thereunder, if the amount of duty, tax, cess or any other sum is affected by the origin of such goods;*

- (f) *any other specific factor which affects the duty, tax, cess or any other sum payable on such goods, and includes provisional assessment, self-assessment, re-assessment and any assessment in which the duty assessed is nil;*

**26.5 Section 2(14) of the Customs Act, 1962:** *"dutiabale goods" means any goods which are chargeable to duty and on which duty has not been paid;*

**26.6 Section 2(16) of the Customs Act, 1962:** *"entry" in relation to goods means an entry made in a bill of entry, shipping bill or bill of export and includes the entry made under the regulations made under Section 84.*

**26.7 Section 2 (33) of the Customs Act 1962 :**

*"prohibited goods" means any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with ;*

**26.8 Section 17 of the Customs Act, 1962:**

*Section 17. Assessment of duty. – (1) An importer entering any imported goods under section 46, or an exporter entering any export goods under section 50, shall, save as otherwise provided in section 85, self-assess the duty, if any, leviable on such goods.*

(2) .....

(3) .....

(4) *Where it is found on verification, examination or testing of the goods or otherwise that the self- assessment is not done correctly, the proper officer may, without prejudice to any other action which may be taken under this Act, re-assess the duty leviable on such goods.*

**26.9. Section 46(4) and 46 (4A)of the Customs Act, 1962 :**

(4) *The importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed*

(4A) *The importer who presents a bill of entry shall ensure the following, namely: -*

- (a) *the accuracy and completeness of the information given therein;*
- (b) *the authenticity and validity of any document supporting it; and*
- (c) *compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.*

**26.10. Section 112 of the Customs Act, 1962 :**

*Penalty for improper importation of goods, etc.- Any person, - (a) who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or (b) who acquires possession of or is in any way concerned in carrying, removing, depositing,*

*harbouring, keeping, concealing, selling or purchasing, or in any other manner dealing with any goods which he knows or has reason to believe are liable to confiscation under section 111, shall be liable, -*

*(i) in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty 5[not exceeding the value of the goods or five thousand rupees, whichever is the greater;*

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

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

*(iii) in the case of goods in respect of which the value stated in the entry made under this Act or in the case of baggage, in the declaration made under section 77 (in either case hereafter in this section referred to as the declared value) is higher than the value thereof, to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees, whichever is the greater;*

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

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

**26.11. Section 114AA of the Customs Act, 1962 – Penalty for use of false and incorrect material.** - *If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or document which is false or incorrect in any material particular, in the transaction of any business for the purposes of this Act, shall be liable to a penalty not exceeding five times the value of goods.*

**26.12. Section 140 of the Customs Act, 1962: Offences by companies.** - *(1) If the person committing an offence under this Chapter is a company, every person who, at the time the offence was committed was in charge of, and was responsible to, the company for the conduct of business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly:*

**26.13. Regulation 10 of the Customs Broker Licensing Regulation 2018:**

*Obligations of Customs Broker.-A Customs Broker shall —*

*(a) obtain an authorisation from each of the companies, firms or individuals by whom he is for the time being employed as a Customs Broker and produce such authorisation whenever required by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;*

*(b) transact business in the Customs Station either personally or through an authorized employee duly approved by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;*

- (c) not represent a client in any matter to which the Customs Broker, as a former employee of the Central Board of Indirect taxes and Customs gave personal consideration, or as to the facts of which he gained knowledge, while in Government service;*
- (d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;*
- (e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;*
- (f) not withhold information contained in any order, instruction or public notice relating to clearance of cargo or baggage issued by the Customs authorities, as the case may be, from a client who is entitled to such information;*
- (g) promptly pay over to the Government, when due, sums received for payment of any duty, tax or other debt or obligations owing to the Government and promptly account to his client for funds received for him from the Government or received from him in excess of Governmental or other charges payable in respect of cargo or baggage on behalf of the client;*
- (h) not procure or attempt to procure directly or indirectly, information from the Government records or other Government sources of any kind to which access is not granted by the proper officer;*
- (i) not attempt to influence the conduct of any official of the Customs Station in any matter pending before such official or his subordinates by the use of threat, false accusation, duress or the offer of any special inducement or promise of advantage or by the bestowing of any gift or favour or other thing of value;*
- (j) not refuse access to, conceal, remove or destroy the whole or any part of any book, paper or other record, relating to his transactions as a Customs Broker which is sought or may be sought by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be;*
- (k) maintain up to date records such as bill of entry, shipping bill, transshipment application, etc., all correspondence, other papers relating to his business as Customs Broker and accounts including financial transactions in an orderly and itemised manner as may be specified by the Principal Commissioner of Customs or Commissioner of Customs or the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;*
- (l) immediately report the loss of license granted to him to the Principal Commissioner of Customs or Commissioner of Customs, as the case may be;*
- (m) discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay;*
- (n) verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information;*
- (o) inform any change of postal address, telephone number, e-mail etc. to the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, of all Customs Stations including the concerned Deputy Commissioner or Assistant Commissioner of the Commissionerate who has granted the*

- (p) maintain all records and accounts that are required to be maintained under these regulations and preserve for at least five years and all such records and accounts shall be made available at any time for the inspection of officers authorised for this purpose; and*
- (q) co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees*

#### **26.14 Section 3 of the Petroleum Act, 1934**

*Import, transport and storage of petroleum.—(1) No one shall import, transport or store any petroleum save in accordance with the rules made under section 4. (2) Save in accordance with the conditions of any licence for the purpose which he may be required to obtain by rules made under section 4, no one shall import petroleum Class A, and no one shall transport or store any petroleum.*

#### **26.15 Section 4 of the Petroleum Act, 1934 Rules for the import, transport and storage of petroleum.—**

*The Central Government may make rules—*

- a) prescribing places where petroleum may be imported and prohibiting its import elsewhere;*
- b) regulating the import of petroleum;*
- c) prescribing the periods within which licences for the import of petroleum Class A shall be applied for, and providing for the disposal, by confiscation or otherwise, of any [petroleum Class A] in respect of which a licence has not been applied for within the prescribed period or has been refused and which has not been exported;*
- d) regulating the transport of petroleum;*
- e) specifying the nature and condition of all receptacles and pipe-lines in which petroleum may be transported;*
- f) regulating the places at which and prescribing the conditions subject to which petroleum may be stored;*
- g) specifying the nature, situation and condition of all receptacles in which petroleum may be stored;*
- h) prescribing the form and conditions of licences for the import of 5 [petroleum Class A], and for the transport or storage of any petroleum, the manner in which applications for such licences shall be made, the authorities which may grant such licences and the fees which may be charged for such licences;*
- i) determining in any class of cases whether a licence for the transport of petroleum shall be obtained by the consignor, consignee or carrier;*
- j) providing for the granting of combined licences for the import, transport and storage of petroleum, or for any two of such purposes;*
- k) prescribing the proportion in which any specified poisonous substance may be added to petroleum, and prohibiting the import, transport or storage of petroleum in which the proportion of any specified poisonous substance exceeds the prescribed proportion; and*
- l) generally, providing for any matter which in its opinion is expedient for proper control over the import, transport and storage of petroleum including the charging of fees for any services rendered in connection with the import, transport and storage of petroleum.*

#### **26.16 Rule 4 of Petroleum Rules, 2002: Approval of containers. –**

*(1) Containers exceeding one litre in capacity for petroleum Class A and five litres in capacity for petroleum Class B or petroleum class C, shall be of a type approved by the Chief Controller.*

*(2) Where the approval of the Chief Controller is sought to a type of container not previously approved, an application together with copies of drawings thereof to scale showing the design, materials to be used, the method of construction and capacity of the container together with two samples containers and a fee of rupees one thousand for scrutiny shall be submitted to the Chief Controller.*

*(3) Nothing in sub-rules (1) and (2) shall apply to containers in the possession of the Defence Forces of the Union.*

**26.17 Rule 6 of Petroleum Rules, 2002: Containers for petroleum Class B and Class C**

*(1) Containers for petroleum class B or petroleum class C shall be constructed of steel or iron and be of a type approved by the Chief Controller.*

*(2) An air space of not less than 5 percent of its capacity shall be kept in each container for petroleum Class B and not less than 3 percent of its capacity in each container for petroleum Class C.*

*(3) Nothing in this rule shall apply to containers in the possession of the Defence Forces of the Union.*

**26.18 Rule 25 of Petroleum Rules, 2002: Petroleum to be imported by land only at authorized places.**

*No petroleum shall be imported into India by land except at places specially authorized for the purpose by the Central Government.*

**26.19 Rule 30 of Petroleum Rules, 2002: Restriction on passengers, combustible and inflammable cargo –**

*Save as provided in rules 38,39 and 52 and clause, (b) of rule 60, no ship, vessel or vehicle shall carry petroleum petroleum Class A or petroleum Class B and Class C in bulk if it is carrying passengers or any combustible cargo other than petroleum: Provided that nothing in this rule shall prohibit the use of dunnage for packing purposes in the case of coastwise transport of petroleum Class A otherwise than in bulk.*

**26.20 Rule 35: Tank fittings on ships or vessels. –**

*The following provisions shall apply for the transport of petroleum other than petroleum Class C in ship or other vessels, namely: -*

*(a) All tanks shall be fitted with independent approved filling and suction pipes and valves, or with stand pipes with blank flanges, all pipes being carried down nearly to the bottom of the tanks, and no petroleum in bulk shall be taken on board or discharged except through such pipes and valves, unless otherwise permitted by the Chief Controller in writing;*

*(b) All tanks shall be fitted with manholes having screw-down cover with petroleum-tight joints and, in the case of tanks intended for use with petroleum class A, with ventilators*

*or relief valves of approved pattern properly protected with wire gauge of a mesh not less than 11 meshes to linear centimeter; and*  
*(c) Ventilators similarly protected shall be fitted to all spaces, around tanks.*

## **27. Conclusion/Findings of Investigation:**

Whereas it appears from the foregoing paras that:

- i. As per Condition No.5 of Import Policy of Chapter 27, import of Kerosene and Gas Oil which were imported by M/s A.A. Cable Layers in the consignment seized by DRI, by way of mis-declaration, is allowed only through IOC subject to para 2.21 of Foreign Trade Policy, except for the companies who have been granted rights for marketing of transportation fuels in terms of Ministry of P&NGs Resolution No. P23015/1/2001-MKT. Dated 8.3.2002 including HPCL, BPCL and IBP who have been marketing transportation fuels before the said date. Thus it is evident that the said goods are not freely importable but can be imported only by State Trading Enterprises such as IOCL, HPCL, BPCL and IBP.
- ii M/s A.A. Cable Layers appeared to be well aware about the said restriction imposed by the Policy. As such in order to circumvent the said provision, in collusion with the CHAs namely M/s Continental Shipping Services, & M/s Gaurav. M .Jhaveri alongwith their respective subsidiary agents of M/s Continental Shipping Services namely M/s Versatile Logistics and M/s Shri Krishna Logistics and M/s Shiv Shakti Shipping who are subsidiary agents of M/s M/s Gaurav. M. Jhaveri, as well as Overseas Suppliers namely M/s Swathi Smart Ventures FZC and M/s Ecofuel Nexus in Dubai devised a modus operandi to import Kerosene and Gas Oil- (restricted commodities), in the garb of importing freely importable goods. The nexus of the said entities are explained with the help of chart as under

### **Pictorial depiction of flow of documents from M/s A.A. Cable Layers to the CHA - M/s Continental Shipping Services**





- iii. In order to give credence to the invoice and packing list, it appears that the supplier namely M/s Swathi Smart Ventures FZC issued Chemical Analysis Report on their letter head. The said Chemical Analysis Report appears to contain fabricated and fudged parameters of “*Mix/Mixed Hydrocarbon Oil (MHO) Or Mixed Hydrocarbon Oil (For Industrial Use Only)*” as the supplier himself certified the parameters of the goods.
- iv. It appears that on the basis of fudged and fabricated documents namely invoice, Packing List and Chemical Analysis Report, the Importer namely M/s A.A. Cable Layers filed Bill of Entries wherein they declared the goods as “*Mix/Mixed Hydrocarbon Oil (MHO) Or Mixed Hydrocarbon Oil (For Industrial Use Only)*” and classified the same under Chapter Heading 27101990 wherein no restriction was in force in terms of the Import Policy.
- v. It further appears that M/s A.A. Cable Layers all along were aware of the fact that the items which they sought to import actually were restricted items and as such they were not eligible to import the Gas Oil and the Kerosene. The documents were manipulated so that the same could be cleared on the basis of the mis-declaration and mis-classification of the goods with the Customs at Mundra Port.
- vi. During the course of the investigations, M/s A.A. Cable Layers as well as their related entities involved in the case, were asked to submit supporting and related relevant documents, like buyer seller agreement, details of refinery/oil firm from where the consignment originated, copies of communication made with the supplier, copies of export declaration form filed in the supplier country etc pertaining to the said consignments vide summons issued to them. The said documents were called for as they would have enabled the identification of the commodity imported by M/s A.A. Cable Layers in the consignment under investigation. It appears that the documents were deliberately not submitted by them so as to prevent the identification of the commodity by the Officers of the DRI.
- vii. In order to ascertain the exact nature of the goods and to confirm the identity, samples were drawn from the consignment which were sent to Government Lab namely IOCL, Panipat. The parameters of the test conducted by the Lab clearly suggest that the commodity covered under the consignments pertaining to the importer as declared in the import documents and the Bill of Entry were different and not as per the import documents filed by the importer. The parameters of the samples drawn from the consignments covered under BOE No.9788458 Dt. 23.01.2024, 9783769 Dt. 23.01.2024 and 9783627 Dt. 23.01.2024 on being tested and analysed, indicate that all the parameters conform to IS1459 which pertains to Kerosene. As there is no deviation in all the parameters as mentioned in the Test reports vis-a vis parameters prescribed IS 1459, there appears to be no doubt about the identity of the said commodity. Further, the parameters of the samples drawn from the consignments covered under BOE no 9765080 Dt. 21.01.2024 and 9765081 Dt. 21.01.2024 on being tested and analysed by the IOCL suggests that except for sulphur all the parameters conform to that of the IS standard of Gas Oil (IS:17789). The Amendment to IS:17789 dated 2023 specifically mentions that Indian Refineries may opt for lower sulphur content as per the agreement between the seller and purchaser. All the parameters except sulphur have been found to be identical and though there seems to be

deviation in respect of sulphur only, the same is only a quality parameter and has no relation with the identity of the commodity.

- viii. The commodity sought to be actually imported viz Kerosene and Gas Oil under the subject consignments find specific mention in different tariff Item and not the tariff Item in which they were declared in the import documents i.e 27101990 which does not lay down any restriction if the goods are covered under the said CTH and are classified accordingly. It appears that the item has been given description *Mix Hydrocarbon Oil* so that the same can be classified in the category of Chapter Heading 27101990 pertaining to *others* deliberately where there is no restriction in the import of commodities falling in the said category of the Customs Tariff Act' 1985.
- ix. The importer failed to provide any document to substantiate the chemical composition/constituent if any of Mixed Hydrocarbon Oil. It appears that the mis-classification was done deliberately so as to mislead the department. The correct classification is 27101932 pertaining to "Kerosene as per IS 1459" and 27101941 pertaining to "Gas Oil". The act of mis-declaration and misclassification with the intent to import restricted goods namely Kerosene and Gas oil has been categorically accepted and acknowledged in their respective voluntary statements by M/s A.A Cable Layers and the CHAs namely M/s Continental Shipping Services, & M/s Gaurav. M. Jhaveri along with their respective subsidiary agents of M/s Continental Shipping Services namely M/s Versatile Logistics and M/s Shri Krishna Logistics and also by M/s Shiv Shakti Shipping who are subsidiary agents of M/s Gaurav. M. Jhaveri.
- x. M/s A.A. Cable Layers are not an STE entity and hence they are not eligible to import the said restricted goods. Therefore they appeared to resort to the act of mis-declaration and mis-classification so as to import the said restricted goods.
- xi. M/s A.A. Cable Layers failed to submit any document in support of the item *Mixed Hydrocarbon Oil* declared by the supplier in the import documents and Bills of Entries filed by M/s A.A. Cable Layers. Even subsequently during the course of the investigations after the containers were put on hold, till date they have not been able to submit any such document to substantiate the identity of the goods in accordance with declaration in Invoice & Packing list as well as bill of entries.
- xii. M/s A.A. Cable Layers failed to provide specific use of the item "Mixed Hydrocarbon Oil". On being asked in his voluntary statement tendered under Section 108 of the Customs Act'1962 whether he was aware about the parameters/specifications of the MHO, Shri Gurmeet Singh, Partner of M/s A.A. Cable Layers gave vague reply that the MHO was used for industrial purposes. But he failed to provide information about the specific industry which used the Mixed Hydrocarbon Oil. Further, he could not state anything about the parameters /specification of Mixed Hydrocarbon Oil. Further even the CHAs and their agents could not give any information about the use of the Mixed Hydrocarbon Oil. This suggests that they were not aware about the use of the said commodity i.e "Mixed Hydrocarbon Oil" as the same was not intended to be imported actually in the containers put on hold and subsequently examined by the Officers of the DRI.

- xiii. The parties also appear to have violated the provisions of Petroleum Act, 1934. The goods were imported in gross violation of the said provisions. The Petroleum Act, 1934, classifies petroleum products into 3 categories based on their flash points as detailed below:

S. No	Petroleum products Class	Flash Point
1	Class A	Below 23°C (73°F)
2	Class B	Between 23°C and 65°C (73°F to 149°F)
3	Class C	Between 65°C and 93°C (149°F to 200°F)

Further, as per the test reports the goods in question here fall under the “Class B” category of petroleum products as per the Petroleum Act 1934. Class B petroleum products are hazardous, and their import, storage, and transport are strictly regulated. Now to import the class B category of petroleum products an Importer has to follow certain rules and require certain certifications as discussed below:

1. Class B petroleum products must be handled with proper care due to their flammable nature. The Petroleum Act and the Petroleum Rules, 2002, mandate the use of appropriate containers for the storage and transport of such products. Flexi bags are not suitable for carrying Class B petroleum products because they do not meet the stringent safety standards for the containment of flammable liquids. Containers used for storing and transporting Class B petroleum must be certified as per PESO standards and must be explosion-proof and fire-resistant to prevent any accidental ignition. The use of Flexi bags, which are typically not compliant with these safety norms, violates this requirement.
2. Any importer dealing with Class B petroleum products must have requisite licenses and approvals, such as an import license from the Petroleum and Explosives Safety Organization (PESO).

By importing restricted Class B petroleum in Flexi bags in total disregard of the safety norms which could lead to serious mishaps, M/s A.A. Cable Layers in the greed for earning illicit profits have put the public and the environment at great risk.

- xiv. Shri Gurmeet Singh, partner of M/s A.A. Cable Layers on being shown the Test Reports and the parameters mentioned therein has accepted the conclusions and findings of the Test Reports of IOCL. He has also accepted that the consignments were mis-declared and misclassified. On the basis of the conclusions of the Test Reports he agreed that the respective consignments comprised of Kerosene and Gas Oil as suggested in the said Test Report. However he has sought to shift the onus and blame for mis-declaration upon the supplier and has claimed that the issue of the mis-declaration can be explained by the supplier. He has sought to project his innocence in the case which however was not the case. The fact that the importer has not produced any document from the supplier or the

supplier has not issued any clarification till date, suggests that the consignment was as per the orders placed by M/s A.A. Cable Layers.

- xv. The provisions of Section 17 (1) of the Customs Act, 1962 read with Section 2 (2) of the Customs Act and CBIC Circular No. 17/2011-Customs dated 08.04.2011 lay down onus on the importer and the CHAs to determine duty, classification etc. by way of self-assessment. The importer, at the time of self-assessment, is required to ensure that he declared the correct classification, applicable rate of duty, value, benefit of exemption notifications claimed, if any, in respect of the imported goods while presenting the Bill of Entry. By furnishing incorrect and wrong information in the import documents, it appears that M/s A.A. Cable Layers and the CHAs –M/s Continental Shipping Services and M/s Gaurav. M. Jhaveri appear to have violated the provisions of the said Section 17(1) read with Section 2(2) of the Customs Act 1962.
- xvi. In terms of Section 46(4) of the Customs Act, 1962, the importer has to certify the truth of the contents of the Bills of Entry. Further, in terms of Section 46 (4A) of the Customs Act, 1962, the importer who presents a bill of entry shall ensure the accuracy and completeness of the information given therein; shall ensure the authenticity and validity of any document supporting it; and shall ensure compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force. In the instant case it appears that the importer was fully aware of the actual goods imported by them. Also on being shown with the Test Reports, Shri Gurmeet Singh has accepted that they had mis-declared the description imported under subject bills of entry before the custom authorities in his voluntary statement. Thus, in view of the facts discussed in the foregoing paras and material evidences available on records, it appears that the importer has contravened the provisions of Section 46(4) and 46(4A) of the Customs Act, 1962, in as much as they had intentionally mis-declared the description of the goods imported by them with a malafide intention to import a restricted good under the garb and guise of a freely importable good.
- xvii. Further, by attempting to import restricted goods, the importer- M/s A.A. Cable Layers appear to have indulged in the act of smuggling as defined under Section 2(39) of the Customs act 1962. With the introduction of self-assessment and consequent upon amendments to Section 17 of the Customs Act, 1962 w.e.f. 08.04.2011, it was the obligatory on their part to declare the actual description and correct classification of the goods imported by them and pay the duty applicable in respect of the said goods. Therefore, by not disclosing the true and correct facts to the proper officer, at the time of filing of Bill of Entry for the respective consignment, the importer appears to have indulged in mis-declaration and mis-classification by way of suppression of facts and willfully mis-declared and mis-classified the imported goods with intent to import restricted goods. Thus, the importer appears to have contravened the provisions of Section 46(4) & 46(4A) of the Customs Act, 1962, in as much as they have mis-classified and mis-declared the goods imported by them by suppressing the true and actual description of the goods, while filing the declaration seeking clearance at the time of importation of impugned goods.

xviii. The facts and the investigations have revealed that the CHAs- M/s Gaurav M. Jhaveri and M/s Continental Shipping Services were actively involved in facilitating and assisting the customs clearance of the restricted goods namely Kerosene and Gas Oil in the garb of Mixed Hydrocarbon Oil. Both the CHAs appear to have failed to fulfil the following obligations as prescribed under Regulation 10 of Customs Broker Licensing Regulation 2018-

*(b) transact business in the Customs Station either personally or through an authorised employee duly approved by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be*

*(d) advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;*

*(e) exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;*

*(q) co-operate with the Customs authorities*

They failed to fulfil the said obligations as under:

- (A) M/s Gaurav. M. Jhaveri allowed their sub-agents- M/s Shivshakti Shipping and M/s Ashirvad Shipping & Logistics to utilize their "F" Card for import of restricted goods by way of mis-declaration and mis-classification. M/s Shivshakti Shipping and M/s Ashirvad Shipping & Logistics were allowed to engage themselves and conduct business of customs clearance on their behalf in violation of obligation (b) of Regulation 10. M/s Shiv Shakti Shipping have been found to negotiate with M/s A.A. Cable Layers on behalf of M/s Gaurav. M. Jhaveri, and in fact the bill for the agency charges are raised by M/s Ashirvad Shipping & Logistics upon the Importer. Thereafter M/s Shivshakti Shipping raised bill upon M/s Ashirvad Shipping & Logistics after deducting 25% from the bill amount raised by M/s Ashirvad Shipping & Logistics upon the Importer i.e M/s A.A. Cable Layers. Subsequently M/s Gaurav. M. Jhaveri raised bill @ Rs.750/- per container upon M/s Shivshakti Shipping in respect of the amount raised as agency charges. Thus it is seen that the lion's share is taken and shared by the sub-agents and not by the CHA-i.e M/s Gaurav. M. Jhaveri. The employees of sub-agents- M/s Shivshakti Shipping and M/s Ashirvad Shipping & Logistics have been found to be actively involved in the process of customs clearance like obtaining documents, deciding the classification of the goods with the importer in violation of the obligation though the sub-agents were not authorized to do so. Further M/s Gaurav.M.Jhaveri also appear to have not advised their client as obligated vide obligation (d) of the Regulation 10 to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof. They further did not bring the violations and contraventions of the import of restricted goods by way of mis-declaration and mis-classification to the notice of the Deputy Commissioner of Customs or Assistant

Commissioner of Customs. They did not advise them against importing restricted commodities by way misclassification and mis-declaration in flexi bags in violation of the provisions of the Customs Act'1962 and the Petroleum Act'1934. M/s Gaurav.M.Jhaveri appear to also have violated the obligation (e) as they did not exercise due diligence to ascertain the correctness of the details and documents provided by the importer for filing of bill of entries. They have been found to be in the business of customs clearance for a considerable period of time yet they did not ask for any proper chemical/analysis report from the importer in support of the details and the description filed by then in the Bills of Entry in respect of the goods sought to be imported under vide the consignments under investigation. In fact they submitted the fudged and fabricated parameters reproduced by the supplier as Chemical Analysis Report alongwith the bills of entries in support of the goods mis-declared as Mixed Hydrocarbon Oil. M/s Gaurav.M.Jhaveri also did not co-operate with the Customs authorities as provided under obligation (q) of the Regulation 10 of the CBLR. During the course of the investigations they did not disclose vital information relating to the case on their own. However, on being shown the relevant documents subsequently they have accepted the Lab Reports and have also accepted that the consignments were mis-declared and misclassified in their voluntary statements.

- (B) Similarly, M/s Continental Shipping Services another CHA of M/s A.A. Cable Layers allowed their respective sub-agents namely - M/s Versatile Logistics and Shri Krishna Logistics engage and conduct business of customs clearance on the basis of "F" card issued to M/s Continental Shipping Services in violation of obligation (b) of Regulation 10. They further allowed their Offices and infrastructure to be used by the sub-agents in this regard. Though the sub-agents have projected themselves as forwarding agents, they have been found to facilitate the clearance of the import consignments of M/s A.A. Cable layers by virtue of the 'F' card of Ms Continental Shipping Services. Further, M/s Krishna Logistics raised a bill on M/s Versatile Logistics @15,000/- per container and subsequently, the authorized entity i.e the CHA- M/s Continental Shipping Services raised a bill of mere Rs.2000/- per container upon M/s Krishna Logistics for customs clearance charges. Thus the role of the sub-agents can be gauged by the major share taken by M/s Krishna Logistics in the clearance of the seized consignments. Further the payment has been found to have not been received by the CHA- M/s Continental Shipping Services but through the sub-agents after they have received their respective share. The employees of the sub-agents have also been found to be actively involved in the process of customs clearance like obtaining documents, deciding the classification of the goods with the importer in violation of the obligation (b) as transaction of business in the Customs Station can be done either personally or through an authorized employees. The employees of sub-agents though not being authorized to conduct business were actively conducting customs clearance in disregard of the obligation. M/s Continental Shipping Services failed to advise their client as obligated vide obligation (d) of the Regulation 10 to comply with the provisions of the Act, other allied Acts and the rules and regulations. They did not advise them against importing restricted commodities by way misclassification and mis-declaration for not being qualified to do so. Further the restricted goods were imported in flexi bags in violation of the provisions of the Customs Act'1962 and the Petroleum Act'1934. M/s Continental Shipping Services also appear to have failed

to comply with the obligation (e) as they failed to exercise due diligence to ascertain the correctness of the decorations and the details furnished in the import documents and the bill of entries. They also did not ask the importer to procure and file relevant supporting documents to enable identification of the goods. They should have advised M/s A.A. Cable Layers against filing fudged and fabricated parameters reproduced by the supplier as Chemical Analysis Report. They did not advise them to get proper chemical report from the supplier. They appear to have not fulfilled the obligation (q) of Regulation 10 as they did not co-operate with the Customs authorities during the course of the investigations and did not disclose vital information relating to the case on their own. However, on being shown the relevant documents subsequently they have accepted the Lab Reports and have also accepted that the consignments were mis-declared and misclassified in their voluntary statements

Thus both the CHAs- M/s Continental Shipping Services and M/s Gaurav. M. Jhaveri appear to have acted in tandem with the importer- M/s A.A. Cable Layers in the illicit and illegal import of the restricted commodity. They have attempted to project their innocence in the case by stating that they filed import documents on the basis of the documents provided by the importer but considering the goods and the Chapter of the goods they had the responsibility of ensuring that the importer does not indulge in the illicit act of smuggling of restricted commodities or violate the provisions of Customs Act'1962 which rested on their shoulders in accordance with the obligations laid down in Regulation 10 of the Customs Broker Licensing Regulation 2018. But they have been found to have not observed and complied with the obligations prescribed under the Customs Broker Licensing Regulation 2018.

- xix. Since the consignments consisting of 66 containers pertaining to 5 BEs were imported by way of mis-declaration and mis-classification as Mixed Hydrocarbon Oil in the manner as discussed above in contravention of Section 17 (1), Section 46(4) and 46(4A) ,and is liable for confiscation in terms of Section 111(d), (f), (l) and (m) of Customs Act, 1962. Further, M/s A.A. Cable Layers, Shri Gurmeet Singh, M/s Gaurav M. Jhaveri, M/s Continental shipping services, M/s Aashirvad Shipping & Logistics, Shri Ruparelketan of M/s M/s Shivshakti Shipping, Shri Satish Maheshwari of M/s Krishna Logistics and M/s Versatile Logistics for their respective roles in the instant case appear to have rendered themselves liable for imposition of penalty under Section 112, and 114 AA of the Customs Act'1962.

### **28.1 Role played by the Importer- M/s AA Cable Layers**

Whereas it appears that M/s A.A. Cable Layers deliberately resorted to illicit import of restricted goods (Kerosene and Gas Oil) under the guise of "Mixed Hydrocarbon Oil (MHO)" to bypass import restrictions applicable to non-State Trading Enterprises (STEs). They misused Customs Tariff Heading 27101990 ("Others") to declare the goods as freely importable. M/s A.A. Cable Layers colluded with suppliers (M/s Swathi Smart Ventures FZC and M/s Ecofuel Nexus) to submit falsified invoices, packing lists, and chemical Analysis Reports that misrepresented the true nature of the goods. They further failed to declare the correct classification and description of goods during self-assessment under Section 17(1) of the Customs Act, 1962. And provided



inaccurate and incomplete information in the Bills of Entry, violating Sections 46(4) and 46(4A) of the Customs Act, 1962. M/s A.A. Cable Layers were fully aware that the imported items were restricted commodities (Kerosene and Gas Oil) and not "Mixed Hydrocarbon Oil," as evidenced by voluntary statements. They deliberately withheld key documents, including buyer-seller agreements and export declarations, to prevent the identification of the goods. The mis-declared goods namely Kerosene and Gas Oil have been categorized as hazardous Class B petroleum products (Kerosene and Gas Oil) but were imported in unsafe Flexi bags, violating and compromising safety norms mandated by the Petroleum Rules, 2002. The misdeeds and malafide acts of M/s A.A. Cable Layers appear to be confirmed from the fact that they accepted the findings of the lab tests conducted by IOCL, which confirmed the goods as Kerosene and Gas Oil. They have attempted to pass the responsibility for their malafide act of importing restricted goods on the shoulders of the supplier. The illicit acts of M/s A.A. Cable which include mis-declaration, misclassification, and illegal importation of restricted petroleum products appear to violate multiple provisions of the Customs Act, 1962, the Foreign Trade Policy, and the Petroleum Act, 1934 for financial gain. The illicit import of the said restricted goods viz Kerosene and Gas Oil tantamounts to act of smuggling as defined under Section 2(39) of the Customs Act'1962. Thus, for their acts of omission and commission in the case borne out by the investigation, M/s Gopinathji Petroleum have rendered themselves for penalty under the provisions of Sections 112 (a) and/or 112(b) and/or 114 AA of the Customs Act'1962.

## **28.2 Role played by the Partner- M/s A.A. Cable Layer- Shri Gurmeet singh.**

Shri Gurmeet Singh has been found to be one of the partners of the firm – M/s A.A. Cable Layers. He has been found to be the active partner who appears to be actively involved in managing the affairs of the firm. He appears to be fully aware that the imported goods were restricted commodities (Kerosene and Gas Oil) and intentionally mis-declared them as "Mixed Hydrocarbon Oil (MHO)" to bypass import restrictions imposed by the Customs Tariff and Foreign Trade Policy. He appears to have deliberately failed to provide relevant supporting documents, including buyer-seller agreements, export declarations, or specific uses of the purported "Mixed Hydrocarbon Oil," . This further appears to substantiate the charge of consciously importing restricted goods in the guise of mis-declared goods. As a partner of the firm who was responsible for ensuring compliance, Shri Gurmeet Singh failed to declare the actual description, classification, and applicable duty of the imported goods, thereby violating the provisions of Section 17(1) of the Customs Act, 1962. Shri Gurmeet Singh admitted to the findings of IOCL lab tests that identified the goods as Kerosene and Gas Oil but attempted to shift blame onto the shoulders of the suppliers. He failed to ensure compliance of licensing and safety requirements mandated for handling Class B petroleum products. He withheld vital documents and information during the investigation to prevent the identification of the true nature of the goods. As a key decision-maker, Shri Gurmeet Singh knowingly engaged in acts that meet the definition of smuggling under Section 2(39) of the Customs Act, 1962, and appears to have thereby rendered himself for penalty under the provisions of Sections 112 (a) and/or 112(b) and/or 114 AA of the Customs Act'1962.

### **28.3 Role played by the CHA- M/s Continental Shipping Services**

Whereas it appears that M/s Continental Shipping Services were also equally involved in the illicit import of the restricted goods namely restricted items (Kerosene and Gas Oil) under the guise of freely importable goods labelled as "Mix Hydrocarbon Oil (MHO)." They allowed sub-agents - M/s Versatile Logistics and Shri Krishna Logistics to transact business at Ports unauthorizedly as they were not qualified to transact customs work. They permitted sub-agents to actively engage in work related to customs clearance, including document processing and classification decisions in contravention of the provisions of Customs Broker Licensing Regulation 2018. They have been found to have not fulfilled the obligations prescribed upon them also under the said Regulation 10 of Customs Broker Licensing Regulation 2018. As a Customs House Agent, they did not advise M/s A.A. Cable Layers to comply with the applicable laws under the Customs Act, 1962, and the Petroleum Act, 1934. They appear to be in complete agreement with the importer regarding misclassification and mis-declaration of restricted petroleum products as "Mix Hydrocarbon Oil (MHO)." M/s Continental Shipping Services failed to exercise due diligence and did not verify the accuracy and the authenticity of import documents, including invoices and chemical analysis reports. They failed to ensure submission of genuine supporting documents to identify the imported goods. This becomes more important and critical in view of the kind of goods being imported. M/s Continental Shipping Services filed false/fabricated documents, enabling the import of restricted petroleum products in unsafe Flexi bags, violating the Petroleum Act, 1934, and Customs Act, 1962. For their acts of facilitating import of restricted goods in the manner as discussed herein before which tantamounts to smuggling as per Section 2(39) of the Customs Act'1962, M/s Continental Shipping Services appeared to have rendered themselves for penalty under the provisions of Sections 112 (a) and/or 112(b) and/or 114 AA of the Customs Act'1962.

### **28.4 Role played by the CHA- M/s Gaurav M. Jhaveri**

Similarly, it appears that M/s Gaurav M. Jhaveri the other CHA of the Importer-M/s A.A. Cable Layers were also equally involved in the illicit import of the restricted goods namely restricted items (Kerosene and Gas Oil) under the guise of freely importable goods labelled as "Mix Hydrocarbon Oil (MHO)." M/s Gaurav M. Jhaveri allowed sub-agents (M/s Shivshakti Shipping and M/s Ashirvad Shipping & Logistics) to transact business at Ports. They permitted sub-agents to actively engage in customs clearance, including document processing and classification decisions. They have been found to have not fulfilled the obligations prescribed under Regulation 10 of Customs Broker Licensing Regulation 2018. As a Customs House Agent, they did not advise M/s A.A. Cable Layers to comply with the applicable laws under the Customs Act, 1962, and the Petroleum Act, 1934. They similarly allowed misclassification and mis-declaration of restricted petroleum products as "Mix Hydrocarbon Oil (MHO)." M/s Gaurav M. Jhaveri failed to exercise due diligence and did not verify the accuracy and the authenticity of import documents, including invoices and chemical analysis reports. This becomes more important and critical in view of the kind of goods being imported. M/s Gaurav M. Jhaveri filed false/fabricated documents, enabling the import of restricted petroleum products in unsafe Flexi bags, violating the Petroleum Act, 1934, and Customs Act, 1962. For their acts of omission and

commission in the case borne out by the investigation, which tantamount to smuggling in accordance with Section 2(39) of the Customs Act'1962, M/s A.A. Cable Layers appeared to have rendered themselves for penalty under the provisions of Sections 112 (a) and/or 112(b) and/or 114 AA of the Customs Act'1962

### **28.5 Role Played by Shri Satish Maheshwari (M/s Krishna Logistics):**

Shri Satish Maheshwari Handled customs clearance operations at Mundra Port on behalf of the CHA, M/s Continental Shipping Services, without valid authorization under CBLR, 2018. He received import documents from M/s Versatile Logistics and directly negotiated with the importer for customs-related work. Shri Satish Maheshwari prepared and forwarded checklists for Bills of Entry, which facilitated the misclassification and clearance of restricted goods. He charged Rs. 15,000 per container for customs clearance services, significantly more than the CHA's charges, emphasizing his key role in the illicit operations. Shri Satish Maheshwari thus appears to have played a central role in deciding the classification of restricted goods (Kerosene and Gas Oil) and ensuring their clearance through mis-declaration and misuse of the CHA's "F" card. Thus he appears to have rendered himself for penalty under the provisions of Sections 112 (a) and/or 112(b) and/or 114 AA of the Customs Act'1962 as he appeared to be involved in the act of facilitating restricted goods.

### **28.6 Role played by Shri Ravindra Sawant (M/s Versatile Logistics)**

Whereas it appears that Shri Ravindra Sawant received import documents from M/s A.A. Cable Layers and forwarded them to M/s Krishna Logistics for further processing and filing through the CHA, M/s Continental Shipping Services. He verified the checklists prepared by M/s Krishna Logistics and sent it to the importer for approval before the Bill of Entry filing. Despite being labeled as a forwarding agency, Shri Ravindra Sawant was actively involved in customs clearance tasks, including document processing and KYC verification. Shri Ravindra Sawant also played a significant role in enabling the illicit import of Kerosene and Gas Oil by working with M/s Krishna Logistics and the CHA. He appears to have rendered himself for penalty under the provisions of Sections 112 (a) and/or 112(b) and/or 114 AA of the Customs Act'1962 for his role in the case of illicit import of restricted goods.

### **28.7 Role Played by Shri Ketan Ruparel (M/s Shivshakti Shipping):**

Shri Ketan Ruparel Acted as an unauthorized sub-agent of M/s Gaurav M. Jhaveri, handling customs clearance work without possessing a valid 'F' Card. He acted as the intermediary between the importer and the CHA by negotiating with the importer and collecting documents for customs clearance. Shri Ketan Ruparel played a direct role in deciding the classification of goods and forwarding checklists from the CHA to the importer for approval. He received Rs. 15,000 per container as clearance charges while M/s Gaurav M. Jhaveri received only Rs. 750 per container, highlighting his pivotal role in the customs clearance process. He also allowed M/s Shivshakti Shipping to use the office, infrastructure, and employees of M/s Aashirvad Shipping for customs clearance work without a valid 'F' Card. For being associated in the act of importing restricted goods which appears to be akin to smuggling as defined in Section

2(39) of the Customs Act'1962, he appears to have rendered himself for penalty under the provisions of Sections 112(a) and/or 112(b) and/or 114 AA of the Customs Act'1962.

## **28.8 The role of the respective sub-agents in the case is discussed as under:**

### **A. M/s Shivshakti Shipping:**

M/s Shivshakti Shipping have acted as sub-agent of M/s A.A. Cable Layers in the instant case. In the voluntary statement tendered by Shri Ruparel Ketan, partner of the firm, he has accepted that they share portion of agency charges which is received for customs related work. They have also accepted that they bring business for the CHA- M/s Gaurav.M.Jhaveri. Further they have stated that they obtain relevant documents from the clients and forward them to M/s Gaurav.M.Jhaveri for customs related work. They have been found to be the interface between the CHA and the importer and has been stated that they only negotiate with the clients on behalf of M/s Gaurav.M.Jhaveri. They have been found to get major chunk of the agency charges amounting to Rs.15,000/- per container while the CHA-M/s Gaurav. M. Jhaveri has been found to be getting a mere amount of Rs.750/- per container for customs clearance work. In spite of the regulations prescribed under the Customs Broker Licensing Regulation 2018, he has found no anomaly in engaging and conducting business of customs clearance work without possessing valid 'F' Card. Further it has also been stated that they look after customs related work of petroleum products only. Further they have been even found to be involved in the decision of classification of goods and forwarding of the checklist from the CHA to the Importer for approval. The involvement of M/s Shivshakti Shipping Services is unauthorized as he does not possess valid 'F' Card and have acted on the basis of the 'F' Card issued to M/s Guarav.M.Jhaveri. For being involved in illicit import of restricted goods by attending to customs clearance work of the said goods which amounts to smuggling in terms of the provisions of Section 2(39) of the Customs Act'1962, they appeared to be liable for penalty under the provisions of Sections 112(a) and/or 112(b) and/or 114 AA of the Customs Act'1962.

### **B. M/s Aashirvad Shipping & Logistics:**

M/s Aashirvad Shipping & Logistics provided the office and the premises to M/s Shivshakti Shipping Services to conduct customs clearance work unauthorisedly without a valid 'F' Card. In fact M/s Shivshakti Services is registered at the address of M/s AashirvadShipping & Logistics. M/s Shivshakti Services have been found to have not only utilised the premises but they have utilised the infrastructure also. They further utilise the services of the employees of M/s Aashirvad Shipping & Logistics in the process. In order to justify the utilisation of the premises and the infrastructure it has been stated that the same was done as rent was unaffordable. As agency charges for customs clearance work, bill for same is first raised by M/s Aashirvad Shipping & Logistics and subsequently, the bill is raised by M/s Shiv Shakti Shipping for their share upon M/s Aashirvad Shipping & Logistics. Thus it appears that they played an important role in the case and in the act of illicit import of Kerosene and Gas Oil which can be termed as smuggling in terms of Section 2(39) of the Customs Act'1962, they appeared to be

liable for penalty under the provisions of Sections 112(a) and/or 112(b) and/or 114 AA of the Customs Act'1962.

**C. M/s Krishna Logistics:**

M/s Krishna Logistics have been found to be sub-agent of the CHA –M/s Continental Shipping Services. In the voluntary statement tendered by Shri Satish Maheshwari authorized representative of M/s Krishna Logistics, he stated that they were authorized by the CHA firm-M/s Continental Shipping Services to look after work related to import. He also submitted a copy of the said letter. Such an authorization is invalid and gross violation of the provisions of the Customs Broker Licensing Regulation 2018. He further stated that they had been authorised to handle day to day operations at Mundra Port on behalf of M/s Continental Shipping Services and were in fact over all in charge. They have been found to receive documents on their e-mail from M/s Versatile Logistics who receive documents from the importer-M/s A.A.Cable Layers. The firm has been admittedly negotiating with the clients for customs related work on behalf of the CHA. They have been involved in deciding the classification of the seized consignments. They also prepared check list in respect of bill of entry to be filed for the seized consignment which were forwarded to the importer through M/s Versatile Logistics for approval of the importer. Further they receive a substantial amount of Rs.15,000/- per container as clearance charges whereas the importer received a mere amount of Rs.2500/- per container for MHO and Rs.2000/- per container for base oil. On comparison of the payment received by M/s Krishna Logistics vis-à-vis the CHA- M/s Continental Shipping Services the amount appears to be unjustified and underlines the role and the involvement of the firm in the illicit import of the seized containers. They have benefitted greatly from the active role in the illicit import and smuggling of kerosene and gas oil by way mis-declaration and mis-classification for which they got substantial sum of share which was set aside for customs clearance. For the acts and role in the import of restricted goods which appears to be smuggling as defined under Section 2(39) of the Customs Act'1962, they appeared to be liable for penalty under the provisions of Sections 112(a) and/or 112(b) and/or 114 AA of the Customs Act'1962.

**D. M/s Versatile Logistics-**

Alongwith M/s Krishna Logistics, M/s Versatile Logistics have also been found to be actively involved in the activity of illicit import of Kerosene oil and Gas Oil by way of smuggling. They have been found to receive the import documents from the importer which were forwarded to M/s Krishna Logistics for onward filing by the CHA- M/s Continental Shipping Services. Further they receive the check list from M/s Krishna Logistics which was forwarded by them to the importer for approval before filing of the bill of entry. They have also been stated to verify the KYC of the importer. Though they have been described as a forwarding agency but their role suggests that they were involved in the Customs clearance work though they were not eligible for the same. They alongwith M/s Krishna Logistics roped in M/s Continental Shipping Services to use "F" card for effecting the customs clearance related work. Thus it appears that they also played a major role in the illicit import and smuggling of Kerosene and Gas Oil by M/s A.A.Cable Layers. They appear to be liable for penalty under the provisions of Sections 112(a) and/or 112(b) and/or 114 AA of the Customs Act'1962 for being

involved in the illicit import of restricted goods which also appears to be an act of smuggling as can be inferred from the definition given in Section 2(39) of the Customs Act'1962.

**29.** Now therefore **M/s A.A. Cable Layers (IEC-AARFA0902A)** Mohalla Asdullahpur, Milak, Milak- 244901 are hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 as to why:-

- (i) The declared classification of the impugned goods i.e. Kerosene having total quantity 767.88 MTS mis-declared as Mix Hydrocarbon Oil under Customs Tariff Item 27101990 under Bill of entry no. 9788458 Dt. 23.01.2024, 9783769 Dt. 23.01.2024 and 9783627 Dt. 23.01.2024, should not be denied and re-classified under the Customs Tariff Item 27101932
- (ii) The declared classification of the impugned goods i.e. Gas Oil having total quantity 505.08 MTS mis-declared as Mix Hydrocarbon Oil under Customs Tariff Item 27101990 under Bill of entry no. 9765080 Dt. 21.01.2024 and 9765081 Dt. 21.01.2024, should not be denied and re-classified under the Customs Tariff Item 27101941.
- (iii) Kerosene and Gas oil sought to be imported by them in 66 containers pertaining to 5 Bilss of Entry having declared value of Rs 5,25,23,042/-seized under Section 110 of the Customs Act'1962 vide Seizure Memorandums dated 07/05/2024 and 27/05/2024 lying seized at Mundra Port should not be confiscated under Sections 111(d), 111(f), 111(l) & 111(m) of the Customs Act'1962.
- (iv) Penalty should not be imposed upon them under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act'1962.

**29.1.** Now therefore **Shri Gurmeet Singh**, Partner of M/s A.A. Cable Layers (0, Mohalla Asdullapur, behind Tehsil, Milak Rampur, 243701), is hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act'1962.

**29.2** Now therefore **M/s Gaurav M. Jhaveri**, Customs House Agent-CHA (305/306 Sai Sadan 3<sup>rd</sup> floor 76/78 Modi Street fort Mumbai) are hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 as to why penalty should not be imposed upon them under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act,1962, for their role in the illicit import of restricted commodity namely Kerosene and Gas Oil in the manner as discussed above.

**29.3.** Now therefore **M/s Continental Shipping Services**, Customs House Agent-CHA (Office no 17, Ghanshyam complex, near the bridge, New Adani port road, Dhrab, Kachchh, Gujarat-370421) are hereby called upon to show cause in writing to the

Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 as to why penalty should not be imposed upon them under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act, 1962, for their role in the illicit import of restricted commodity namely Kerosene and Gas Oil in the manner as discussed above.

**29.4** Now therefore **Ms. Shanmuga Jayashree**, Partner M/s Continental shipping Services, is hereby called upon to show cause to the Joint/Additional Commissioner of Customs, Mundra Port Mundra for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act' 1962.

**29.5** Now therefore, **Shri Satish Maheshwari** of M/s Krishna Logistics, Sub agent of CHA (Ghanshyam Complex, Office no. 16, Mundra Port Road, Near Rasapir Circle, Mundra Kachchh, Gujarat), is hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act' 1962.

**29.6** Now therefore **Shri Ruparel Ketan of M/s Shivshakti Shipping**, Sub agent of CHA, (137, Rameshwar Nagar, Ward-12, Anjar, Kachchh, Anjar, Gujarat-370110), is hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act' 1962.

**29.7** Now therefore **M/s Aashirvad Shipping & Logistics**, Sub agent of CHA, (Office No 69, 2nd Floor, Grain, Merchant Association Building, Plot No 297, Ward 12/B, near old court, Gandhidham) is hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act' 1962.

**29.8** Now therefore **M/s Shivshakti Shipping**, Sub agent of CHA, (Office No 69, 2nd Floor, Grain, Merchant Association Building, Plot No 297, Ward 12/B, near old court, Gandhidham) is hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act' 1962.

**29.9** Now therefore **M/s Krishna Logistics**, Sub agent of CHA, (215, Zero Point, Kashish arcade, Anan Kapaya, Mundra Kachchh Gujarat- 370421) is hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act' 1962.

**29.10** Now therefore **M/s Versatile Logistics through its proprietor Shri Ravinder Sawant**, Sub agent of CHA, (1<sup>st</sup> Floor, Plot no 72, Office no 124, Shiv Centre Premises Society LTD, Vashi, Turbhe Road, Sector 17, Arenja Corner, Vashi, Navi Mumbai, Thane, Maharashtra- 400703) is hereby called upon to show cause in writing to the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 for his act and omission as discussed above, as to why penalty should not be imposed upon him under Section 112(a) and/or 112(b) and/or 114AA of the Customs Act' 1962.

**30.** The Noticees should state in their written reply to this notice to the Adjudicating Authority i.e. the Additional/Joint Commissioner of Customs, 5B, Port User Building, Mundra Port, Mundra, Gujarat – 370421 as to whether they desire to be heard in person. 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 ex parte on the basis of evidences available on record without any further reference to them

**31.** The Noticees has an option to make an application under Section 127(B) of the Customs Act, 1962 prior to adjudication of this case, to the Settlement Commission to have the case settled, in such form and in such manner, specified in the rules and also inform the same to the Adjudicating Authority

**32.** The copies of the documents relied upon in this Show Cause Notice are enclosed.

**33.** The Department reserves its rights to add, alter, amend, modify or supplement this Show Cause Notice at any time on the basis of any evidence, material facts related to import of goods in question and/or persons who could not be traced out during the investigation, which may come to the notice of the department after issuance of this notice and prior to the adjudication of the case. This Show Cause Notice is issued under Section 124 of Customs Act, 1962 without prejudice to any other action that may be taken against the persons / firms mentioned herein above or any other person under the Customs Act, 1962 or any other law for the time being in force in India.

**34.** A copy of the Show Cause Notice is also transmitted to the noticees at their e-mail-id as under in terms of clause (c) of sub-section 1 of section 153 of the Customs Act, 1962, so that such service through e-mail shall be deemed to have been received by the noticees in terms of clause (c) of sub-section 1 of section 153 of the Customs Act, 1962.

S. No.	Name of the Noticee	Email-id
1.	M/s A.A. Cable Layers	<a href="mailto:acablelayers57@gmail.com">acablelayers57@gmail.com</a>
2.	Shri Gurmeet Singh, Partner, M/s A.A. Cable Layers	
3.	M/s Gaurav M. Jhaveri	<a href="mailto:gauravjhaveri80@gmail.com">gauravjhaveri80@gmail.com</a>
4.	M/s Continental Shipping Services	<a href="mailto:mundracontinental@gmail.com">mundracontinental@gmail.com</a> <a href="mailto:continentalmundra@gmail.com">continentalmundra@gmail.com</a>
5.	Ms. Shanmuga Jayashree, Partner M/s Continental shipping Services	
6.	M/s Krishna Logistics	<a href="mailto:krishnalogistics889@gmail.com">krishnalogistics889@gmail.com</a> .



7.	Shri Satish Maheshwari, Partner, M/s Krishna Logistics	
8.	M/s Shivshakti Shipping	
9.	Shri Ruparel Ketan, Partner, M/s Shivshakti Shipping	info.shivshakti1121@gmail.com
10.	M/s Ashirwad Shipping & Logistics	
11.	Shri Ravinder Sawant, proprietor M/s Versatile Logistics	versatileimpt@gmail.com

**Encl: RUDs of the SCN.**

**Additional Commissioner  
Custom House, Mundra**

फ़ाइल संख्या/F. No. GEN/ADJ/ADC/307/2025

DIN/ दस्तावेज़ पहचान संख्या: 20250171MO0000666C4C

To,

- M/s A.A. Cable Layers (IEC-AARFA0902A) Partner- Shri Gurmeet Singh**  
S/o Lochan Singh, 0, Mohalla Asdullapur, behind Tehsil, Milak Rampur, 243701
- Shri Gurmeet Singh, Partner, M/s A.A. Cable Layers**  
S/o Lochan Singh, 0, Mohalla Asdullapur, behind Tehsil, Milak Rampur, 243701
- M/s Gaurav M.Jhaveri, (Proprietor- Shri Gaurav Madhusudan Jhaveri)**  
305/306 Sai Sadan 3<sup>rd</sup> floor 76/78 Modi Street Fort Mumbai-400001
- M/s Continental Shipping Services**  
Office no 17, Ghanshyam complex, near the bridge, New Adani port road, Dhrab, Kachchh, Gujarat-370421
- Ms. Shanmuga Jayashree, Partner M/s Continental shipping Services**  
38/66, Purasaiwakkam, Venkatesabakthan Street, Perumalet, VTC: Veperiy, PO: Veperiy, Chennai, Tamil Nadu-600007
- M/s Krishna Logistics**  
Ghanshyam Complex, Office no. 16, Mundra Port Road, Near Rasapir Circle, Mundra Kachchh, Gujrat-370405
- Shri Satish Maheshwari,**  
Partner, M/s Krishna Logistics,

S/o Shri Rayshi bhai Maheswari, near GEB Office, Bhatt Pad, Bhachau, Kachchh, Gujarat, 370140

**8. M/s Shivshakti Shipping.**

Office No 69, 2nd Floor, Grain, Merchant Association Building, Plot No 297, Ward 12/B, near old court, Gandhidham-370201

**9. Shri Ruparel Ketan,**

137, Rameshwar Nagar, Ward-12, Anjar, Kachchh, Anjar, Gujarat-370110

**10. M/s Ashirwad Shipping & Logistics,**

Office No 69, 2nd Floor, Grain, Merchant Association Building, Plot No 297, Ward 12/B, near old court, Gandhidham-370201

**11. M/s Versatile Logistics, proprietor Shri Ravinder Sawant,**

Address 1- office no. 124, 1st floor, Shiv Centre, Sector 17,  
Plot No 72, Vashi, Navi Mumbai- 400705

Address 2- 17/1004 Trinity Hills CHS, GB Road Kasarvadavali  
Thane West, Haware Citi, Thane, Maharashtra-40061

**Copy to:-**

1. The Deputy Director, DRI, Noida Regional Unit, Noida(E-mail: [dri-noida@gov.in](mailto:dri-noida@gov.in) )
2. The Deputy/Assistant Commissioner, Group-I, Custom House, Mundra.
3. The Supdt. (EDI), Customs House, Mundra to upload a copy on the website.