

	<b>OFFICE OF THE COMMISSIONER</b> <b>CUSTOM HOUSE, KANDLA</b> <b>NEAR BALAJI TEMPLE, NEW KANDLA</b> <b>Phone : 02836-271468/469 Fax: 02836-271467</b>
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DIN- 20250471ML0000222F0A

A	File No.	GEN/ADJ/COMM/650/2023-Adjn-O/o-Commr-Cus-Kandla
B	Order-in-Original No.	KND-CUSTM-000-COM-01-2025-26
C	Passed by	M. Ram Mohan Rao, Commissioner of Customs, Custom House, Kandla.
D	Date of Order	15.04.2025
E	Date of Issue	15.04.2025
F	SCN No. & Date	GEN/ADJ/COMM/650/2023-Adjn dated 11.10.2023
G	Noticee / Party / Importer / Exporter	M/s. Global Enterprises and others

1. This Order-in-Original is granted to the concerned free of charge.
2. Any person aggrieved by this Order - in - Original may file an appeal under Section 129 A (1) (a) of Customs Act, 1962 read with Rule 6 (1) of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -3 to:  
Customs Excise & Service Tax Appellate Tribunal, West Zonal Bench,  
2nd Floor, Bahumali Bhavan Asarwa,  
Nr. Girdhar Nagar Bridge, Girdhar Nagar, Ahmedabad-380004
3. Appeal shall be filed within three months from the date of communication of this order.
4. Appeal should be accompanied by a fee of Rs.1000/- in cases where duty, interest, fine or penalty demanded is Rs. 5 lakh (Rupees Five lakh) or less, Rs. 5000/- in cases where duty, interest, fine or penalty demanded is more than Rs. 5 lakh (Rupees Five lakh) but less than Rs.50 lakh (Rupees Fifty lakhs) and Rs. 10,000/- in cases where duty, interest, fine or penalty demanded is more than Rs. 50 lakhs (Rupees Fifty lakhs). This fee shall be paid through Bank Draft in favour of the Assistant Registrar of the bench of the Tribunal drawn on a branch of any nationalized bank located at the place where the Bench is situated.
5. The appeal should bear Court Fee Stamp of Rs.5/- under Court Fee Act whereas the copy of this order attached with the appeal should bear a Court Fee stamp of Rs.0.50 (Fifty paise only) as prescribed under Schedule-I, Item 6 of the Court Fees Act, 1870.
6. Proof of payment of duty/fine/penalty etc. should be attached with the appeal memo.
7. While submitting the appeal, the Customs (Appeals) Rules, 1982 and the CESTAT (Procedure) Rules, 1982 should be adhered to in all respects.

8. An appeal against this order shall lie before the Appellate Authority on payment of 7.5% of the duty demanded wise duty or duty and penalty are in dispute, or penalty wise if penalty alone is in dispute.

9. Considering the voluminous nature of this order, Table of contents has been reproduced herein below for ready reference:-

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## SECTION A

### BRIEF FACTS OF THE CASE-

Intelligence gathered by Directorate of Revenue Intelligence Unit (DRI) indicated that M/s Global Enterprises, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram, imported Supari/Arecanut through SEZ warehouse Unit at Kandla Special Economic Zone vide Bills of Entry No. 1012509 dated 13.08.2022, 1012510 dated 13.08.2022 and 1013163 dated 31.08.2022 **(RUD-1)**. The intelligence indicated that the involved persons were trying to divert the said goods without payment of applicable Customs Duties on the pretext of shifting the said imported goods to a Bonded warehouse at Delhi. However, from the e-way bills **(RUD-2)** filed in respect of the said trucks, it was gathered that the trucks were destined for a different location, i.e., M/s Global Enterprises, 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi, instead of the Customs Bonded Warehouse as declared. Thereafter, they were planning to divert the goods in the domestic market clandestinely. It was also gathered that the subject goods were rejected by FSSAI.

2. Accordingly, the officers of DRI kept vigil watch on the movement of the said consignments. It was gathered that the subject goods were to be taken to Delhi in trucks bearing no. RJ 14 GL 9477, RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727, all covered under SEZ to Customs Bonded Warehouse Bill of Entry No. 2010413 and 2010414 both dated 08.09.2022 and that the goods were cleared from KASEZ, Gandhidham for diversion of the Areca Nut in private godowns in guise of supply to Customs Bonded Warehouse.
3. The DRI team was deputed to monitor the movement of these trucks bearing no. RJ 14 GL 9477, RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727. The DRI team noticed that the goods i.e. Areca Nut were being unloaded from the truck bearing no. RJ14 GL 9477 at the godown of M/s Yash Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, Delhi-110042. Accordingly, the officers carried out search at the premises of the godown of

M/s Yash Supply Chain Solutions Pvt. Ltd. located at AG-56, Sanjay Gandhi Transport Nagar under Panchnama dated 14/15<sup>th</sup> October, 2022 **(RUD-3)**. During the search proceedings, Shri Kapil Sharma, Manager, of M/s Yash Supply Chain Solutions Pvt. Ltd. confirmed that the goods de-stuffed from the remaining 3 trucks viz. RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727 were already destuffed in the basement of their godown and the destuffing of goods from truck bearing no. RJ14 GL 9477 was in progress. Shri Kapil Sharma provided the documents related to the transportation of subject goods vide the above 4 trucks including deemed export Bill of Entry no. 2010413 dated 08.09.2022 and STL008 dated 20.07.2022 **(RUD-4)**. Shri Kapil Sharma informed that one person named Pandey from Mundra approached Shri Surender Singh Chaudhary, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd. for the transportation of four truckloads of areca nuts to Delhi, specifically to CWC Continental Warehouse TKD. Shri Surender Singh Chaudhary asked Shri Kapil to contact one Shri Ashok Gupta having mobile no. 7092814685, resident of Delhi. Shri Ashok Gupta provide him the contact no. of Shri Ranveer Singh Sandhu, having mobile no. 9599893938, who asked him to park the trucks at the entrance of Manesar, Haryana.

4. Shri Kapil Sharma also informed the DRI Officers that Shri Ashok Gupta asked him to break the intact seals on the four trucks and unload the goods at a secure place. Shri Ashok Gupta also informed that the delivery of the unloaded goods would be taken in future from the unloaded place. The DRI officers requested Shri Kapil Sharma to call Shri Ranveer Singh Sandhu, to which Shri Kapil Sharma called him asking him to come at the premises of M/s Yash Supply Chain Solutions Pvt. Ltd. and also to provide the payment. Shri Ranveer Singh Sandhu arrived at the premises of M/s Yash Supply Chain Solutions Pvt. Ltd at around 19.30 Hrs on 14.10.2022.
5. Statement of Shri Ranveer Singh Sandhu, Director and authorised person of M/s Volg Exim India Pvt. Ltd., Flat no. 169/A, QU-Block, Pitampura, DDA Flat, New Delhi was recorded on 14.10.2022**(RUD-5)**, during which he interalia stated:

- i. That he had been shown the panchnama dated. 14.10.22 wherein the bonded Areca Nuts in four trucks mentioned above were found being unloaded in the godown Plot No.AG-56, Sanjay Gandhi Transport Nagar, Delhi-42, that he had seen the stock of areca nut bags unloaded in the basement in similar gunny bags as well as the last truck being unloaded in his presence during the panchnama at the same place. He was informed by Shri Kapil Sharma of Godown that each of the four trucks were having total 300 gunny bags of Arecanut, few of which were weighed in his presence and were showing the weights above 60kg each on average.
- ii. That he was working with M/s. Volg Exim India Pvt. Ltd., Flat No.169/A, QU-Block, Pitampura, DDA Flats, New Delhi since last one year and was made the acting partner of M/s Volg Exim since last three months, with other sleeping partner being Mr. Mohan Bansal, who was equal partner. The firm was being managed by Sh. Devendra Yadav, who paid him Rs.40,000/- per month since last three months, but during first six months he was paid Rs.20,000/- per month as salary.
- iii. That he handled all works of the firm like banking, cash handling, field work and tasks allotted by Mr. Devendra Yadav. He did not know the turnover of his firm as it was three months old. He was not associated with any other firms. He stated that though he had been working with Mr Devendra Yadav since last one year, he had not enquired the name of earlier firm, but used to carry out the work as directed by him. He knew Mr Devendra Yadav, since year 2018 when he used to supply him clothes for export and he was running small surplus garments trading business.
- iv. On being asked why had he come to the godown of M/s Yes Supply Chain Solutions Pvt. Ltd. on 14.10.2022, he stated that he was asked by Shri Devendra Yadav to handover Rs. 60,000/- for disbursing to the drivers of the trucks of Areca Nut from KASEZ, Kandal to Kapil Sharma at godown located at Plot No. AG-56, Sanjay Gandhi Transport Nagar, Delhi-42 at around 7 O'clock in the evening, where he found that the truck bearing no. RJ 14 GL 9477 was being unloaded.

- v. That he did not know what was to be done with the consignment of Areca Nut. He did not know what Shri Devendra Yadav had to do with the same. He further stated that 2 days earlier Shri Devendra Yadav informed him that the transporter will call him regarding arrival and placement of the trucks at Manesar. In the evening of that day, one Shri Kapil Sharma contacted him stating that his number was given to him by Guptaji and that trucks from KASEZ had reached at Manesar and location of KhedkiDaula near Manesar would be sent for unloading. The drivers were drunk and abusing, threatening to call the police. Then he told them that he was leaving and gave Rs. 1000 each to them.
- vi. On being shown letter for removal of goods to Customs Bonded Warehouse, in respect of House of Trades NExports, 201, 2<sup>ND</sup> Floor Vardhaman Big V Plaza, Road No.44, Pitampura New Delhi 110 0034, (GSTIN 07AANFH1063R1ZU),(SEZ B/E no. B/E 1012013 dated 05/08/22, 78.47 MT) and in respect of M/s Global Enterprise, 101A, Plot No.19, APRA PLAZA, Rani Bagh, Shakurpur Basti, New Delhi (SEZ B/E No. 1012509 dated 13/08/22, 36 MT and 1012510 dated. 13/08/22, 36 MT), he stated that all the above were related to movement of Bond-to-Bond transfers of Areca Nuts from associated firms and that M/s Varsur Impex P.L., Shed No.168 CIB Spl. Type, GF & FF Sector-II, KASEZ, Gandhidham was of Gujarat. He had twice received voice messages from a person having mobile no. 9999340286 on 28.08.2022 and 01.09.2022, reminding him of the due payment.
- vii. On being asked about the fact that Global Enterprises was having Delhi address of Ranibagh with contact number on letter head as +91-8220032169 and that there was another firm named Global Enterprise with GSTIN33ALDPJ1623J1ZH having same cell number on letterhead of another document obtained from his phone(dated 25.07.22) which had address 1/472, Anna Street, East Lakshmi Nagar, Mudichur, Chennai-600 048 both having common email addresses [globalenterprise2907@gmail.com](mailto:globalenterprise2907@gmail.com), he stated that he did not know about the said firms. He informed that the Ranibagh address was the rented address of Shri Devendra Yadav, before he joined his firm.

viii. On being shown the bank transfer sheet among Global Enterprises, Yes Supply Chain, Volg Exim & Knitfab Creation of major amounts since 11/8/22 to 12/10/22, he agreed that there were several high value transactions among the firms, however, he did not know the purpose for which the transactions took place. The effective control of M/s Volg Exim was with Shri Devendra Yadav, who only would be able to explain the transactions. On being asked, he stated that he did not inform Shri Kapil Sharma about the bonded and duty forgone nature of the cargo.

6. Statement of Shri Kapil Sharma, manager of M/s Yash Supply Chain Solutions, AG-56, Sanjay Gandhi Transport Nagar, Delhi-110042, was recorded on 15.10.2022(**RUD-6**), during which he interalia stated:

- i. That M/s. Yes Supply Chain Solutions Pvt. Ltd., operated as a logistics firm and their business model was to book cargo transport across India on a commission basis, using trucks that they hired from other companies. Kapil received a monthly salary of Rs. 28,000 and reported directly to Sh. K.K. Gupta, the firm's owner.
- ii. That the firm did not own any godowns. However, a premises under their owner's name was available for rent. They didn't possess a GST registration, as their earnings primarily came from commission, keeping them below the required threshold for registration. The company didn't maintain their own storage godown, and the current premises at Sanjay Gandhi Transport Nagar was a prior office space that was now rented out.
- iii. That on 5th October 2022, an individual named Pandey from Mundra approached their firm for the transportation of four truckloads of areca nuts to Delhi, specifically to CWC Continental Warehouse TKD. On confirmation and informing that freight of Rs. 93,000/- per vehicle (18MT), he loaded two trucks on 06.10.2022 and on 07.10.2022, asked for two more trucks, which were loaded on the night of 07-08.10.2022. The trucks stayed at KASEZ due to Shri Pandey not providing the e-way bills in respect of the 4 trucks as above. On 09.10.2022, Shri Pandey



was located and made to provide the e-way bills and mobile number of one Shri Ashok Gupta as owner (7092814685) of the goods, however the e-way bills did not have current transport ID, so the trucks were further held at KASEZ. Shri Ashok Gupta provided the correct e-way bills on 10.10.2022. Shri Pandey paid the detention charges for non-receipt of documents amounting to Rs. 50,000/-. Shri Ashok Gupta assured that the freight will be paid on the next day.

- iv. He further stated that they received payment of Rs. 2.50 lakhs from Shri Ashok Gupta on 10.10.2022. Shri Pandey, who was escorting the trucks from KASEZ to Delhi, transferred further amount of Rs. 1.38 lakhs on 12.10.2022 to their account. Shri Pandey, on 12.10.2022 left the trucks in Jaipur. On reaching Neemrana, the truck drivers requested to confirm regarding who will be unloading the trucks. Shri Kapil then contacted Shri Ashok Gupta, through WhatsApp calls and messages, however he was unreachable.
- v. That the drivers informed him that different persons were claiming the goods and were asking them to bring the goods to different locations like Khera Kalan Delhi, Ghaziabad-UP, and TKD-Delhi. Shri Ashok Gupta at 8.05 PM on 12.10.2022, informed him through message that “mere office se aapko Premji phone karenge, mai aapka number usko de raha hun, Manesar toll se vo gadio ko saath le lenge”. After 2 minutes voices message was received from Shri Ashok Gupta stating “Prem banda available nahi hai. Mai aapko apne dusre staff Ranveer Luthra ka number de raha hun.” followed by number 9599893938. However, the said Ranveer Luthra did not attend his calls.
- vi. That he received confirmation from Shri Luthra that he had halted the trucks at Manesar Toll Plaza. On 13.10.2022, Shri Kapil sent a voice message to Shri Ashok Gupta that a person named Gullu (89295 34762) had reached at the vehicles and that Shri Luthra was not picking up Shri Kapil’s calls. At 15.43 Hrs. Shri Luthra messaged him saying that he was at the trucks and would sort out the matter after talking to Shri Gupta. In the meantime, the drivers received call from one person Reddy (9745848100) who was claiming that the goods belonged to him

and the truck would unload at Khera Kalan and that Shri Gullu was his concerned person. Further, an unknown person contacted the drivers claiming goods to be his own, and told the drivers that the trucks would be unloaded at Ghaziabad-UP. The drivers then contacted Shri Kapil, who then directed them to call the police. On arrival of police, Gullu, Ranveer Luthra and the unknown person fled from the location. The police advised the drivers to call their transporter as it was a sensitive area and vehicles used to get stolen.

- vii. That he reached at the location of the trucks at 21.10 Hrs. on 13.10.2022 and escorted the trucks to their godown located at AG-56, Sanjay Gandhi Transport Nagar, Delhi. They reached the godown at 03.00 AM on 14.10.2022, and started unloading of the goods at 11.00 AM on the same day. He then contacted Shri Ashok Gupta and Shri Ranveer Luthra informing him the incidents of previous night related to various people claiming the ownership of the goods. Shri Gupta did not confirm anything, however he confirmed that he knew the person named Reddy and that he would talk to him. Further Shri Gupta confirmed that Shri Ranveer would pay for the miscellaneous problem, unloading charges, detentions charges and godown charges.
- viii. That at the time of booking he was informed by Shri Pandey that the goods would be unloaded at CWC Continental Warehouse, TKD, however Shri Pandey left the trucks in Jaipur. Various people claimed the ownership of the goods in the meantime and asked the goods to be unloaded at different places. However, Shri Ashok Gupta had asked him to keep the goods at a secure place and told that he would pay for the charges towards unloading charges, detentions charges and godown charges. No contract or agreement in this respect was made between him and Shri Gupta, as Shri Gupta had assured the said charges.
- ix. That each truck was carrying 300 bags of Areca Nut, each weighing 60 Kgs., thus each truck was carrying 18 MT of Areca Nut. He was provided Bill of Entries, E-way bills, Weight Bridge Slips and invoices as tapal or documents. No other document was received by them.

- x. That he had not previously known Shri Ashok Gupta or Shri Pandey. Shri Pandey called for the first time for booking of transportation from Mundra. No payment towards godown charges or unloading charges were received by them.
- xi. On being shown statement dated 14.10.2022 of Shri Ranveer Luthra/ Sandhu, he stated that Shri Ranveer Luthra/ Sandhu had lied in his statement, and that his office address was wrong. Shri Ashok Gupta provided his actual address as "101A, Plot No. 29, Apra Plaza, RaniBagh, Shakurpur Basti, New Delhi-110034 of M/s Global Enterprises". He also incorrectly stated that on the night of 13.10.2022, the drivers were drunk and were threatening to call the police, stating that he did not state the fact that the drivers were threatening to call the police due to the reason that various people were claiming the goods as their own. The fact related to payment of Rs. 60,000/- by Shri Ranveer Luthra/Sandhu, was also incorrect.

7. Statement of Shri Mohammad Nadim, driver of the truck bearing no. RJ14 GL 9477, was recorded on 15.10.2022(**RUD-7**), where he inter alia stated that he was directed by his company supervisor in Mundra office, Shri Ajay, to go to KASEZ Gandhidham, and informed that a person will contact him for loading of goods there. The said person got the truck entered inside KASEZ and asked to take the truck to M/s Varsur Impex Pvt. Ltd. company. The goods were loaded into his truck from M/s Varsur Impex Pvt. Ltd, KASEZ. He waited for the e-way bill and bilty, which were provided to him by Shri Ajay on 10.10.2022 at 03.44 PM. He took the goods to Delhi where one more vehicle carrying goods from KASEZ was already standing. Next morning two persons namely Shri Gullu and Shri Ranveer Sandhu Sardarji arrived in the parking and claimed the goods as their own. Since it could not be decided that who the goods belong to and where the goods are to be taken, the driver of other truck, Shri Satyawar called the police. The Police arrived and asked them to file complaint at the KhedkiDaula police station. Shri Navrang Singh and Shri Satyawar, drivers of the other trucks went to police station and on returning, they informed that they have to talk to Shri Kapil Sharma of M/s Yes Supply

Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken and goods were unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ 14 GG 4183 (driver Shri Mohammad Salim), HR55 S 4111 (Driver Shri Satyawan), RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.

8. Statement of Shri Mohammad Salman, driver of the truck bearing no. RJ 14 GG 4183, was recorded on 15.10.2022(**RUD-8**), where he interalia stated that he received a call on 05.10.2022 from Shri Amit Vinayak while in Mundra, that the truck was going to be loaded from Gandhidham. Then he received a call from transporter Shri Vikrant (Mob. No. 8683800038), who informed that he had talked to Shri Amit Vinayak and asked to bring the truck in the parking of KASEZ, Gandhidham. One person came to him in the morning of 06.10.2022 and the said person got the truck entered inside KASEZ and asked to take the truck to M/s Varsur Impex Pvt. Ltd. company. The goods were loaded into his truck from M/s Varsur Impex Pvt. Ltd, KASEZ. On the way to Delhi, he received a call from Mob. No. 9350637317, and the person calling told him to stop the truck at Manesar. One person who was travelling in the truck of Shri Satyawan, also directed him to stop the truck in Manesar. After reaching Manesar on 12.10.2022, he received a call from a mobile no. 9817260369 asking where he was. The person told him that he will send a person and the truck will go to the address told by him. Around 9 PM one Shri Ranveer Singh Sandhu Sardarji arrived and told him to take the truck to the parking of Laxmi Hotel, where 3 more truck will arrive. The number of Shri Ranveer Sandhu was also provided by Shri Vikrant to him, so he took the truck to the parking of

Laxmi Hotel. Next morning two persons namely Shri Gullu and Shri Ranveer Sandhu Sardarji arrived in the parking and claimed the goods as their own. Since it could not be decided that who the goods belong to and where the goods are to be taken, the driver of other truck, Shri Satyawar called the police. The Police arrived and asked them to file complaint at the KhedkiDaula police station. Shri Navrang Singh and Shri Satyawar, drivers of the other trucks went to police station and on returning, they informed that they have to talk to Shri Kapil Sharma of M/s Yes Supply Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken and goods were unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim), HR55 S 4111 (Driver Shri Satyawar), RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.

9. Statement of Shri Satyawar, driver of the truck bearing no. HR55 S 4111, was recorded on 15.10.2022(**RUD-9**), where he inter alia stated that he was working for M/s RCI Container Services Private Limited since March-2022. The owner of the company were Shri Ashok Kumar Gupta, Shri Anil Gupta and Shri Pawan Gupta. He used to receive instructions from company supervisor Shri Rajesh Poonia whose mobile no. was 9154911329. Shri Poonia informed him that he will receive a call from M/s Shri Ram Carrying Corporation. He then received a call from Shri Narendra Shekhawat (Mob. No. 7062325341) of M/s Shri Ram Carrying Corporation, who told him that the truck will be loaded from KASEZ and goods were to be taken to Delhi. Thereafter, one person came to him in the morning of 06.10.2022 in the parking of KASEZ with gate pass to enter inside KASEZ and asked to take the truck to M/s Varsur Impex Pvt. Ltd.

company. The goods were loaded into his truck from M/s Varsur Impex Pvt. Ltd, KASEZ. On asking for the e-way bill and bilty, Shri Narendra Shekhawat told him that the documents will be provided by the transporter company M/s Yes Supply Chain Solutions Pvt. Ltd. The documents were provided to him by Shri Nagendra Singh of M/s Shri Ram Carrying Corporation on 10.10.2022 at around 8 PM. Then Shri Surender of M/s Yash Supply Chain Solutions Pvt. Ltd. came with one person and told him that the said person was employee of the party of Delhi, where the goods were destined and that the said person will go with him in the truck. The said person said that his name was Pandey and told him to stop the truck before KhidkhiDaula toll Plaza, Manesar, where one person will come and take the truck with him to place where the goods were to be unloaded. Shri Pandey then got off the truck in Jaipur on 12.10.2022 on Jaipur Bye Pass. Thenafter, he got a call from mobile no. 8072461759 and he was told that he will receive a call from Shri Gullu and he has to do as Shri Gullu says. Then he received a call from a person with mobile no. 8929534762, who said he was Shri Gullu bhai, and directed him to bring truck bearing no. 4111 and 4727 to Om Dharam Kanta, Kheda Kalan, Delhi. He also sent the same by SMS. After sometime, he received call from mobile no. 9599893938, and he was told that the truck will be unloaded in KhedkiDaula, Manesar and directed him to bring the truck to IMT, Manesar Chowk. However, he refused the same due to no entry and night time and parked the truck at Balaji Hotel, near KMP, Manesar. He told him that he will bring the truck in the morning and asked him to send the location at the WhatsApp of Shri Navrang Singh, driver of truck bearing no. RJ 10 GB 4727. On 13.10.2022 morning, location was received on the mobile of Shri Navrang Singh, which was of Manoj Hotel, Manesar. He parked the truck at Laxmi hotel, 200 meters away from Manoj Hotel due to non-availability of parking at Manoj Hotel. Both the persons, Shri Gullu and Shri Ranveer Sandhu Sardarji arrived in the parking in the morning of 13.10.2022 and claimed the goods as their own. Since it could not be decided that who the goods belong to and where the goods are to be taken, the driver of other truck, Shri Satyawan called the police. The Police arrived and asked them to file complaint at the KhedkiDaula police station. He and Shri Satyawan went to police station, where the police told them to call their

transporter as it was a sensitive area. They then decided to call Shri Kapil Sharma of M/s Yes Supply Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken and goods were unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim), RJ 14 GG 4183 (driver Shri Mohammad Salim) and RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.

10. Statement of Shri Navrang Singh, Driver of the truck bearing no. RJ 10 GB 4727 was recorded on 15.10.2022(**RUD-10**), where he interalia stated that the truck was owned by Shri Suraj Singh of Churu, Rajasthan and the truck was given to M/s Shri Ram Carrying Corporation for carrying goods. M/s Shri Ram Carrying Corporation, Mundra was owned by Shri Lokendra Singh and he was paid Rs. 15,000/- Salary monthly and Rs. 500/- daily for food by the truck owner Shri Suraj Singh. He further stated that while he was delivering goods in Morbi on 05.10.2022, he received a call from Shri Narendra Shekhawat of M/s Shri Ram Carrying Corporation telling him that he has to load goods from KASEZ on the next day and deliver to Delhi. He reached in the container parking of KASEZ on 06.10.2022. On 06.10.2022, one person came to him with gate pass and asked him to take the truck to M/s Varsur Impex Pvt. Ltd. The truck was loaded on 07.10.2022 from M/s Varsur Impex Pvt. Ltd., KASEZ and after that he took the truck to ARC Hotel and parked there. The person, who arranged the gate pass came to him there and took the documents received from KASEZ and told him that he will give him the e-way bill and bilty. On 10.10.2022, Shri Nagendra Singh of M/s Shri Ram Carrying Corporation provided him the e-way bill and bilty. On the way to Delhi, he

received a call from a person with mobile no. 9350637317 telling him to call after reaching Manesar and one person will come there. After that call from a person with mobile no. 9599893938 was received who told that the truck will be unloaded in KhedkiDaula, Manesar and directed him to bring the truck to IMT, Manesar Chowk. However, he refused the same due to no entry and night time and parked the truck at Balaji Hotel, near KMP, Manesar. He told him that he will bring the truck in the morning and then he sent me the location of the truck on his WhatsApp. One more truck bearing no. HR 55 S 4111 (Driver Shri Satyawan) was with him at the time. On the morning of 13.10.2022, location was received on his WhatsApp. which was of Manoj Hotel, Manesar. He parked the truck at Laxmi hotel, 200 meters away from Manoj Hotel due to non-availability of parking at Manoj Hotel. Two other trucks which started from KASEZ, bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim) and RJ 14 GG 4183 (driver Shri Mohammad Salim) were already parked there. Shri Gullu bhai called Shri Satyawan, driver of truck bearing no. HR 55 S 4111 and informed that the four trucks were to be unloaded at Kheda Kalan and asked to bring the truck there. After sometime, Shri Ranveer Sandhu (Mob. No. 9599893938) called and informed that the trucks were to be unloaded at KhedkiDaula. He and Shri Satyawan went to police station, where the police told them to call their transporter as it was a sensitive area. They then decided to call Shri Kapil Sharma of M/s Yes Supply Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken and goods were unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim), RJ 14 GG 4183 (driver Shri Mohammad Salim) and RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.



- 11.** In his statement recorded on 15.10.2022(**RUD-11**), Shri Ranveer Sandhu interalia stated that he agreed to the facts stated by the drivers in their statements and that he met the drivers on the night of 12.10.2022 and during the afternoon of 13.10.2022, with Gullu for unloading of the trucks at KhedkiDaula, whereas Gullu was asking the drivers to unload the goods at Om dharam Kanta, Kheda Kalan, Delhi. Since the matter could not be resolved and the drivers called the police, he left the place. He further stated that he did not inform about the nature of cargo being bonded or duty foregone and that he was working on the instructions/directions of his boss Shri Devendra Yadav; and that of Shri Ashok Gupta.
- 12.** The DRI officers vide Seizure Memo dated 15.10.2022(**RUD-12**), seized the Areca Nut weighing to total of 73520 Kgs unloaded from the four aforementioned trucks, and the same were handed over to Shri Kapil Sharma, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd. for safe custody.
- 13.** While the above proceedings were going on in Delhi, it was gathered that a fifth truck bearing no. HR 55 S 5421 was gated out from KASEZ with intent to divert the imported Areca Nut in DTA in guise of supply from SEZ to Customs Bonded Warehouse. The said truck was intercepted by the DRI officers outside KASEZ and was taken back inside KASEZ under panchnama dated 14.10.2022(**RUD-13**). The driver of the truck bearing no. HR 55 S 5421 informed that the loading of the Areca Nut imported by M/s Global Enterprises and warehouse at M/s Varsur Impex Pvt. Ltd. in the truck cleared from KASEZ was supervised by Shri Mattaparthi Shiva Rammurthy.
- 14.** In his voluntary statement recorded on 14/15th October 2022(**RUD-14**), Shri Mattaparthi Shiva Rammurthy interalia stated:

  - i. That He had been working for M/s. Varsur Impex Pvt. Ltd. for the past six months, earning a monthly salary of Rs. 15,000. He handled the loading, unloading, and clearance of goods. Before this, he was a labour contractor in the Kandla Special Economic Zone. He reported daily

activities to Shri Nawaz Khan Chaudhary, the owner of the SEZ warehouse unit. M/s. Varsur Impex Pvt. Ltd. only had two employees i.e him and a security guard Shri Mohammad, but they hire laborers as needed. He further stated that Shri Nawaz Khan Chaudhary oversees the clearance of imported/exported goods and that M/s. Varsur Impex Pvt. Ltd. has dealt with the warehousing of Dry dates and Arecanut/Supari for the last three months.

- ii. That Account and stock management was overseen by Shri Mohan Naidu, who directed him to load goods for clearance on a specific vehicle after getting directions from Shri Nawaz Khan Chaudhary. He wasn't familiar with the importer or buyer details nor M/s. Global Enterprises. Shri Mohan Naidu handled document-related work. Shri Nawaz Khan Chaudhary informed him that 02 persons would visit for inspection of Supari/Arecanut for clearance from warehouse of M/s. Varsur Impex Pvt. Ltd. Shri Nawaz Khan Chaudhary also informed him that these 02 persons were staying at the 'Hotel Neemaaya' in Gandhidham. Shri Nawaz Khan Chaudhary also directed him to pick up those 02 persons from Hotel Neemaaya and to arrange their visit to the premises of M/s. Varsur Impex Pvt. Ltd. Accordingly, he picked up Shri Vijay by his motorcycle. The other person available with him also reached with them by a hired car. Accordingly, on 08.10.2022 both persons visited the warehouse of M/s. Varsur Impex Pvt. Ltd. and inspected the goods. However, they inspected the goods for only about 10 minutes. Thereafter, both persons left the premises on the same day.
- iii. That, during the said visit, the warehouse held 6 containers of Supari/Arecanut, 1 container of Dry Dates, 67 sacks of Cashew nuts, and 1 container of Oil Cake. Four trucks/containers were cleared from the warehouse before the visit of Shri Vijay and his associate. Current inventory in the warehouse included 1 container each of Dry Dates and Oil Cake, 67 sacks of Cashew nuts, and 5 containers of Supari/Arecanut. In the past month, 5 containers of Supari/Arecanut were cleared, but He currently did not have the related documents and that due to an interception by DRI officers, a truck that was cleared from

the warehouse has been returned to KASEZ for inspection. The individual had promised to ensure the safety of the goods and not to move them without permission from DRI.

**15.** Accordingly, as gathered from the statement of Shri Mattaparthi Shiva Rammurthy, the 2 persons including one Mr. Vijay (Mob. No. 9176886611), who visited M/s Varsur Impex Pvt. Ltd., were staying at Hotel Neemaya, Gandhidham. A team of DRI Officer was sent to Hotel Neemaya, Gandhidham to serve summons upon them. During the visit it was found that Shri Vijay, Authorised Signatory of the importer M/s Global Enterprises and Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping were staying in the hotel. Summons were issued to both the persons and their preliminary voluntary statements were recorded on 15.10.2022.

**16.** During the statement dated 15.10.2022(**RUD-15**), Shri Vijay Kathirvelu, Authorised Signatory of the importer M/s Global Enterprises interalia stated:

- i. That he used to work in a CHA firm M/s Sea India Pvt. Ltd as clerk for around 10 years. After that he worked in Apollo tyres for around 6 years and left the job in 2019. After that due to covid outbreak, he was at home without any work.
- ii. That he met Shri D. Suresh in May-June 2021 who offered him clearance work in his CHA firm M/s Mercury Shipping on salary of Rs. 25,000/-, where he then started looking after the Customs Clearance, Inspection, Examination work etc. Later on, he got an IEC in the month of October 2021 in the name of M/s Royal Enterprises. When Shri D. Suresh asked to use the said IEC (AHHPV1311P), he lent the same to him in lieu of Rs. 10000 to 20000 per consignment.
- iii. That, around May-June 2022, he started a firm in the name of his younger brother Shri Jayavelu Kathirvelu, with the name of M/s Global Enterprise, No. 1-472, Anna Street East, Lakshmi Nagar, Mudichur, Chennai, Kanchipuram, Tamilnadu-60048, and registered under the GSTIN-33ALDPJ1632J1ZH. Since his brother Shri Jayavelu Kathirvelu

was suffering from multiple heart and liver ailments of severe nature, all the business activities of M/s Global Enterprises were done by Shri Vijay himself.

- iv. On being asked, he stated that Areca Nut vide Bill of Entry No. 1013613 dated 31.08.2022 and 2010974 dated 20.09.2022 were imported by M/s Global Enterprises and warehoused at M/s Varsur Impex Pvt. Ltd. Bill of Entries for deemed export in respect of the same were filed by M/s Varsur Impex Pvt. Ltd. The goods for deemed export were loaded in truck bearing no. HR 55 S 5421. He did not know about the transporter as the same is booked by Shri Devendra or Davandaran (+27718774872) and Shri Reddy and were being handled by Shri Gullu (8929534762) on behalf of the said persons.
- v. On being asked, he further stated, Shri Mohan (8072461759) of Mercury Shipping forwarded the details of Shri Gullu (8929534762) a location of “Kheda Kala, Om dharma kata” where the goods were to be unloaded. Shri Mohan forwarded the voice message of one Shri Sattar confirmed the place “Kheda Kala, Om dharma kata” where Shri Gullu was present to unload the goods. Shri Mohan further instructed him to follow the instructions given by Gullu and informed that he had already given instructions to the drivers. The trucks were further destined for Nagpur, for which Shri Sattar had asked for invoice.

**17.** During statement dated 15.10.2022(**RUD-16**), Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping interalia stated that:

- i. He was a partner in M/s. Mercury Shipping, which was involved in customs clearance work and held Customs Broker License No. R.388/2016. This company had three employees: Shri Mohan Raj, Shri Suresh Kumar, and Shri Chandran. He was also a director in M/s. Future Log India Pvt. Ltd. His wife was a partner in M/s. Mercury Shipping, and Shri Dhanraj and Shri Altaf were the other directors in M/s. Future Log India Pvt. Ltd. He provided the bank account details of himself and his entities and mentioned he would provide his wife's bank account details from SBI within three days.

- ii. Regarding his involvement with consignments of goods imported by M/s Global Enterprise and cleared from M/s. Varsur Impex Pvt. Ltd., he recalled an encounter with Shri Devendra (+918447606660, 9345862543 and +27 71 8774872), 5-6 months earlier through a common friend Mr. DDN Reddy (Dwarkanath Reddy). Shri Devendra had proposed an investment opportunity related to the import of Areca Nuts from Indonesia and that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and he had to only invest money for purchasing cost of goods and all other misc. expenses. The consignment had been warehoused at M/s. Varsur Impex Pvt. Ltd., and Shri Devendra had already collected more than Rs. One Crore for various charges. Since the above said imported goods have not cleared for two months, he worried about his money and therefore, he came to Gandhidham on 08.10.2022 with his business associate Shri Vijaykumar Kathirvelu (Mobile 9677027636 / 9176886611). Shri Devendra had informed him that 4 containers had been cleared, and 1 would be cleared shortly.
- iii. On being asked about M/s. Global Enterprise, he stated that M/s. Global Enterprise was headed by Shri Jayavelu Kathirvelu, the brother of Shri Vijaykumar Kathirvelu, who managed the operations. They had previously cleared items like garments and fabrics from Chennai Port. Shri Devendra had recommended importing goods through KASEZ, assuring him of smooth clearance. On the pricing discrepancy of Areca Nuts, he confirmed that the actual price was USD 2500 PMT, but due to tariff value, the invoice showed a higher value of USD 7150 PMT.

**18.** Further, statement of Shri Abid Khan, driver of the truck bearing no. HR 55 S 5421 was recorded on 15.10.2022(**RUD-17**), during which he interalia stated:

- i. That he was working in M/s RCI Logistics as driver. He bought the truck bearing no. HR 55 S 5421 around 2 months earlier. He used to receive instructions from Shri Poonia of M/s RCI Logistics
- ii. That Shri Poonia asked him to take the truck to Gandhidham and there he received a call from Mobile no. 73593233033, and he was instructed

to take the truck to 'LAL GATE' of KASEZ. There one person met him and did all the formalities for entry of the truck inside KASEZ and instructed him to take the truck to the warehouse of M/s Varsur Impex Pvt. Ltd, KASEZ. Thereafter, Shri Shiva of M/s Varsur Impex Pvt. Ltd. arranged for loading of the bags of Areca Nut in his truck bearing no. HR 55 S 5421.

- iii. That he was aware that the goods loaded in his truck was Areca Nut and that he was informed that the goods were to be taken to Okhla, Delhi from KASEZ and from there, the goods were to be taken to some other place. However, he did not have any information related to the supplier, importer or buyer of the subject goods.

**19.** Search was carried out at the residential premises of Shri Nawaz Khan Chaudhary, House No. 1725, Madarsa Mir Jumla, Hamdard Lal Kuan, Hauz Kazi, Delhi-110006, under panchnama dated 15.10.2022(**RUD-18**), However it was gathered that Shri Nawaz Khan Chaudhary was not present at the premises. The residential premises was thoroughly searched by the DRI officers, however no incriminating documents or records pertaining to export/import of Shri Nawaz Khan Chaudhary was found.

**20.** During his statement recorded on 16.10.2022(**RUD-19**), Shri Vijay Kathirvelu interalia stated:

- i. That he imported 3 consignments through M/s Global Enterprise, through SEZ Bill of Entry no. 1013163 dated 31.08.2022, 1012510 and 1012509, both dated 13.08.2022 and the same were warehoused at M/s Varsur Impex Pvt. Ltd., KASEZ.
- ii. That the Areca Nut imported through SEZ Bill of Entry no. 1012510 and 1012509, both dated 13.08.2022 was to be unloaded at Delhi by Shri Gullu (8929534762). Shri Mohan (8072461759) of M/s Mercury Shipping had forwarded him the name and number of Shri Gullu and the location i.e. "Kheda Kala, Om Dharam Kanta" where the goods were to be unloaded. Shri Devendra also prepared e-way bills for shipping address 101A, Plot No. 29, APRA Plaza, Rani Bagh, Shakurpur Basti,

- New Delhi-110034. That the consignment under Bill of entry no. 1013163 dated 31.08.2022 was not prepared by Shri Devendra.
- iii. On being shown the letter addressed to the Deputy Commissioner of Customs/Authorised Officer, SEZ Entity-Varsur Impex Pvt. Ltd., KASEZ, Gandhidham requesting removal of goods in Customs bonded warehouse for SEZ Bill of entry no. 1012510 and 10125099 **(RUD-20)**, both dated 13.08.2022, he stated that the said letter was not written by him or his brother and that the signature in the letter was fake. That he did not know who made those signature and submitted to the above authorities.
- iv. On being shown two Consignment bonds dated 29.08.2022 **(RUD-21)**, given by M/s Global Enterprises under sub section (1) of Section 59 of the Customs Act, 1962 for the purpose of warehousing of goods imported by them, he stated that the said bonds were signed by him in the office of Shri D. Suresh of M/s Mercury Shipping. Shri D. Suresh asked him to sign the consignment bonds in place of his brother. He also signed as a witness in the bond. He further stated that along with the bond, Shri D. Suresh had taken his signature on 10 blank stamped letters of M/s Global Enterprise, cancelled cheques, signed invoices, packing lists and Bills of Lading. Shri D. Suresh then asked to courier the above documents to some Delhi address, details of which he did not remember, however he remembered that the said documents were sent to Shri Nawaz Khan Chaudhary.
- v. On being asked if he had written any letter to the Bond Section of the office of the Commissioner of Customs (Export), New Customs House, Near IGI Airport, New Delhi to keep the imported goods vide Bill of entry no. 1012510 and 1012509, both dated 13.08.2022 in CWC Warehouse Okhla-II, he stated that he did not know about any such letter.
- vi. On being shown the Space Availability Certificate dated 31.08.2022 issued by CWC, Okhla-II, New Delhi **(RUD-22)** and being asked where the goods were going since the validity of the said certificate was upto 27.09.2022, he stated that he did not know whether the goods were going to the CWC Warehouse or to 101A, Plot No. 29, APRA Plaza, Rani Bagh, Shakurpur Basti, New Delhi-110034. He further stated that

however, Shri Mohan of Mercury Shipping had forwarded the voice message of on Shri Sattar confirming the delivery place of the goods as “Kheda Kala, Om Dharma Kanta” and also that Shri Gulluwas present there to unload the goods. He further asked to follow the instruction of Gullu, which were already given to the truck drivers. He also stated that the goods were destined for Nagpur for which Shri Sattar had asked for invoice.

- vii. On being shown the FSSAI certificates dated 08.09.2022(**RUD-23**), he stated that the FSSAI issued two certificates bearing no. NCC202200085427 and NCC202200085428 both dated 08.09.2022 having title “Rejection Report of Food Import”, stating:

*“This office is not in a position to issue NOC of the product(s) mentioned above as a result(s) of the inspection/analysis shows that the samples do not conform to the specification(s) under the FSS Act, 2006 and rules and regulations thereunder.”*

He further stated that the FSSAI also remarked that the Bill of Entry has been DTA Bill of Entry for deemed export (SEZ TO Bonded Warehouse), also the Bill of entry is intended for 100% export/re-export, for which Form-8 was submitted to them.

- viii. On being shown the transactions dated 10.08.2022, 17.08.2022, 17.08.2022, and 18.08.2022 wherein Rs. 5 Lakh, 30 Lakh, 30 Lakh and 25 Lakh respectively were received, in the bank statement of M/s Global Enterprise (Acc. No. 10091620207), he stated that the said amounts were deposited from the account of M/s JB Traders by Shri Sattar, as told to him by Shri D. Suresh. The amount was deposited in their account for further payment to Shri Devendra and Shri Nawaz for clearance. Shri Devendra used to receive payments in the account of M/s Volg Exim India and Knitfab Creation Exim.

**21.** During his statement recorded on 16.10.2022(**RUD-24**), Shri D. Suresh interalia stated that:

- i. On being asked about the actual buyer and destination of the goods he stated that after clearance of goods from KASEZ, the aforesaid imported



areca nuts were to be handed over to Satar at Nagpur. Satar had already deposited approx. 90 Lakhs in the bank account of M/s. Global Enterprise. After deduction of their margin of Rs. 40/- per KG, the balance amount had been transferred to Devendra's account.

- ii. That after clearance from KASEZ, the Areca Nut was to be unloaded at at "kheda kala, om dharma kata". He informed Shri Mohan Raj on whatsapp that "after crossing Manesar toll plaza just 700 meter towards Delhi move vehicle at service road". Mr. Gullu (Mobile 8929534762) was there to unload the imported goods. The trucks were further destined to Nagpur.
- iii. On being asked he stated that Shri DDN Reddy had conveyed the address on whatsapp for the unloading of the goods. He further stated that M/s Global Enterprise had not paid any amount to the foreign supplier and the same was to be paid after 6 months of delivery. He further stated that he had already paid approx. 1 crore to Shri Devendra for clearing, warehousing etc.
- iv. That he did not pay any amount to Shri Vijay Kathirvelu, however as instructed by Shri Devendra, he had paid 8 lakhs to M/s Varsur Impex Pvt. Ltd. he further stated that no duty was paid on the clearance of the goods by M/s Global Enterprise, Chennai or any other person.
- v. On being asked he stated that Shri DDN Reddy had given his number to Shri Devendra, who met him at Chennai Airport. He knew that Devendrawas residing at Delhi and apart from his mobile number, he did not know anything about Shri Devendra. He further stated that he had cleared two containers of Areca Nut at Chennai for Shri Devendra, in lieu of Rs. 1,50,000/- for each container for IEC holder M/s House N Traders, however Shri Devendra only paid Rs. 1,25,000/- for each container citing shortage in the quantity of goods and that AIFTA benefit was claimed in the both consignments.
- vi. On being asked about Dhanraj, he stated that Dhanraj was one of partner in M/s. Future Long India Pvt. Limited with him and he was residing at Poonammalli, High Road, Behind Egg Talkies, Chennai.

vii. On being asked as to why he contacted Shri Devendra again, he stated that Shri DDN Reddy asked him to do business again with Shri Devendra saying he was a good person and that transporter had done mischief in earlier consignments resulting in shortage. He further stated that after 20 to 30 days of clearance of the 2 consignments as above, one more shipment of Areca Nut arrived at FTWZ, Chennai, which was re-exported due to its damaged condition. The said goods were warehoused at their rented warehouse situated at FTWZ, No. 3 FTWZ, Nandlambakkam Village, Chennai and that no other goods than the said Areca Nut shipment was stored at the said rented warehouse.

**22.** During his statement recorded on 17.10.2022(**RUD-25**), Shri D. Suresh interalia stated that:

- i. On being asked if he knew that one container No. KCSU290808 of Areca Nut was lying at KASEZ, he stated that he was aware that the goods were unloaded and restuffed in the truck no. HR 55 S 5421 and the truck was gated out from KASEZ, but the same was stopped and brought back to KASEZ. He further stated that the goods belonged to Shri Kunjilla Kutty and as per his directions, the goods were to be delivered to Nagpur via Delhi. On being asked further, he stated that they were selling the Areca Nut at Rs. 200/- to 450/- per Kg. in local market depending on the quality of the Areca Nut.
- ii. On being shown photocopy of Cheque no. 000011 dated 17.08.2022 issued by M/s JB Traders, he stated that M/s JB Traders had bought the Areca Nut imported by M/s Global Enterprise and the cheque amount was sent to M/s Global Enterprise for clearance of Areca Nut.
- iii. On being shown Chat with Kochi Sathar dated 06.210.2022, he stated that two months had already passed and goods were not cleared, hence Shri Sathar was repeatedly asking for clearance of the goods. He sent the video of loading of Areca Nut at KASEZ when the loading started, to Sathar.
- iv. On being asked, he stated that they had paid 20 Lakhs in the name of M/s Varsur Impex Pvt. Ltd. to Shri Devendra by bank transfer. However,

Devendra sent back the amount asking to deposit the same in another account. Then they transferred the 20 lakhs to the account of M/s Volg Exim.

- v. On being shown chat between him and Dhanraj, he stated that Dhanraj was his partner in M/s Future Log India Pvt. Ltd. who introduced him to DDN Sir. In the said chat, on being shown chat dated 17.08.2022 wherein he had received forwarded message of Rs. 10 note photo and contact details of Basha (8610931802/9176412831), he stated that his employee Shri Basha had sent Rs. 3,00,000/- in cash by Havala to Shri Devendra for misc. charges of clearance, warehousing charges.
- vi. On being shown chats 12.10.2022 between him and Dev Dubai New (+27 718774872), wherein he had forwarded the details of bank transactions as following:

11.08.2022	Bank transfer to Varsur	200000
17.08.2022	Cash deposit	300000
18.08.2022	Bank transfer to Varsur	200000
25.08.2022	Bank transfer to Varsur	225000
01.09.2022	Bank transfer to Volgexim	25000
01.09.2022	Bank transfer to Volgexim	1975000
05.09.2022	Bank transfer to Varsur	250000
09.09.2022	Bank transfer to Knitfab Creation	25000
10.09.2022	Bank transfer to Knitfab Creation	2475000
	Volgexim	2000000
	Insurance	19539
	Insurance	19539
10.09.2022	Bank Transfer to Yes supply chain	250000
10.10.2022	Cash paid	2500000
12.10.2022	Bank Transfer to Yes supply chain	138000

He stated that said amount was deposited by Shri Sathar through account of M/s JB Traders for further payment to Devendra and Nawaj for clearance and that he was instructed by Shri DDN Reddy and Shri Devendra for the same.

- vii. On being shown chat dated 10.10.2022 between Facetime DDN Reddy (Mob. 8590890716) and him wherein he had received location viz. Village-Khedkidhola, Near Bewrhaa Chowk, Gurgaon-Haryana, Landmark-Sonu Dharam Kanta, Godown Address” from Face Time Ddn Ready, he stated that it was the location where the goods were to be delivered. On being shown forwarded message that read “1kanot 09a 872449 m9717687296 prem” and “Chandni chok”, he stated that Shri Devendra had sent message via Ddn Ready for cash payment of Rs.25,00,000/- at Delhi to one Prem (Mobile 9717687296), failing which he could not deliver the goods. The amount shown was as given in above chart.
- viii. On being shown chat dated 26.07.2022 between Dhanraj Future Log and him wherein copy Bill of Lading of Pt. Bumi IndoyaGemilang, Surabaya 60227, Indonesia No. LL250803MUN09 and LL250803MUN10 both dated 20.07.2022 issued for Whole Areca Nuts shipped from Jambi port, Indonesia to Mundra, India per vessel MV Stephanie V.2203W and Invoice No. INV-GLB008 and INV-GLB009 dated 14.07.2022 were forwarded and being asked that from the above invoice wherein price for whole Areca Nut was \$2500 PMT, Whereas in earlier statement he had stated that the Devendra has informed the price was US\$ 2500 PMT, he stated that he did not remember the actual conversation with Devendra at at Hotel Rang Sharatha at Bandra, Mumbai regarding price of Whole Areca Nuts. However, as per above invoices the correct price was US\$ 2000 PMT.
- ix. On being shown the Space availability certificate dated 31.08.2022 issued by Central Warehousing Corporation, Okhla-II, New Delhi and being asked as to what was the validity date for storage of goods covered under Bill of Entry No. 1012509 & 1012510 both dated 13.08.2022, he stated that the space reserved at the CWC Okhla-II was valid upto 27.09.2022.
- x. On being shown the FSSAI Certificates dated 08.09.2022, he stated that the FSSAI issued two certificates bearing no. NCC202200085427 and

NCC202200085428 both dated 08.09.2022 having title “Rejection Report of Food Import”, stating:

*“This office is not in a position to issue NOC of the product(s) mentioned above as a result(s) of the inspection/analysis shows that the samples do not conform to the specification(s) under the FSS Act, 2006 and rules and regulations thereunder.”*

- xi. On being asked as where the goods imported by him were going, he stated the “Whole Areca Nut” imported vide Bill of Entry No. 1012510 and 1012509 both dated 13.08.2022 were unloaded at a godown location in Delhi by Shri Gullu (Mobile 8929534762). Shri Mohan Raj (Mobile 8072461759) had forwarded the location of the place i.e. “kheda kala, om dharma kata” where the goods were to be unloaded. Shri Devendra had also prepared E-Ways bills from login of M/s Global Enterprises. The consignment under Bill of Entry No. 1013163 dated 31.08.2022 was not prepared by Shri Devendra and that their intention was to divert the imported Areca Nuts without payment of duty.

**23.** During his statement recorded on 18.10.2022(**RUD-26**), Shri D. Suresh, he allowed the DRI officers to take printouts of the chats found on his WhatsApp with persons concerned with the subject consignments, and interalia stated that:

- i. On being shown the panchnamas dated 14/15.10.2022 drawn at premises of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, statements dated 15.10.2022 of the drivers of the 4 trucks carrying the goods to Delhi, statements dated 14.10.2022 and 15.10.2022 of Shri Ranveer Singh Sandhu, Director and Authorised Person of M/s Volg Exim India Pvt. Ltd., statement dated 15.10.2022 of Shri Kapil Sharma, Manager of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, and Seizure memo dated 15.10.2022 issued by IO DRI Gandhidham along with Supratnama dated 15.10.2022 issued to Shri Kapil Sharma, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd. in respect of seizure of Areca Nut weighing 73520 Kgs, he stated that after clearance of goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111

and 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, the goods were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, as per directions of Shri Devendra instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II, B-13, 14, 15, Industrial Area, New Delhi-20. He further stated that the fifth truck bearing no. HR 55 S 5421 containing goods covered under SEZ to Bonded W/H B/E No. 2010974 dated 20.09.2022 was also to be diverted in same manner as were done in respect of aforesaid 04 vehicles, however, it became late due to pending documentation and after clearance from KASEZ. It could not reach Delhi and was intercepted by the DRI officers outside KASEZ. He further stated that he will discuss the matter with Shri Vijaykumar Kathirvelu, Authorized Signatory of M/s. Global Enterprise and pay up the applicable Customs Duty as the subject goods covered under all above mentioned consignments were diverted from SEZ to DTA.

- ii. On being asked about why split Areca Nut were recovered during the panchnama dated 14/15.10.2022 while they had declared the goods as Whole Areca Nut, he stated that he was not aware as to why split Areca Nut was recovered from the consignment, as in all documents, the description of the goods was mentioned as Whole Areca Nut. However, there was no difference of duty between Whole Areca Nut and Split Areca Nut.
- iii. On being asked the complete whereabouts of Mr. Kunjilla Kutty, he stated that his mobile no. was 9946231000 and his residential & official address were not known to him. He had visited KASEZ warehouse of M/s. Varsur Impex Pvt. Ltd. on 08.10.2022 with them and after being satisfied with the goods condition, he had left the premises. He was not aware about when he came to Gandhidham and with whom.
- iv. On being shown message sent by him with Bank Details of M/s Global Enterprises (account no. 10091620207 of IDFC Bank Parrys Corner Branch), he stated that he shared details of the importer firm in respect of the subject consignments of Areca Nut.

- v. On being shown message sent by Kochi Satharon 08.08.2022 and 16.08.2022 respectively that read "Delivery", and "Billing Address", he stated that through these messages Sattar informed him that the delivery of the aforesaid consignments of Areca Nut would be Nagpur as Nagpur is a big *mandi* (platform to sale-purchase) for areca nuts. Sattar provided him billing address of JB Traders (Prop. Mohammad Muzammil Sheikh Ibrahim), Near Risaldar Akhada, House No. 207 A, Ploe Not. HR 56, Timki Road, Mominpura, Nagpur for supply of aforesaid import consignments of Areca nuts.
- vi. On being shown message sent by him on 17.08.2022 that read "Still not received payment" and "Just now received 30+30", he stated that he asked for advance payment and thereafter he informed that he had received Rs. 60 Lakh. Further Kochi Sattar informed him that he had sent total payment of 90 Lakhs, and then he confirmed the same to Sattar through message that read "received sir".
- vii. On being shown message sent by Kochi Sathar that read "Halo update delivery pls", "Today pls give good news", "What is there position?" dated 03.10.2022, 06.10.2022 and 07.10.2022 respectively, he stated that Sattar was asking for the status of the goods through these messages. He further stated that he sent a document "VIJAYAKUMAR\_KATHIRVELU.pdf" on 08.10.2022 to Kochi Sathar, to convince Sattar for clearance of subject goods, he sent him flight tickets of him and Vijay for Chennai to Ahmedabad journey.
- viii. On being shown chat dated 12.10.2022/13.10.2022, wherein Kochi Sathar had sent messages that read "khedakala,omdharam kata", "Pls you tell to driver call gullu and go gullu place", "Pls tell to all drivers", "Kheda kalan om dharam kata k pas aana hai", "Ye msg bheja golu bhai ne", "9599893938, Ranveer bh", he stated the through these chats, Sattar had shared the location of the godown to unload the Areca Nut and the other related information alongwith contact details of one Ranveer.
- ix. On being shown message dated 14.10.2022 of Kochi Sathar that read "From 4 day waiting three trucks After this truck will go. Then not get

truck for loading. Deevali busy all transporter. So please as soon as possible”, he stated the Sattar was worried about the delivery of the subject consignments.

- x. On being asked why he had mentioned ship to address as 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi in the e-way bills, he stated that he was not aware whether there was any office of M/s. Global Enterprises at 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi as this address was entered in the e-way bills by Shri Devendra Yadav.
- xi. On being shown chats between him and Shri Mohan Raj between 10.10.2022 to 12.10.2022, he stated that he had shared the location where the goods were to be unloaded and details of Shri Gullu, as per the conversation with Shri Sattar.
- xii. On being shown chat dated Dhanraj Future log, dated 07.10.2022, wherein he had received messages that read “if cargo moves on morning it will take 48 hour to reach delhi”, “delivery is in gurgaon sharing you address”, “Also 50000/- in this account from global account”, and “KOTAK MAHINDRA YES SUPPLY CHEQUE COPY .pdf”, he did not make any comments.
- xiii. On being shown chats dated 10.10.2022 to 12.10.2022, between him and Shri Vijay MGR Nagar Paddapai, wherein he had sent messages that read “<attached: 00001536-1 Satywan 9896529086.vcf>” and “<attached: 00001537-2 Nagendra 73400 01183.vcf>”, he stated that he had shared driver nos. through these messages. He further stated the through the messages that he received from Shri Vijay MGR Nagar Paddapai that read “Your A/C XXXXX620207 has been debited by Rs. 2,50,000.00 on 10/10/22. Info RTGS/ IDFB52022101000651316 /YES SUPPLY CHAIN SOLUTIONS PVT LTD. New balance is Rs. 21,62,247.00. Team IDFC FIRST Bank” and “Delhi contact person Mr .Gullu8929534762”, Vijay shared the details which were related to an amount of Rs. 2.5 lakh paid to Shri Devendra in the account of M/s Yash Supply Chain Solutions Pvt. Ltd. towards clearance charges and



contact details of one Gullu, who was to look after unloading of the goods in private godown.

- xiv. On being shown the statement dated 15.10.2022 and 16.10.2022 of Shri Vijay Kathirvelu, he stated that the facts stated by Shri Vijay in the said statements were correct and that he himself had taken his signature on blank letter head of M/s. Global Enterprises and on being asked how did he use the blank letter heads of M/s. Global Enterprises, he stated that the blank letters heads duly signed by Shri Vijaykumar Kathirvelu were sent by him to Shri Nawaj Khan Choudhary of M/s. Varsur Impex Pvt. Ltd. as desired by him. These were used in preparing Consignment Bonds, making correspondence with Customs and others as if such documents were issued by M/s. Global Enterprises.
- xv. On being asked about the rejection report of FSSAI for the subject consignments and the validity of the space certificate issued to M/s Global Enterprises, he stated that it was true that the cargo was lying warehoused since long and FSSAI authorities issued rejection report for the same. He stated that they were not aware about rejection of FSSAI as the report was not shared to him by Shri Devendra or any other person. He further stated that it was true that the Space License issued by CWC was expired but the cargo was imported to be diverted to DTA in guise of supply to CWC bonded warehouse and hence the expiry date of validity of space certificate was not seen seriously.
- xvi. On being asked whether any overseas buyers were contacted for export/re-export of the said consignments after clearance from KASEZ, he stated that no such buyer was contacted as the goods were to be sold in domestic market.
- xvii. On being asked who were the other buyers of the subject consignments and what were the payment particulars of the amount received from them, he stated that he was not aware of the same.
- xviii. On being asked about an importer firm by the name of M/s House of Trades N Exports, New Delhi, he stated that the firm was owned by Shri Devendra Yadav but Shri Alok Mishra and Shri Ashok Kumar Gupta had been declared as partners in the said firm. He had cleared two

consignments of Whole Areca Nut for the said firm at Chennai port on payment of Customs Duty and at the time, there were 6 consignments of M/s House of Trades N Exports lying at Mundra SEZ.

xix. That he was fully aware of the provisions of SEZ Act, 2005 and Rules framed thereunder that diversion of goods to DTA from SEZ attracts payments of Customs Duty in terms of Section 30 of SEZ Act, 2005 and hence the diversion of goods cleared from SEZ to bonded warehouse and evasion of Customs Duty was in his knowledge.

**24.** Examination of the goods which were loaded from the warehouse of M/s Varsur Impex Pvt. Ltd., KASEZ, being transported in truck bearing no. HR55 S 5421 and were brought back to KASEZ under panchnama dated 15.10.2022 by the DRI Officers, was carried out by the officers of DRI under panchnama dated 18.10.2022(**RUD-27**) at the warehouse premises of M/s Varsur Impex Pvt. Ltd. The truck was found stuffed with 301 bags of Areca Nut weighing total 16,820 Kgs. which were seized under seizure memo dated 18.10.2022(**RUD-28**) and the goods were handed over to Shri Shiva Rammurthy Mattaparthi for safe custody.

**25.** In his statement recorded on 18.10.2022(**RUD-29**), Shri Vijay Kathirvelu, interalia stated that:

i. On being shown the panchnamas dated 14/15.10.2022 drawn at premises of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, statements dated 15.10.2022 of the drivers of the 4 trucks carrying the goods to Delhi, statements dated 14.10.2022 and 15.10.2022 of Shri Ranveer Singh Sandhu, Director and Authorised Person of M/s Volg Exim India Pvt. Ltd., statement dated 15.10.2022 of Shri Kapil Sharma, Manager of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, Seizure memo dated 15.10.2022 issued by IO DRI Gandhidham along with Supratnama dated 15.10.2022 issued to Shri Kapil Sharma, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd. in respect of seizure of Areca Nut weighing 73520 Kgs and Panchnama dated 18.10.2022 drawn at M/s Varsur Impex Pvt. Ltd. Industrial Shed No. 168, Special CIB Type, Phase-I, Sector-II, KASEZ wherein total 301 bags of bonded Areca Nut weighing

16,820 MT was found, along with Seizure memo and Supratnama in respect of the Areca Nut found during the said panchnama dated 18.10.2022, he stated that after clearance of goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111 and 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, the goods were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, as per directions of Shri Devendra Yadav, instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II, B-13, 14, 15, Industrial Area, New Delhi-20. He further stated that the fifth truck bearing no. HR 55 S 5421 containing goods covered under SEZ to Bonded W/H B/E No. 2010974 dated 20.09.2022 was also to be diverted in same manner as were done in respect of aforesaid 04 vehicles, however, it became late due to pending documentation and after clearance from KASEZ. It could not reach Delhi and was intercepted by the DRI officers outside KASEZ.

- ii. He further stated that being authorised signatory of M/s Global Enterprises, He will discuss with Shri D. Suresh, Jayavelu and Dhanraj for effecting payment of applicable Customs Duty since the goods had been diverted to DTA.

**26.** In his statement dated 19.10.2022(**RUD-30**), Shri Vijayakumar Kathirvelu, Authorised Signatory of M/s Global Enterprises, interalia stated that:

- i. That he was the Director of M/s Global Enterprises, Chennai which was owned by his younger brother Sh. Jayavelu, in existence since 02.06.2022 and trading in readymade garments, fabric and wooden furniture, both import and export. He was also proprietor of M/s Royal Enterprises, Chennai in existence since the previous year, which was also engaged in trading of same items.
- ii. That he was associated with Shri D. Suresh of CHA firm, M/s Mercury Shipping Chennai since last 27 years, and used to work with him in a CHA firm M/s Sea Air Care Agency since 1994 and had been associated with him being good friends for any work outside Chennai related to his

firms. They used to travel together, and he used to look after the clearance work of his firms. He had wide circle due to his association with Customs related work since the previous 27 years and had commenced M/s Mercury Shipping since previous fourteen years.

- iii. That he did not know Gullu, as he was Sattar's staff and had never met him.
- iv. That he knew Devendra Yadav as owner of M/s House of Traders, Delhi since previous one year as well as managing M/s Volg Exim, Delhi. He met him during a meeting of Shri DDN Reddy (Dwarkanath Reddy), AC Customs Mumbai along with Shri D. Suresh, where he was helping as a translator for Shri D. Suresh, who had known Shri DDN Reddy since previous twenty years. Shri Reddy had been transferred to Mumbai since the previous year.
- v. That he did not know Sattar of Kerala and had never met him, but had known that he was associated with Shri D. Suresh, being an importer of furniture and his old client.
- vi. That he did not know Nawaz Khan Chaudhary personally, and had talked to him on phone two three times two months earlier, after which Shri Devendra Yadav had asked Shri D. Suresh to not to talk to Shri Nawaz Khan ever, and all the details related to Areca Nut would be available only through him as he was the owner of M/s Varsur Impex Pvt. Ltd.
- vii. On being shown the statement of Shri Shiva Rammurthy Mattaparthi dated 14/15.10.2022, he stated that he had visited the warehouse of M/s Varsur Impex Pvt. Ltd. on 08.10.2022 alongwith Shri D. Suresh, Partner of M/s Mercury Shipping, Chennai for inspection of their goods, the imported Areca Nut, as they had doubt if the goods were actually at the warehouse. They had talked with Shri Nawaz Khan Chaudhary who informed that one container was there and the other 4 containers had already left the warehouse. As Shri Devendra Yadav had asked them not to talk much to Shri Nawaz regarding the goods, and only to check the goods, they did not enquire Shri Nawaz more about the whereabouts of the goods. He further stated that they were pressurized by Shri Kunjilla

Kutty of Kerala who had purchased these goods from M/s Global Enterprise to check what had happened to the goods they had imported since last 2 months. They had visited Gandhidham earlier for examining the said goods, however they were scolded by Shri Devendra and were not allowed to check the goods, hence they left the next day. Shri Devendra Yadav had been delaying the goods on basis of various excuses like Plant Quarantine or FSSAI or other examinations. Shri Sattar reminded them about the goods position; hence they visited the warehouse.

- viii. On being asked if he received any payment from Kunjilla Kutty of Kerala, he stated that he did not receive any payment from him. On being asked further, how he was pressurizing him to check “his” goods lying at M/s Varsur, when the goods were not owned by him, he stated that payment to the Indonesian Seller was to be made after 60 days of delivery. The consignment was imported on the credit of M/s Global Enterprises since August 2022. They used to receive payment after OOC on clearance and the same used to remain with them for 60 days, before the same was transferred to the seller. As Kutty was the buyer and was concerned about his goods lying at M/s Varsur since last two months, he wanted them to see the quality and position of the goods.
- ix. On being asked about the 4 containers of Areca Nut of M/s Global Enterprises which had already been cleared from KASEZ when they visited M/s Varsur, he stated that Shri Sattar had purchased the said 4 containers and paid an amount of around Rs. 1 Crores in five-six instalments during August-2022 to October-2022 and on orders of shri Devendra Yadva, those goods were cleared to Delhi on bond-to-bond transfer.
- x. On being shown statement dated 15.10.2022 of shri Abid Khan, driver of truck bearing no. HR 55 S5421 and sets of documents produced by him related to bond-to-bond transfer of the consignment under Bill of Entry no. 1013613 dated 31.08.2022 of M/s Global Enterprises, and to identify the signature and photograph on the bond, he stated that the photograph on the bond was of his brother Jayavelu, but that the

signature on the bond was not of his brother. He confirmed that although the IEC of their firm M/s Global Enterprises was there with the letterhead, the address of Shakurpur Basti of Global Enterprises were not theirs. The signatures were not of his brother Jayavelu, neither they had any branch outside of Chennai. He stated that the said documents might have been forged by Shri Devendra by misusing his brother's photograph and the letter head of their company.

- xi. On being shown the bond-to-bond transfer documents in respect of M/s Global Enterprises for Bills of Entry NO. 1012509 and 1012510 both dated 13.08.2022, found at M/s Varsur, KASEZ, he stated that he had not seen such documents earlier and that those signatures were not of his brother Shri Jayavelu, proprietor of M/s Global enterprises Chennai. On being shown photo of him and Shri Murali Krishnan of Chengalpattu on the third pages of the said bonds as witnesses, he stated that the signatures shown as his were fake and someone had tried to copy it.
- xii. On being asked that how much was his profit and how did he earn and settle for such transactions of duty-free goods, he stated that Shri Devendra would ask them to deposit amounts in the accounts provided by him for the various charges related to clearance of the said goods, through hawala transactions. For clearance they used to receive instructions from their clients like Sattar and Kunjilla Kutty. They would earn commission of around Rs. 10/Kg. for Areca nut, per person for the four person, he himself, Shri D. Suresh, Dhanraj and Altaf, all of whom would receive around 7.5 Lakhs for the first 3 consignments of M/s Global enterprises, as confirmed by M/s JB Traders of Sattar.
- xiii. On being asked how Shri Sattar or Kutty were the owner of the goods when they had not made any kind of payment, he stated that shri Sattar and Kutty used to purchase the Areca Nut from Indonesia. They used his firm to move those goods in the name of his firm and asked him to prepared the invoice for bond-to-bond transfer. Hence the original buyer of the consignment would be the buyer himself, which did not appear on documents, but utilizing his IEC for documents related to import and clearance.

xiv. On being asked about the duty liability since the goods were diverted to DTA, he stated being the Authorised Signatory of M/s global Enterprises, Chennai, he would discuss the matter with Shri D. Suresh, Shri Jayavelu and Shri Dhanraj, Partner of M/s Future Log India Pvt. Ltd. Chennai for the payment of applicable dues against the diversion.

**27.** During the statement recorded on 19.10.2022(**RUD-31**), Shri D. Suresh, interalia stated that:

- i. On being shown the chat with Shri DDN Reddy (Full Name Dwarkanadha Reddy, working as AC, Customs Mumbai at the time), saved in his mobile phone with name "Face time Ddn Ready (Mob. 8591890716), 'Ddn Reddy (9600146707)', and 'Ddn Reddy New (7358428287)' he stated that most of the conversation were held with him with contact saved as Face time Ddn Ready (Mob. 8591890716). He explained the chats with the same no. as given below:

Particulars of conversation	Body of Chat	Explanation/comments by Shri D. Suresh
[09/05/2022 , 7:05:31 PM] Face Time Ddn Ready:	HOUSE OF TRADES 1.pdf	Shri DDN Reddy forwarded FSSAI certificate for a past consignment of Areca nuts imported from Myanmar in the name of importer firm M/s. House of Trades N Exports
[10/05/2022 , 12:16:33 PM] Suresh D:	Required IEC copy pdf format, contact no & mail Id	I asked Shri DDN Reddy for IEC copy pdf format, contact no & mail Id of M/s. House of Trades N Exports which DDN Reddy shared the same day. This IEC was arranged by Shri DDN Reddy but it was owned/controlled by Shri Devendra Yadav though Shri Alok Mishra and Ashok Kumar Gupta have been shown Partners in this firm.
[10/05/2022 , 7:15:00	Form1 take a print n upload in e Sanchita original comes by	Shri DDN Reddy suggests procedure for availing benefit

PM] Face Time Ddn Ready:	courier	of COO.
[24/06/2022 , 8:19:57 PM] Face Time Ddn Ready:	176 Z LINE.pdf • 1 page <attached: 00000204-176 Z LINE.pdf>	Shri DDN Reddy forwarded BL No. CSSJEAMUN2022176 dated 23.06.2022 in respect of import of 53 MT Whole Areca Nuts in 02 containers by M/s. House of Trades N Exports (Consignee M/s. Empezer Logistics Pvt. Ltd., SEZ). On being asked why did Shri Reddy send the image of BL to me, I state that Shri DDN Reddy offered to import Whole areca nuts in the IEC of House of Trades N Exports but this IEC was pertaining to Shri Devendra , so I requested to make import in the IEC of M/s. Global Enterprises. On being asked whether the consignment mentioned in the said BL or any other import consignment of M/s. House of Trades N Exports is pending clearance, I state that I am not aware about it.
[17/07/2022 , 6:19:04 PM] Face Time Ddn Ready:	<attached: 00000244-PHOTO- 2022-07-17-18-19-04.jpg>	Shri DDN Reddy forwarded photo of the main gate of warehouse of M/s. Varsur Impex (P) Ltd., KASEZ where the imported goods were to be warehoused as per the plan.
[22/07/2022 , 5:28:24 PM] Face Time Ddn Ready:	Varsur.impex21@gmail.com	Shri DDN Reddy forwarded email Id of M/s. Varsur Impex (P) Ltd. and asked to send email of Invoice, BL and KYC documents urgently.
[22/07/2022	Ask ur person send Invoices	



<p>, 5:28:25 PM] Face Time Ddn Ready:</p> <p>[22/07/2022 , 5:28:25 PM] Face Time Ddn Ready:</p>	<p>and BL copy and KYC documents on email</p> <p>Urgent</p>	
<p>[27/07/2022 , 5:44:08 PM] Suresh D:</p> <p>[26/07/2022 , 3:04:21 PM]</p> <p>Suresh D:</p> <p>[26/07/2022 , 3:04:21 PM] Suresh D:</p>	<p>TGSJKTMUN0730.pdf • 1 page &lt;attached: 00000275-TGSJKTMUN0730.pdf&gt; Original Global_009.pdf &lt;attached: 00000272-Original Global_009.pdf&gt;</p> <p>Original Global_008.pdf &lt;attached: 00000273-Original Global_008.pdf&gt;</p>	<p>I shared all 03 Bills of Lading with respect to import of Areca nuts made by M/s. Global Enterprises showing name of consignee as M/s. Varsur Impex (P) Ltd..</p>
<p>[31/07/2022 , 8:46:29 PM] Face Time Ddn Ready:</p> <p>[01/08/2022 , 10:28:46 AM] Face Time Ddn Ready:</p>	<p>&lt;attached: 00000279-PHOTO-2022-07-31-20-46-29.jpg&gt;</p> <p>AAGCV7466C</p>	<p>Shri DDN Reddy again forwarded photo of warehouse of M/s. Varsur Impex Pvt. Ltd. On being asked by me, he also shared PAN of this KASEZ Unit.</p>
<p>[17/08/2022 , 1:03:06 PM] Suresh D:</p>	<p>4 container arrived at port Lines destination charges Transportation Handling charges Warehouse &amp; labour Warehouse destuffing charges or line ..</p>	<p>I forwarded message from Devendra Yadav to Shri Reddy about arrival of 04 containers of M/s. Global Enterprise at Mundra port and misc charges to be paid.</p>

	Therefore Apx Rs.5L figure give u then timely container pick up from port to zone	
[17/08/2022 , 6:39:07 PM] Face Time Ddn Ready:	REVISED STL (008).pdf • 4 pages <attached: 00000325-REVISED STL (008).pdf>  REVISED STL (009).pdf • 4 pages <attached: 00000326-REVISED STL (009).pdf>	Shri DDN Reddy forwarded revised invoices issued by overseas supplier M/s. PT. KARYA ESA ABADI, Jakarta in respect of change of Invoice Value from USD 2000 MT to USD 7150/MT. This change was made to synchronize Tariff Value fixed by Indian Customs for valuation of Areca nuts import. On being asked who has suggested to do so, I am not aware but it appears that Devendra had raised such query to Shri Reddy to change the invoice value nearby the fixed Tariff value , Shri Reddy sent me this message.
[17/08/2022 , 6:42:40 PM] Face Time Ddn Ready:	Please find attached revised Invoices from supplier end... Earlier it has some Invoice value mistake ... This actual Invoice belong to our this cargo kindly Consider the same for furture submission	All these messages were forwarded by Shri DDN Reddy. We accordingly sent the email.
[17/08/2022 , 6:43:50 PM] Face Time Ddn Ready:	Please Ask them to send a fresh email with Subject mention " Revised Invoices"	
[19/08/2022 , 10:33:25 AM] Suresh D:	<attached: 00000334-AUDIO-2022-08-19-10-33-25.opus>	Sattar sent me audio messages asking to clear the consignment. I forwarded the audio messages to Shri Reddy.
[19/08/2022	<attached: 00000335-AUDIO-2022-08-19-10-33-25.opus>	

<p>, 10:33:25 AM] Suresh D:</p> <p>[19/08/2022 , 10:33:25 AM] Suresh D:</p>	<p>&lt;attached: 00000336-AUDIO-2022-08-19-10-33-25.opus&gt;</p>	
<p>[19/08/2022 , 7:35:21 PM] Suresh D:</p>	<p>&lt;attached: 00000342-PHOTO-2022-08-19-19-35-21.jpg&gt;</p>	<p>I shared screenshot of email vide which Shri NK Choudhary of M/s. Varsur Impex Pvt. Ltd. asked for initial payments against rendering warehousing services</p>
<p>[09/09/2022 , 11:37:59 AM] Suresh D:</p> <p>[09/09/2022 , 11:55:59 AM] Suresh D:</p>	<p>&lt;attached: 00000351-PHOTO-2022-09-09-11-37-59.jpg&gt;</p> <p>&lt;attached: 00000352-PHOTO-2022-09-09-11-55-59.jpg&gt;</p>	<p>I shared details of payment made to M/s. Varsur Impex Pvt. Ltd. and M/s. Volg Exim, Insurance etc.</p>
<p>[10/09/2022 , 7:58:24 PM] Suresh D:</p> <p>[10/09/2022 , 7:58:24 PM] Suresh D:</p>	<p>&lt;attached: 00000354-PHOTO-2022-09-10-19-58-23.jpg&gt;</p> <p>&lt;attached: 00000355-PHOTO-2022-09-10-19-58-23.jpg&gt;</p>	<p>I shared screenshot of total Rs. 25 lakh paid in the Account of M/s. Knitfab Creation Exim as suggested by Shri Devendra through Shri DDN Reddy.</p>
<p>[30/09/2022 , 11:34:03 AM] Suresh D:</p>	<p>*IEC User id and password*</p> <p>User Id: Globalenterprise2907@gmail.com</p> <p>Password: Global@1234</p>	<p>I shared User id and password of M/s. Global Enterprises.</p>
<p>[08/10/2022 , 5:58:26</p>	<p>lorry are waiting for payments</p>	<p>Directions for generating eway bills from Shri</p>

PM] Face Time Ddn Ready:		Devendra through Shri DDN Reddy.
[08/10/2022 , 5:58:26 PM] Face Time Ddn Ready:	Ask them to generate away bill	
[08/10/2022 , 8:02:59 PM] Suresh D:	E-Way Bill System (3).pdf • 1 page <attached: 00000401-E- Way Bill System (3).pdf>	As per directions from Shri Devendra through Shri DDN Reddy, I shared 02 away Bills images showing place of delivery Chengalpattu, Tamilnadu (as per address of IEC of M/s. Global Enterprises). These away bills were having no. 511419899409 and 561419908601 but Devendra asked that they would themselves generate away bills and directed to share User name and Password of M/s. Global Enterprises for generating e-way bill which I shared on 09.10.2022. Accordingly, Shri DDN Reddy forwarded me different set of 04 away bills bearing no. 511419998102, 571419997420, 501419996695, 501419995845 all dated 09.10.2022. In all these away bills, the place of delivery was mentioned as 101 A, PLOT NO. 29, APRA plaza bagh, New Delhi-34 and the dispatch was shown from Road No. 11/B, Sector 11, Mundra to avoid surveillance and interception of the consignments through
[08/10/2022 , 8:32:09 PM] Suresh D:	E-Way Bill System (4).pdf • 1 page <attached: 00000402-E- Way Bill System (4).pdf>	
[08/10/2022 , 8:58:56 PM] Suresh D:	E-Way Bill System (3).pdf • 1 page <attached: 00000403-E- Way Bill System (3).pdf>	
[08/10/2022 , 8:58:56 PM] Suresh D:	E-Way Bill System (4).pdf • 1 page <attached: 00000404-E- Way Bill System (4).pdf>	
[09/10/2022 , 12:04:24 PM] Suresh D:	User Name - KGLOBAL Pass word - kglobal@123	
[09/10/2022 , 6:36:54 PM] Suresh D:	Globalenterprise2907@gmail.co m	
[09/10/2022 , 6:36:54 PM] Suresh D:	Jayavelu@290779	

		eway bills, by any enforcement agency.
[10/10/2022, 10:27:20 AM] Face Time Ddn Ready:	1kanot 09a 872449 m 9717687296 prem  Chandni chowk	Shri DDN Reddy forwarded no. of one rupee note to make cash payment of Rs. 25 lakh to Devendra through Hawala which we had done.
[10/10/2022, 10:27:20 AM] Face Time Ddn Ready:		
[10/10/2022, 6:33:14 PM] Face Time Ddn Ready:	Village-Khedkidhola Near Bewrhaa Chowk Gurgaon- Haryana	Shri DDN Reddy forwarded address/location of Godown where the goods cleared from KASEZ and being transported in 4 trucks were
[10/10/2022, 6:33:14 PM] Face Time Ddn Ready:	Landmark- Sonu Dharam Kanta	to be unloaded. He asked driver no. also. I was not aware about the location of actual godown where the goods were to be delivered.
[10/10/2022, 6:33:15 PM] Face Time Ddn Ready:	*"Godown Address "*  After Crossing Manesar toll plaza Just 700 MTR towards Delhi move vehicle at service road	
[10/10/2022, 6:38:33 PM] Face Time Ddn Ready:	Send driver no	
[10/10/2022, 6:39:11 PM] Face Time Ddn Ready:		
[12/10/2022	<attached: 00000425-PHOTO-	I forwarded payment details

[3:26:31 PM] Suresh D:	2022-10-12-15-26-31.jpg>	of amount paid by me to Shri Devendra in various firms such as Volgexim, Varsur, Knitfab creation, Yes supply chain and cash payments made through Hawala in connection with subject import, warehousing, clearance, transportation of subject goods.
[12/10/2022, 7:31:22 PM] Suresh D:	Delhi contact person 8929534762 Gullu	I shared contact no. of Gullu who was sent by Shri Sattar as per directions of Shri Reddy to unload the goods in a warehouse other than the declared Bonded warehouse of CWC, Okhla.
[14/10/2022, 1:38:35 PM] Face Time Ddn Ready:	5th Container  All finished	Shri DDN Reddy forwarded images of 5 <sup>th</sup> truck, videos of loading informing that work regarding clearance of goods in all five containers finished.
[14/10/2022, 1:44:11 PM] Suresh D:	Please e way bill	I asked for eway bill of 5 <sup>th</sup> truck.
[14/10/2022, 3:51:31 PM] Face Time Ddn Ready:	E-Way Bill System.pdf • 1 page <attached: 00000439-E-Way Bill System.pdf>	Shri DDN Reddy shared eway bill bearing no. 531421979331 for transportation of subject goods in 5 <sup>th</sup> truck in same manner. This eway bill was also containing same dispatch address and delivery address as was for four trucks.

- ii. On being asked as to whose messages were being forwarded by Shri DDN Reddy in chat at (i) above, he stated that most of the texts/audio/video messages, documents, images forwarded by Shri DDN Reddy in the said conversations as mentioned above and others were originating from Shri Devendra Yadav.
- iii. On being asked as to what was the DDN Reddy in respect of the subject consignments and his other business affairs, he stated that Shri DDN Reddy (Dwarkanadha Reddy) introduced him to Shri Devendra Yadav and during their meeting in a Hotel Rang Sharatha at Bandra, Mumbai, Shri Devendra had offered a proposal for investing money in Areca Nuts from Indonesia. Shri DDN Reddy had suggested that clearance of cargo was easier from KASEZ, Gandhidham. Shri Devendra Yadav had stated that he was having warehouse in Kandla SEZ. As suggested by Shri DDN Reddy and Shri Devendra, the imported goods Areca Nut were stored at the warehouse of M/s Varsur Impex Pvt. Ltd., KASEZ, Kandla. Shri DDN Reddy had forwarded a photo of the warehouse of M/s Varsur Impex Pvt. Ltd, KASEZ on 31.07.2022. He further stated that he also used to share all the details viz. payment to M/s Varsur Impex Pvt. Ltd., Bill of Lading for supply of Whole Areca Nut to India with Shri DDN Reddy. Shri DDN Reddy had also forwarded copy of e-way bills for transfer of goods from KASEZ to Delhi on 10.10.2022 and had further shared that “1kanot 09a 872449 m9717687296 prem” and “Chandni Chok”. He further stated that it was a hawala transaction to Devendra for 25 Lakhs and it was done through Shri DDN Reddy because Shri Devendra had warned him that if the money was not paid the goods would not be delivered. Hence, they had paid Rs. 25,00,000/- in cash at Delhi through Hawala. Also, Shri DDN Reddy had forwarded details of Godown address- Village – Khedkidhola, Near Bewrhaa Chowk, Gurgaon – Haryana, Land mark – Sonu Dharam Kanta, after crossing Manesar toll plaza just 700 MTR towards Delhi move vehicle at service road. Shri DDN Reddy had given directions to Shri Gullu (the person of Sattar) for unloading of goods from trucks to godown other than CWC Okhla. He further stated that he

had forwarded details of payments to Shri DDN Reddy, made from M/s Global Enterprises to Devendra as mentioned below:

11.08.2022	Bank transfer to Varsur	200000
17.08.2022	Cash deposit	300000
18.08.2022	Bank transfer to Varsur	200000
25.08.2022	Bank transfer to Varsur	225000
01.09.2022	Bank transfer to Volgexim	25000
01.09.2022	Bank transfer to Volgexim	1975000
05.09.2022	Bank transfer to Varsur	250000
09.09.2022	Bank transfer to Knitfab Creation	25000
10.09.2022	Bank transfer to Knitfab Creation	2475000
	Volgexim	2000000
	Insurance	19539
	Insurance	19539
10.09.2022	Bank Transfer to Yes supply chain	250000
10.10.2022	Cash paid	2500000
12.10.2022	Bank Transfer to Yes supply chain	138000

Apart from above, he had also paid Rs. 60,000/- to Shri Devendra on 14.10.2022 from the account of M/s Global Enterprises.

- iv. On further asked as to why was Shri DDN Reddy doing such things and what was the benefit of Shri DDN Reddy in lieu of being involved in this case, he stated that Shri DDN Reddy was his friend since previous 20 years, and he personally did not fix or made any payment to Shri DDN Reddy. He was not aware if there was any deal between Shri Devendra and Shri DDN Reddy, as Shri DDN Reddy had suggested to clear the import consignments through Shri Devendra. Shri DDN Reddy was a medium for making conversations with Shri Devendra as and when Devendra did not receive calls or his phone was not connected.
- v. On being asked whether Shri DDN Reddy used to play similar role in attending other consignments or otherwise, he stated that in the past, Shri DDN Reddy had managed clearance of 02 consignments of Areca Nuts at Chennai Port through Devendra in an IEC of M/s House of Trades N Export. Like Shri Devendra, one more associate of Shri DDN Reddy was Shri Pappu through whom, he was dealing with



consignments of garments, fabrics, watches etc., which had been cleared through his firm M/s Mercury Shipping.

- vi. On being asked as to who were the IEC holder and key persons in M/s House of Trades N Export, he stated that the partners of M/s House of Trades N Export were Shri Alok Mishra and Shri Ashok Kumar Gupta but Shri Devendra was the actual controller of the IEC. He further stated that he had not met or neither he had any business dealing with Shri Alok Mishra or Shri Ashok Kumar Gupta.

**28.** During his statement dated 20.10.2022(**RUD-32**), Shri Vijay Kathirvelu, Authorised Signatory of M/s Global Enterprises, interalia stated that:

- i. On being asked if he knew that for domestic clearance of the bonded goods on which duty was foregone, Customs Duty was payable and if had cleared any goods for home clearance with payment of duty, he stated that he did not clear any consignment with payment of duty in the past.
- ii. On being asked as to where were the goods imported by M/s Global Enterprises at M/s Varsur Impex Pvt. Ltd., planned for clearance, he stated that he was informed by Shri Devendra Yadav, the goods were to be cleared on bond to bond transfer to bonded warehouse at ICD Tughlakabad/OKHLA which would have been further cleared through ex-bond Bill of Entry on duty payments, however as Shri Devendra Yadav was arranging all the documentation and movements in respect of the subject consignment, the actual physical control of the goods was with him and they were only the titular owner of the goods.
- iii. On being asked how he had put blind faith in Shri Devendra, who was unknown to him before one year, as he had only received funds from him or Global Enterprises and whether he had received any commission from anyone for the same, he stated that he only put his faith in Shri D. Suresh who was known to him, who had faith on Shri Dwarkanadha Reddy, who had given good reference of Shri Devendra Yadav to Suresh. Since he had depended on his association with Shri Suresh, he had acted on his directions through Shri Suresh. He or M/s Global

Enterprises had not received any amount or any commission from anyone for the same.

- iv. On being asked that he has stated in his statements that he will arrange for all the dues in respect of all the diverted bonded goods of KASEZ, seized by DRI, Gandhidham, and how was he going to arrange the funds, he stated that M/s Global, Chennai did not have so much balance/fund, and that he will convince his associates and the actual importers about the same and thus the funds would be arranged, and transferred to their accounts for meeting the payments of due for release of the consignment.

**29.** During his statement dated 20.10.2022(**RUD-33**), Shri D. Suresh, interalia stated that:

- i. In his previous statement dated 15.10.2022, he had stated that Shri Devendra offered him a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham; that Shri Devendra told that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and he had to only pay money for purchasing cost of goods and all other misc. expenses; that the rates of purchase of Areca Nuts were fixed at USD 2500 /MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per KG. He had also stated that Shri Devendra had collected amount of around Rs. 1.08 Crore from him towards purchasing cost of goods, warehousing charges, clearance charges etc. Similarly, in another statement dated 15.10.2022, he had stated that Shri Devendra advised you for clearance of goods from KASEZ. On being asked if the said facts as stated by him were correct, he stated that all the said facts were correct. He stated that he wanted to clarify that initially Shri DDN Reddy had suggested that it was easier to clear goods from Kandla SEZ and during the same meeting while offering the business opportunities of importing Areca Nuts, Shri Devendra had mentioned to do clearance of goods from Kandla SEZ, Gandhidham. Shri Devendra had assured that whoever invested money at the rate of USD 2500/MT in connection with importin Areca Nut, would get profit of Rs.

450/- per Kg. The profit of Rs. 450/- per Kg. was available for the investor who had to pay money for importing/purchasing of Areca Nuts from the overseas supplier. The amount of Rs. 1.08. Crore, which was paid by him through M/s Global Enterprises to Shri Devendra was part of Rs. 1.16 Crore received by him in M/s Global Enterprises from Shri Sattar.

- ii. On being asked as to when did Sattar and Kunjila Kutty came into picture for investing money to import Areca Nut, he stated that he had known Shri DDN Reddy and Shri Sattar since long, but they were not familiar to each other. He had introduced Shri DDN Reddy to Shri Sattar in connection of proposal of importing Areca Nuts from Shri Devendra as Devendra and DDN Reddy were close to each other. Around three months earlier, Shri Kunjilla Kutty had come to him with reference from his friend circle and he wanted to invest money to purchase/import Areca Nut. Shri Kunjilla Kutty had assured that he would pay up the amount after clearance/delivery of the goods.
- iii. On being asked that whether shri Devendra Yadav placed orders for purchase/import of Areca Nut from overseas suppliers, he stated that as far as he knew, Devendra Yadav did not place orders for purchase/import of Areca Nut from overseas suppliers. Shri Sattar was the one who had done it.
- iv. On being asked who was the contact person from the overseas supplier side, he stated that he was not aware of the same. Shri Sattar and Shri Kunjilla Kutty could reply to that.
- v. On being asked as what was the role of him and Shri Vijay Kathirvelu in the entire episode, he stated that Shri Vijay Kathirvelu had arranged IEC for importer firm in the case i.e., M/s. Global Enterprises which was in the name of his brother Shri Jayavelu Kathirvelu who was a patient of heart & liver diseases and cannot walk. Hence, entire affairs of M/s. Global Enterprises including documentation, billing, accounting, payments etc. were looked after by Shri Vijay Kathirvelu. Since the instant import was made in M/s. Global Enterprises, all related activities were done by Shri Vijay Kathirvelu. He allowed IEC of M/s. Global

Enterprises to be used for import and clearance of areca nuts. He was having good and old relations with Shri DDN Reddy and Shri Sattar. So, he coordinated among Shri DDN Reddy, Shri Sattar, Shri Devendra and other related persons. He received money from Sattar and paid to Shri Devendra towards purchase of subject goods, transportation, clearance, storage, insurance etc.

- vi. On being asked that what was his benefit in the subject case and whether he had received any amount from this import/deal, he stated that he, Shri Vijay Kathirvelu, Shri Altaf and Shri Dhanraj were to get total margin money @ Rs. 40/- Kg. (around 8.80 lakh each @ Rs. 10 /- per Kg. each) after clearance of the consignment. Since the consignment was not delivered to the final destination in Nagpur and was intercepted warehoused in Delhi godown at AG 56, Sanjay Gandhi Transport Nagar, he had not received any money except they had deducted towards misc. expenses from the said 1.16 Cr. (the amount which was paid by Shri Sattar from account of M/s JB Traders to them for onward payment to Shri Devendra).
- vii. On being asked that in his previous statement he had stated that he had deducted his margin of Rs. 40/- per Kg. and the balance amount was transferred to Devendra's account, he stated that he had received Rs. 1.16 Crore from Shri Sattar through M/s JB Traders, out of which total 1.08 Crores were paid by him to Shri Devendra in the bank accounts of different firms as told by Shri Devendra and Shri Reddy.
- viii. On being asked whether he was aware of the bank details of Shri Devendra, he stated that Shri Devendra directed him to deposit in the bank account of M/s Volg Exim and M/s Knitfab Creation. He stated that the details of the said bank accounts were not available with him.
- ix. On being asked about his Whatsapp Chat conversations between with Shri Mohan Raj, which he explained in his statement dated 18.10.2022 that on 10.10.2022, 6.35.55 PM, he had provided location of godown where the subject goods were to be diverted as "Village-Khedkidhola, Near Bewrrha Chowk, Gurgaon, Haryana, Landmark-Sonu Dharm Kanta'. Whereas, there was a message from Shri Mohan Raj on

12.10.2022, 9.27.41 PM which he explained in his statement dated 18.10.2022 that Mohanraj told him another address “khedakala,omdharam kata” where the goods were to be unloaded. Whereas the goods were actually unloaded from the four trucks at godown at AG 56, Sanjay Gandhi Transport Nagar, Delhi. On being asked that what was the reason for such variation in locations shared on WhatsApp and location at which the goods were actually unloaded, he stated that the location of unloading of subject goods cleared from KASEZ vide B/E No. 2010413 and 2010414 both dated 08.09.2022 was decided by Shri Devendra and Shri Sattar. It was possible that they both decided different locations as per their convenience and shared the same to concerned persons which created communication gap. The goods were finally unloaded at godown no. AG 56, Sanjay Gandhi Transport Nagar, Delhi.

- x. On being asked that what was the full name of Sattar/Sathar, he stated that he was not aware and he was known as Sattar/Sathar.

**30.** During his statement dated 21.10.2022(**RUD-34**), Shri Vijay Karthivelu, interalia stated that:

- i. On being asked that how were the obligations required against the duty foregone imported goods at KASEZ were planned to be fulfilled, he stated that the time limit for furnishing the BRC was liberal and sufficient time was granted which was of sixty days and may be extended further by the SEZ as per law. For their consignments, the movement as well as documentation part was handled by Shri Devendra Yadav of Delhi as he had assured, hence they had no idea as to how he was going to manage the documents for warehousing or clearances for export.
- ii. On being asked if he knew Ashok Gupta, Kapil Sharma or Ranveer Singh Sandhu/Luthra or Gullu, he stated that he did not know any of those persons.
- iii. On being asked if he had seen the Letter of Authorisation issued by KASEZ to M/s Varsur Impex Pvt. Ltd., for what purpose the Areca Nut was imported by him and whether any value addition or process were initiated to be carried out on the stock, he stated that he had not seen

the LoA issued by KASEZ to M/s Varsur and in his understanding they were only trading the import goods and not carrying out any process on the imported stock.

- iv. On being asked if he found any anomalies in the stated facts of Shri D. Suresh in his statements, he stated that being associated with the Customs Procedure and known with the other associates since long, Shri D. Suresh knew better about the dealings and all transactions carried out in the matter and that he did not find any anomalies in the facts stated by Shri D. Suresh.
- v. He further stated that He had issued DDs as listed in the statement dated 21.10.2022 of Shri D. Suresh, against the diversion of the subject goods from KASEZ to DTA for payment of Customs Duty and assured that he will deposit the further dues whenever the demand was raised.

**31.** During his statement dated 21.10.2022(**RUD-35**), Shri D. Suresh, interalia stated that:

- i. On being asked what was the role of Shri Ashok Gupta in the instant case, he stated that he did not know the said person and his role in the instant case.
- ii. On being asked as to whether he or Shri Vijaykumar Kathirvelu had applied for supply to Bonded Warehouse of CWC, at Okhla, Delhi with respect to goods cleared from KASEZ vide B/E No. 2010413 and 2010414 both dated 08.09.2022, he stated that neither he, nor Shri Vijaykumar Kathirvelu had done so. It was Devendra Yadav who planned to clear the goods from KASEZ to DTA in guise of supply to Bonded Warehouse. The goods were imported in the name of IEC of M/s. Global Enterprises he was allowed by Shri Vijaykumar Kathirvelu, Authorised Signatory of this importer firm to import and deal with goods in this firm. Since the goods covered under B/E No. 2010413 and 2010414 both dated 08.09.2022 and 2010974 dated 20.09.2022 were cleared from SEZ to DTA and /or intended to be cleared from SEZ to DTA in guise of supply to Bonded Warehouse, there was instance of Duty liability against such supply in terms of Section 30 of SEZ Act, 2005 read with provisions of Customs Act, 1962. Hence, M/s. Global Enterprises had paid

Customs Duty as mentioned below towards its Duty liability arising out of such supply from SEZ to DTA.

S.No.	B/E No. and Date	Challan No. and Date	Duty Paid (Rs.)
1	2010413 dated 08.09.2022	311 dated 21.10.2022	10560993
2	2010414 dated 08.09.2022	312 dated 21.10.2022	10560993
3	2010974 dated 20.09.202	311 dated 21.10.2022	4961484
		Total	26083470

He provided the copy of Demand Drafts and Duty payment Challans duly signed by him and Shri Vijay Kathirvelu. He assured that they will pay up rest of Duty liability, if any against the above supply and will provide the payment particulars within 15 days.

- iii. On being asked how could they make payment of Duty considering the diversion as supply to DTA when no Ex-bond bill of entry was filed and the goods were having rejection report of FSSAI and PPQ compliance was also required, He stated that the payment of Duty had been made voluntarily and they will get the goods re-tested from FSSAI before DTA clearance after getting provisional release of the same as per provisions of Customs Act, 1962. The PPQ compliance was already made in this regard and they file Ex Bond Bill of Entry at the time of final clearance.

**32.** In his e-mail dated 17.10.2022(**RUD-36**), in response to the summon dated 15.10.2022, Shri Nawaz Khan Chaudhary, Authorised Signatory of M/s Varsur Impex Pvt. Ltd., KASEZ submitted that due to bad health he was unable to appear against the summons and assured that he will join investigation as soon as possible, while submitted the following facts: -

- i. That being the authorized signatory of the Varsur Impex Pvt Ltd he was responsible for all kind of operations of the company at KASEZ and he was aware about his obligations as a unit holder and he had ensured TO

COMPLY WITH THE SAME IN LETTER AND SPIRIT. As a matter of normal practice, he dealt with all his clients on mail and after satisfying himself on the basis of KYCs documents etc, he used to enter into a proper agreement with the Indian or foreign clients.

- ii. That with M/s Global Enterprises also, after due diligence, he entered into an agreement for warehousing their imported consignment consisting of 5 containers of areca nuts and rendering allied services such as customs clearance, dealing with shipping line, PQ, FSSAI, loading and unloading etc. After entering into an agreement with M/s Global Enterprises, they raised the invoice for Advance Security deposit and processing fees for TP, DO etc and only after transfer of funds into our account against invoices they proceeded with the clearance part.
- iii. Since warehousing was of sensitive items, he took all necessary precautions with regard to submission of all KYCs and other related documents with Customs Authorities at KASEZ. After receipt of letters dt 05.09.22 and 08.09.22 issued by the Office of Air Cargo Custom Export , New Customs House, New Delhi for removal of goods covered under bill of entry no 1012510 dt 13.08.22 and 1012509 dt 13.08.22 and 1013613 dt 31.08.22 of M/s Global enterprises from our warehouse at KASEZ to CWC warehousing, at New Delhi, He called the officers in the Bond Section of Air Cargo Export New Delhi at their landline Number and enquired about the subject letters and only after verbal confirmation from the officer, he submitted these letters along with other documents to the Customs Authorities at KASEZ for processing.
- iv. Original letters were sent to him by the importer through his delivery boy Mr Ashok Kumar whose mobile no. was 9625810275. Their security staff also made his video for record. As a matter of precaution, he made it clear to the importer Mr Veluyer Kathriru Mobile No 8220032169, that he will submit the request with the Customs Authorities at KASEZ for removal of their consignment from our warehouse at KASEZ to CWC, New Delhi only either he or his authorized persons visit Gandhidham and on his insistence, Mr Vijaya Kumar Mobile No 9176886611, Guna Sundri Mobile No 9791164322 and one more person visited their



warehouse in KASEZ. Only after taking due precautions as mentioned above, they submitted the request with the Customs authorities seeking orders for removal of the goods to CWC Warehouse in Delhi with regard to 5 containers.

- v. Though in case of zone to Bond removal, the consignments were in custody of Customs and customs property, yet initially he booked trucks through his own transporter so that he can ensure safe delivery of consignments at CWC Warehouse, New Delhi, but importer insisted that he will use his own transporters, so he had to cancel the trucks booked by him for which the transporter had raised the bill on Varsur Impex.
- vi. Since he wanted to ensure the safe passage and delivery of the consignments at CWC New Delhi, he informed the local representative of the transport company Mr Surendra Choudhary Mobile No 9828873697 that the consignments on 4 trucks provided by his company are destined for CWC Warehouse , B13 to 15, Okhala Industrial Area, Phase 1, New Delhi only through WhatsApp message and call also. Since he did not receive confirmation about the delivery of consignment of 4 trucks at CWC New Delhi, his staff member followed up with the truck drivers and with Mr Kapil, so called owner of transport company on 13.10.22 and every one gave different versions.
- vii. Since they were concerned about safe delivery of consignments at CWC New Delhi, he called Mr Velu and asked him that he will process the 5th container if only his person is available in Gandhidham. Then Mr Vijay came to Gandhidham around 12-13th and he ensured that he remained here by the time he got confirmation about delivery of 4 trucks at CWC, New Delhi and release of 5th container.
- viii. Since He did not get the confirmation either from trucks owner, or CWC about delivery of 4 trucks left from our warehouse on 6th, he intentionally delayed the process of clearance of 5th containers despite constant pressure from the importer for early clearance. He regularly enquired from importer also about status of 4 trucks. They also insisted through Mails that they will clear the 5th consignments till their all invoices were paid. Since, balance amount of Rs 3.95 lacs was unpaid,

and confirmation was not received, they did not hand over the customs clearance documents to the truck driver.

- ix. Meanwhile DRI put the truck no HR55S5421 on hold so their security supervisor Mr Shiva handed over customs documents to the DRI Officers on the spot. Mr shiva further assisted the DRI officers to locate Mr Vijaya and his associate at Hotel Neemaya, Gandhidham, identify them and hand over to DRI on 15th night itself without any loss of time.

**33.** The officers of DRI Sub Regional Unit, Madurai, on 15.10.2022 visited the address of Shri Ashok Gupta at No. 1-46, Nthanapati(R, V) AND (TP), Ward-2, Theni, Christlin Street, Hanumathanpatti, Madurai-626533, Tamil Nadu, however, it was gathered that no such address existed at the village Hanumathanpatti, and no such person by the name of Ashok Gupta was living in the village(**RUD-37**).

**34.** During his statement dated 03.11.2022(**RUD-38**), Shri D. Suresh, interalia stated that:

- i. On being asked about the bank account details of his wife, he stated that he forgot to provide the bank details of his wife along with bank statements of his 4 accounts.
- ii. On being asked to provide the bank account nos. of M/s Volg Exim and M/s Knitfab Creation as assured by him in his statement dated 20.10.2022, he stated that he would provide the same within 3 days.
- iii. On being asked regarding payment of remaining amount of Customs Duty in respect of consignments covered under B/E No. 2010413 and 2010414 both dated 08.09.2022 and 2010974 dated 20.09.2022 he stated that he would try to make payment of the same at the earliest
- iv. On being asked about the address of Shri Kunjilla Kutty, Shri Devendra Yadav and Shri Ashok Gupta, he stated the same could not be traced out by him despite making efforts in this regard.
- v. On being shown the printouts of the e-mails/letters dated 15.10.2022, 17.10.2022 and 29.10.2022 of KASEZ warehousing unit M/s Varsur Impex Pvt. Ltd., he stated that most of the facts mentioned in the said

emails/letters of M/s. Varsur Impex Pvt. Ltd. regarding him, his firms and the subject consignments were not correct that Guna Sundari never visited KASEZ; that they did not insist to use our own transporter and the transportation was arranged by Shri Devendra Yadav or Shri DDN Reddy; that he and Shri Vijaykumar came to Gandhidham on 08.10.2022 and not on 12th or 13th Oct, 2022; that the diversion of subject consignments from KASEZ to private godowns at Delhi other than the declared destination of customs bonded warehouse of CWC , Delhi , was done as per pre-planning by Shri Devendra Yadav and others and the goods were further to be delivered in Nagpur. Hence the claim of Shri N.K. Choudhary regarding diversion of the subject consignment as per directions of transporter or DRI officers, was not correct.

**35.** During his statement dated 03.11.2022(**RUD-39**), Shri Vijay Kathirvelu, interalia stated that:

- i. On being asked that what was the address of Shri Kunjilla Kutty, he stated that after 21.10.2022, he had tried to contact Shri Kunjilla Kutty but he did not respond to my telephonic call and the address of Shri Kunjilla Kutty could not be traced out, however, his efforts were continued in this regard. On being further asked about address of Shri Devendra Yadav and Shri Ashok Gupta, he stated that the same were also not available with him.
- ii. On being asked regarding payment of remaining amount of Customs Duty in respect of consignments covered under B/E No. 2010413 and 2010414 both dated 08.09.2022 and 2010974 dated 20.09.2022, he stated that they were facing financial hardship after voluntarily depositing Rs. 2.61 Crore against Duty liability of M/s. Global Enterprise in respect of aforesaid consignments diverted to DTA from KASEZ, However, he will try to make payment of remaining amount of Duty as soon as possible.
- iii. On being shown the printouts of the e-mails/letters dated 15.10.2022, 17.10.2022 and 29.10.2022 of KASEZ warehousing unit M/s Varsur Impex Pvt. Ltd., and asked to comment on the same, he stated that they were making conversations and even payment to M/s. Varsur Impex

Pvt. Ltd. through/as per directions of Shri Devendra Yadav and hence he was not aware about the terms and conditions between Shri Devendra Yadav and M/s. Varsur Impex Pvt. Ltd. as initially Shri Devendra Yadav had told that M/s. Varsur Impex Pvt. Ltd. is his own company. He was also not aware who were the actual key persons of M/s. Varsur Impex Pvt. Ltd. and what was their role in the diversion of subject consignments from KASEZ to private godowns at Sanjay Gandhi Transport Nagar, Delhi. He stated that most of the facts mentioned in these emails/letters of M/s. Varsur Impex Pvt. Ltd. regarding him, his firms and the subject consignments were not correct as per following illustrative facts: -

- His brother Mr. Jayavelu Kathirvelu (name written wrongly in email as Mr. VeluyerKathriru) had not discussed with Shri N.K. Choudhary of M/s. Varsur Impex Pvt. Ltd. as he did not know how to speak Hindi or English, neither Shri N.K. Choudhary made it clear to his brother or him that the subject consignment was to be removed from his KASEZ warehouse to CWC, New Delhi.
  - Guna Sundari never visited KASEZ.
  - They, the importer, did not insist to use their own transporter. The transportation was arranged by Shri Devendra Yadav or Shri DDN Reddy.
  - He did not come to Gandhidham on 12<sup>th</sup> or 13<sup>th</sup> of Oct., 2022, neither Shri N.K. Choudhary called his brother regarding processing of 5<sup>th</sup> container only if he was present in Gandhidham.
  - The diversion of subject consignments from KASEZ to private godowns at Delhi other than the declared destination of customs bonded warehouse of CWC, Delhi, was done as per pre planning and the goods were further to be delivered in Nagpur. Hence the version and claim of Shri N.K. Choudhary regarding diversion of the subject consignment as per directions of transporter or DRI officers, is false.
- iv. On being asked to provide his personal bank account no. at Axis Bank he stated that he forgot to provide the same and that he would submit the same within 03 days.

- v. On being asked that whether Shri Sattar had approached him for the amount of around Rs. 1.08 Crore invested by him in connection with the subject consignments, he stated that since they had already paid Customs Duty of Rs. 2.61 Crore, which was much more than the amount invested by Shri Sattar, though he discussed the matter telephonically with Shri D. Suresh, he did not approach for his amount.

**36.** Search at the premises of M/s JB Traders, Proprietor: Mohammad Muzamil Sheikh Ibrahim, House No. 207A, Near Risaldar Akhada, Plot No. HR 56, Timki Road, Mominpura, Nagpur-440018, was attempted by the officers of Nagpur Regiona Unit of DRI on 20.10.2022, however the said address could not be located by them during the said attempt.**(RUD-40)**

**37.** Search at the residence premises of Shri Abdul Sathara M, H.No. 13/294, ArangathuParambil, Onnamkallu, Kumaranellur, Wadakkanchery, Thrissur, Kerala-680590, was carried out under Mahazar dated 16.10.2022**(RUD-41)** by the officers of the DRI Cochin. Further, in continuation of the same, search at the premises of M/s Al-Shabib Trading Co., XIV 501, Near Railway Gate, Ayyappa Arcade, Wadakkanchery, Kerala-680582 was carried out under Mahazar dated 16.10.2022 **(RUD-42)** and mobile phone of Shri Abdul Sathara M, having chats related to the import of Areca Nut by M/s Global Enterprises were also resumed by the officers.

**38.** Statement of Shri Abdul Sathara M, Proprietor of M/s Al Shabib Trading Co, Ayyappa Arcade, 11/808 (New 21/451), Wadakkanchery, Trichur was recorded on 16.10.2022**(RUD-43)**, wherein he interalia stated that:

- i. He was the proprietor of AL Shabib Trading Co., having GSTIN 32AHPPA4337G1ZN and IEC 1005009376 and was doing import, export and trading of building material, furniture and food items. He used to import furniture items, mobile accessories and tools from China prior to COVID 19. Apart from aforementioned goods, he also traded in local products such as export of rice, de-husked coconut, jaggery to Dubai

prior to COVID 19. He also used to undertake commission sales for export and import inquiries he used to received, however for the past two years there were no business activity in the firm.

- ii. On being asked who were Global Enterprises and how did he get in touch with them, he stated that CHA used to give them information about importers and the goods they imported. He came to know about Global Enterprises through CHA M/s Mercury Shipping. Shri Suresh and Shri Mohan had contacted him. The mobile no. of Mohan was 8072461759 and that of Suresh was 9600052393. M/s Global enterprises was also known as Varsur Impex (GST NO. 24AAGCV7466C3Z7) as per the details provided by the CHA and as per his understanding.
- iii. On being asked that what was his business/other transactions with Global Enterprises having GSTIN 33ALDPJ1623J1ZH, he stated that he had not business transactions with Global Enterprises. However, he knew that they were dealing with the import of Areca Nut. He used to get advance information of the import from them and he used to canvass customers for sale of their goods. However, he was not successful in getting any business for them till date.
- iv. On being asked about copy of Bill of lading No. LL250803MUN10 dated 20.07.2022 belonging to M/s Global Enterprises, recovered from his records, he stated that he had received the said copy from Shri Mohan, the CHA of Global Enterprises. The bill was received for canvassing customers.
- v. On being shown the copy of 4 e-way bills belonging to Global Enterprises with place of delivery in Delhi, recovered from his records, he stated that the said e-way bills were sent to him as proof of having possession of the Areca Nut by the importer and subsequent transfer to their warehouse in Delhi. In the instant case, he was acting as an agent canvassing clients for Global Enterprises. The said e-way bills were sent to him to show the prospective buyers as proof of possession.
- vi. On being asked if he had any monetary investment or interest in Global Enterprises, he stated that he did not have any monetary interest or

investment in their business. It was his first attempt for getting business after the COVID. However, the same was yet to materialise.

- vii. On being asked about the details of the bank accounts of him or his firm, he submitted the bank statement of ICICI Bank account no. 261505000105 in the name of AL Shabib Trading Company for the F.Y. 01.04.2021 to 31.03.2022 and stated that he will submit the rest at a later time.
- viii. On being shown a chat with Shri Suresh on his mobile phone that read "Please give good news" and asked to explain the same, he stated that the chat was relating to delivery of goods pertaining to Global Enterprises, to JB Traders, a prospective client. If the sale was confirmed he was expecting a profit of Rs. 1,00,000/- from the said transaction.

**39.** Statement of Shri Anis Juned KacchiChamadiya, the beneficial owner of M/s JB Traders, Nagpur was recorded on 09.11.2022(**RUD-44**), during which he interalia stated that:

- i. He owned two proprietorship firms on his PAN-FFCPK3155N, namely M/s A.M. Trading (GSTIN:27FFCPK3155N2Z2) and M/s Lucky Fabrics (GSTIN:27FFCPK3155N2Z3). He was dealing in trading of spices, Black Pepper and Areca Nut.
- ii. On being asked how he made and received payment from his buyers, he stated that the payment was done through RTGS majorly through his Axis Bank account no. 922020004023147, HDFC Bank Account no. 59208421582034, and Kotak bank Account No. 2046289791.
- iii. On being asked how he knew M/s JB Traders (GSTIN:27ANUPI8536L1AZ4) or its proprietor -Muhammad Muzamil Sheikh Ibrahim, he stated that he was the beneficial owner of M/s JB Traders and it was operated by him in the name of his staff Shri Muhammad Muzamil Sheikh Ibrahim. Muhammad Muzamil Sheikh Ibrahim was residing at his locality for 8 years. His family had developed cordial relations with his family. Muhammad Muzamil Sheikh Ibrahim

alias was working for him as a support staff/helper for 7 years and he paid him remuneration of Rs. 9,000/- in cash on monthly basis.

- iv. On being asked that if he knew M/s Global Enterprises Chennai, he stated that Mr. Mohan and Suresh Kumar approached him on his mobile no. 9307886673 (watsapp calling) through their mobile no. 9600052392, 9600044393 on behalf of M/s Global Enterprises and after knowing the terms of the deal, he found the price suitable to him. He had ordered telephonically for 62 Tons of Areca Nut @ Rs. 450 per Kg approx. to Mr. Suresh Kumar. Further, he had made token amount of Rs. 5,00,000/- RTGS in the account of M/s Global Enterprises as provided by Mr. Mohan, dated 05.08.2022 and after that Mr. Mohan requested the rest of the amount in advance, then he had made RTGS of Rs. 30 Lakhs on 17.08.2022, again Rs. 30 Lakhs on 17.08.2022, Rs. 25 Lakhs on 18.08.2022, Rs. 12 Lakhs on 05.09.2022, Rs. 8 Lakhs on 06.09.2022 and Rs. 8,65,000/- on 06.09.2022.
- v. On being asked if it was his own money or provided by someone else, which he paid as answered in previous question, and what was the deal, he stated that it was borrowed from his 6 vendors to whom he was going to sell the Areca Nut, namely Vanita Grah Udyog, Brahmpuri, Chandrpur; Bhusan Dalal, Maskasath, Nagpur; Raju Dalal, Maskasath, Nagpur; Vinod Bhai (Kerla wale); Sohail Bhai, Itwari; and Prateek Bhai, Karkhana wale, Gittikhadan, Nagpur.
- vi. On being asked as how was the money received from the vendors, he stated that he had received the amount in cash from his vendors.
- vii. On being asked if he had received Areca Nut from Global Enterprises for the said payment, he stated that he had not received the Areca Nut against the said payment.
- viii. On being asked that how he was going to get the money back, he stated that he was going to lodge a police complaint against M/s Global Enterprises.
- ix. On being asked that whether the said payment of only for Areca Nut, he stated that the money was for Areca Nut only.



- x. On being asked if he knew Shri Abdul Sattar or M/s AL-Shabib Trading Co. Kerala, he stated that he knew Shri Abdul Sattar or M/s AL-Shabib Trading Co. due to their business of Areca Nuts. He was introduced to Mr. Mohan by Shri Abdul Sattar and he gave his mobile nos. to Shri Mohan.
- xi. On being asked that from whom they used to purchase Areca Nut through JB Traders, he stated that he purchased Areca Nut from Tango Traders, Tamilnadu, Premio Company, Nagpur and Milan Gruh Udyog, Nagpur etc.
- xii. On being asked that to whom he used to sell the Areca Nut, he stated that he used to sell the Areca Nut to Supari processing karkhana, Pan shops, Kirana Shops, and the major buyers were Shravan Mali, Gujarat; Abrar Gujrat; Lalaji Traders, Nagpur; A.M. Trading, Nagpur; and Lucky Fabrics, Nagpur.

**40.** Statement of Shri DDN Reddy ,Assistant Commissioner, Nhava sheva, Mumbai Zone-II, R/o- 5, 89th Street, 13th Sector, K.K. Nagar, Chennai-600078, was recorded on 15.02.2023(**RUD-45**), wherein he interalia stated that:

- i. On being asked, he stated that he joined in Customs in the year 1992 at Vishakhapatnam Customs House. Subsequently, in 1993, he joined Customs House Chennai. He was promoted to Appraiser in the year 2002 and as Assistant Commissioner in the year 2020. He was working at Nhava sheva, Mumbai Zone-II since June, 2021 and looking after charges of Centralized Legal Cell, Adjudication and Centralized Review Cell at the time.
- ii. On being asked, he stated that he was currently using mobile no. 9444446800 and 9600146707. On being asked about Shri D. Suresh, Shri Vijaykumar Kathirvelu and Shri Devendra Yadav, he stated that he only knew Shri D. Suresh who was a Customs Broker of Chennai but he did not know about names of his firms and his clients. Since he had worked in Chennai Customs for a period of almost 30 years, Shri D. Suresh who used to come to him to seek clarifications on some

interpretation issues, changes in the customs law and procedure etc. Sometimes, he used to call me on phone and also used to send him messages to get clarifications on Customs related issues. He did not know Shri Vijaykumar Kathirvelu and never met with him but in the month of Oct., 2022, one day Shri D. Suresh told me that his mobile phone was going to discharge due to low battery and he would call from mobile phone of his friend Vijay (full name not known to him). Thus, Shri D. Suresh told him about that Vijay. He did not know who was Devendra Yadav.

- iii. On being asked whether he was aware about M/s. Global Enterprise, Chennai, M/s. Varsur Impex Pvt. Ltd., Kandla SEZ, he stated that he did not have any idea about M/s. Global Enterprise, Chennai and M/s. Varsur Impex Pvt. Ltd., Kandla SEZ and he had not dealt with any consignment or any kind of other work relating to these two firms/companies.
- iv. On being asked whether he was asked by Shri D. Suresh or any other person regarding clearance of any consignment of Areca Nuts /Betel Nuts from Kandla SEZ, he stated that in Oct., 2022, he was in Delhi in connection with a case at Supreme Court and that time one staff of Shri D. Suresh called him and inquired about Shri D. Suresh. Thus, I tried to contact with Shri D. Suresh on his mobile number which was found switched off. So, I called friend of Shri D. Suresh viz. Shri Vijay who told him that there was DRI problem against Shri D. Suresh and himself. Immediately, he advised Shri Vijay to surrender both of them before DRI and cooperate in the investigation and to pay up the Duty, interest, penalty as pointed out by DRI. Later on, after few days Shri D. Suresh called him telephonically and informed that DRI, Mundra booked a case against him and his friend and he asked him what to do. He advised him to pay up the Duty, interest, penalty as pointed out by DRI and to cooperate fully in the DRI investigation.
- v. On being asked whether he was concerned with respect to making/collecting payment in connection with consignment pertaining to Shri D. Suresh, he stated that sometimes he used to help Shri D.

Suresh in translating conversations telephonically (Hindi to Tamil) with the concerned persons who were known to Shri D. Suresh and not known to him.

- vi. On being asked whether he was knowing persons viz. Shri Abdul Sathara, Shri Kunjilla Kutty, Shri Ranveer Singh Sandhu/Luthra, Shri Ashok Gupta and Shri Gullu he states that he did not know any person having name Shri Abdul Sathara, Shri Kunjilla Kutty, Shri Ranveer Singh Sandhu/Luthra, Shri Ashok Gupta and Shri Gullu and he had nothing to do anything with any of these persons.
- vii. On being shown copy of the following statements of Shri D. Suresh, he stated as under: -

(a) **Two Statements both dated 15.10.2022 of Shri D. Suresh:** - The facts stated by Shri D. Suresh about him were not correct as whenever met Shri Devendra Yadav, Shri D. Suresh and Shri Vijay at the said Hotel at Mumbai. Shri Suresh called me 2-3 times stating that he came to Mumbai and wanted to meet me but he was busy with my personal work and did not meet him. He was also not aware about other facts /discussion if held among them. He also never advised them to do business in Mundra. All of sudden, he called him one day and asked him what was the tariff rate of Betel Nut. He told him the tariff rates prevailing at that time. He was also not aware what was the case of M/s. Varsur Impex Pvt. Ltd. As he had already stated that he was not knowing any person having name Sattar/Sathar.

(b) **Statement dated 16.10.2022 of Shri D. Suresh:-**He did not give contact no. of Shri D. Suresh to any Devendra Yadav as he was not knowing him. As regards past consignments of Areca Nuts imported by him at Chennai, he only provided him clarifications relating to Duty calculation and specifically directed him to follow the proper procedure as per law.

(c) **Statement dated 17.10.2022 of Shri D. Suresh:-**he did not give any instruction for making payment to anyone. he only translated conversations in Hindi and Tamil. Shri D. Suresh sent him a one rupee note number to which he asked him telephonically why he was sending the same to me and he directed him to delete the same as it was not related to him in any manner. He did not know any Dhanraj and did not have any conversations with him.

(d) **Statement dated 18.10.2022 of Shri D. Suresh:** -No facts relating to him was there in the statement and hence no comments were offered.

(e) **(Statement dated 19.10.2022 of Shri D. Suresh:** -thatthe contact no. 7358428287 was not his number and he did not use facetime. He was also shown printouts of Chat conversations and related documents/images/printouts and the audio/video files were played before him on the computer system. In this regard, he stated that Shri D. Suresh used to send him audio/video files which were not relating to him and he did not listen /watch the same but deleted. He was not aware and related about the content of these audio/video files/images/printouts/documents etc. However, he put his dated signature on these printouts shown to him in token of only been seen and perused the same. he stated that the facts stated by Shri D. Suresh explaining the Chat content etc. in this statement about him, were not correct.

(f) **Statement dated 20.10.2022 of Shri D. Suresh:-**He never gave any advice to Shri D. Suresh to do business at Kandla SEZ or Mundra. He did not know who are Sattar/Sathar and Kunjilla Kutty and was not concerned with them in any manner. He had no idea about payment of Rs. 1.08 Crore mentioned in the statement and he was not concerned with such payment in any manner.

(g) **Statement dated 21.10.2022 of Shri D. Suresh:-**No facts relating to him was there in this statement and hence no comments were offered.

viii. On being shown copy of the following statements of Shri Vijaykumar Kathirvelu, he stated as under: -

(a) **Two Statements both dated 15.10.2022 of Shri Vijaykumar Kathirvelu:-** The facts stated by Shri Vijaykumar Kathirvelu about him were not correct as he was not knowing him prior to booking of present DRI case against him. He did not meet him anywhere and did not know any transporter discussed by Shri Vijaykumar Kathirvelu in his statement. He did not book any consignment through anybody and did not know who is Gullu.

(b) **Statements dated 16.10.2022 and 18.10.2022 of Shri Vijaykumar Kathirvelu:-**No comments were offered.

**(c) Statement dated 20.10.2022 of Shri Vijaykumar Kathirvelu:-**Since he was not knowing who was Devendra, the facts stated by Shri Vijaykumar Kathirvelu that he had given good reference of Devendra Yadav to Shri D. Suresh, are not correct.

**(d) Statement dated 21.10.2022 of Shri Vijaykumar Kathirvelu:-**No comments are offered as Shri Vijaykumar Kathirvelu did not mention any fact about him.

**41.** Statement of Shri Nawaz Khan Chaudhary, Authorised Signatory of M/s Varsur Impex Pvt. Ltd., was recorded on 12.07.2023(**RUD-46**), where he interalia stated that:

- i. On being asked, he stated that he had been working in the freight forwarding field relating to import/export consignments at Delhi since last 18 years. He came to Gandhidham (Kutch) in the year August, 2021, as per suggestion of one Shri Varun Tondon who posed himself as Director of M/s. Varsur Impex Pvt. Ltd., Lajpat Nagar, 424,A, 3<sup>rd</sup> Floor, Sant Nagar, East of Kailash-I, Delhi-65. Shri Varun Tondon resides in Delhi and he met him in India International Club (IIC), Khan Market, Delhi. Shri Varun Tondon offered me to supervise his warehouse activities at Kandla Special Economic Zone, Gandhidham and for exploring business development for the said warehouse. He was offered a remuneration of Rs. 40,000/- per month for which he agreed. That at the time, he was connected with following firms/companies: -

S. No.	Name of the firm/company	Designation/role in the firm/company	Business activities of the firm/company	Other Directors/Partners/Prop. of the firm/company and their Mb. No.
1	M/s. Varsur Impex Pvt. Ltd. (GSTIN 24AAGCV7466C3Z7, IEC-AAGCV7466C)	Authorised Signatory	Warehousing in KASEZ	Shri Varun Tondon, Shri Gaur Hari Maiti, Shri Rajwanshi Chauhan. Their mobile nos. and residential addresses are not readily available with me. I will provide the same within 03 days'

				time.
2	M/s. N.K. International (GSTIN –Not readily available, I will provide the same within 03 days. IEC-AHDPC3242L)	Proprietor	Trading of food commodities	Myself

No other firm/company owned/controlled/operated by him as owner/director/prop./Partner.

- ii. On being asked, he stated that his Bank Accounts were at HDFC Chawdi Bazar Branch, Delhi , Bank Account of M/s. N.K. International was at Yes Bank Dariyaganj Branch, Delhi and the Bank Account of M/s. Varsur Impex Pvt. Ltd. was at SBI KASEZ, Gandhidham, however details were not available with him.
- iii. On being asked, he stated that M/s. Varsur Impex Pvt. Ltd. obtained LOA bearing no. 01/2021-22 dated 30.04.2021 from office of the Development Commissioner, KASEZ, Gandhidham for establishing SEZ unit for undertaking authorized operation i.e., warehousing. He was authorized by the Director of M/s. Varsur Impex Pvt. Ltd. to sign /file documents, to open Bank Accounts, to issue Cheques, to represent M/s. Varsur Impex Pvt. Ltd. before any Department/agency and his statement is binding upon the company and its Directors. He used to discuss with their clients, negotiates rate and finalize deals at his own but report all business activities of M/s. Varsur Impex Pvt. Ltd. to Shri Varun Tondon. They were allotted Unit as Shed No. 168, Special CIB type, Phase-I, Sector-II, KASEZ, Gandhidham for which they are paying annual lease rent of around Rs. 18 Lakh per annum to the KASEZ authorities. He stated that there were four Guards and one Supervisor viz. Sh. Mattaparthi Shiva Rammurthy in M/s. Varsur Impex Pvt. Ltd.
- iv. On being asked, he stated that as regards warehousing activities in M/s. Varsur Impex Pvt. Ltd., that this company was carrying out warehousing of mainly Dry Dates, Areca Nuts/Betel Nuts etc. Their main clients

include overseas companies viz. M/s. Al Noor Trading, Dubai, M/s. Inter Globe Resources FZC, Dubai, UAE and local clients viz. M/s. Venus Trading, M/s. Quick Traders, M/s. Global Enterprise, M/s. Kairana Enterprises, M/s. Arise Enterprises, M/s. Shanti Impex, M/s. House N Trades for Export, etc. They charged Rs. 30,000/- per month per 40 Feet container and Rs. 20,000/- per month per 20 Feet container as warehousing charges from local clients and USD 350 to USD 400 per month per container from overseas clients. In case, any client avails warehousing services for less than one month, then full charges for full month are collected by them. On being asked, he stated that M/s. Varsur Impex Pvt. Ltd. do not have any other warehouse than that of in KASEZ.

- v. On being asked to provide the details of consignments warehoused and payment collected from M/s. Global Enterprise, Chennai, he stated that they had warehoused total 05 containers of imported Whole Areca Nuts pertaining to M/s. Global Enterprise during the period from August, 2022 to Oct., 2022. They had filed following Warehousing Bills of Entry for these consignments: -

S. No.	Bill of Lading No.	Container No.	Qty. of Goods	Warehousing Bill of Entry No. & Date
1	TGSJKTMUN0730 dated 30.07.2022	KCSU2900808	18.06 MT (actually found 16.7 MT)	1013613 dated 31.08.2022
2	LL250803MUN10 dated 20.07.2022	GESU1456514 & SEGU2127190	36 MT	1012510 dated 13.08.2022
3	LL250803MUN09 dated 20.07.2022	CXDU1934482, BEAU2343808	36 MT	1012509 dated 13.08.2022

- vi. On being asked to provide the copy of Bond furnished by M/s. Varsur Impex Pvt. Ltd. to KASEZ authorities at the time of applying for LOA, he

stated that the copy of Bond was not available with him and he will check my record and will furnish the same if available.

- vii. On being asked that when M/s. Varsur Impex Pvt. Ltd. was charging warehousing charges at the rate of Rs. 30,000/- per month per container the total warehouse charges payable should be around Rs. 3,00,000/- then why a sum of Rs. 8,75,000/- was received by us from M/s. Global Enterprises in three instances in August, 2022, he stated that apart from warehousing charges, his company also collected other charges such as loading/unloading, Labour charges, FSSAI charges, import handling charges, insurance, security charges etc. Hence a lump sum amount was received at that point of time and the final amount was to be settled at later stage which could not be done due to case booked by DRI in respect of said consignments.
- viii. On being asked to brief the entire incidents happened in respect of aforementioned consignments of M/s. Global Enterprise, he stated that in the month of July, 2022, one person who posed himself as Shri Vijaykumar Kathirvelu, Authorised Signatory of M/s. Global Enterprise, Chennai made a telephonic call to him and requested to warehouse Areca Nuts to be imported by them in the next month and he inquired about the charges. He informed him the charges and finalized the deal. Shri Vijaykumar Kathirvelu sent him KYC documents through email and also through courier.
- ix. On being asked how and by whom the agreement for warehousing was signed in respect of M/s. Global Enterprise, he stated that he sent a format of agreement through email to Shri Vijaykumar Kathirvelu who sent him the same printed on stamp paper and duly signed by his brother Shri Jayavelu Kathirvelu, Proprietor of M/s. Global Enterprises through courier and he signed the agreement on receipt of the courier. He further stated that in the last week of July, 2022, Shri Vijaykumar Kathirvelu telephonically informed him that 05 containers of Areca Nuts imported by M/s. Global Enterprises were scheduled to arrive at Mundra port in the month of August, 2022 and thereafter the shipping lines started communicating with them. They collected the advance charges



from M/s. Global Enterprises and the warehousing Bills of Entry were filed JOINTLY in the name of M/s. Varsur Impex Pvt. Ltd. and M/s. Global Enterprises with help of one Shri Ganesh Naidu of M/s. Cross Trade Links using their Login Id showing it as SELF filed Bills of Entry.

- x. On being asked, he stated that in the first week of September, 2022, Shri Vijaykumar Kathirvelu informed him telephonically that the warehoused goods were to be cleared from our KASEZ warehouse to Customs Bonded Warehouse of CWC, Okhla, Delhi and on being asked by him, he sent the concerned documents through email. On being further asked what were the documents, he stated that these documents include Bond issued by M/s. Global Enterprise, Bond Acceptance Letters issued by Deputy Commissioner of Customs (Bond) , NCH, IGI Air Port, New Delhi, Space Availability Certificate issued by CWC, Okhla, New Delhi , Insurance documents etc. They also obtained Declaration & undertaking for FSSAI inspection in Form 8 from M/s. Global Enterprise and arranged FSSAI inspection, PPQ Release Order and filed following Deemed Export Bills of Entry (with help of Shri Ganesh Naidu) showing clearance/transfer of subject goods from KASEZ to Customs Bonded Warehouse of CWC, Okhla, New Delhi:-

S.N o.	Deemed Export Bill of Entry No. & Date (SEZ to Customs Bonded W/H )	Description of goods	Qty. of Goods in KASEZ B/E	Vehicle No.
1	2010974 dated 20.09.2022	Whole Areca Nuts	16.7 MT	RJ 14 GL 9477 RJ 10 GB 4727
2	2010413 dated 08.09.2022	Whole Areca Nuts	36 MT	HR 55 S 4111
3	2010414 dated 08.09.2022	Whole Areca Nuts	36 MT	RJ 14 GG 4183 HR 55 S 5421

- xi. On being shown the FSSAI inspection report which contained the heading 'REJECTION REPORT OF FOOD IMPORT' and also reported as under: -

*"This office is not in a position to issue NOC of the product(s) mentioned above as the result(s) of the inspection / analysis shows that the sample(s)*

*do not conform to the specification (s) under the FSS Act 2006, and rules and regulations made thereunder”.*

On being asked in this regard that whether the samples of subject goods inspected/analysed by FSSAI officers failed with respect to FSSAI NOC, he stated that as per the documents produced before the FSSAI officers, the subject goods were meant for deemed export and thus they did not specify their report assuming that the subject goods were not to be cleared to DTA. In the same report, there was a remark which further explained the matter clarifying that in case the goods were to be cleared to DTA from Customs Bonded Warehouse, then the Customs Authorities should grant OOC to the consignment only after taking NOC from the FSSAI authorized officers.

- xii. On being shown the Space Availability Certificate issued by CWC, Okhla, New Delhi pertaining to the said consignments, and being asked to comment, he stated that the clearance of the subject goods were started from our warehouse on 07.10.2022. In this regard, he had been apprised that as per the aforesaid Space Availability Certificate issued by CWC, Okhla, New Delhi, these Certificates were valid till 02.09.2022 and 27.09.2022, 27.09.2022 and 02.10.2022 only. On being asked why the subject goods were cleared from our SEZ warehouse on the basis of the said Space Availability Certificate which were not valid at the time of clearance of subject goods from KASEZ, he stated that he will inquire further from CWC, Okhla, New Delhi as to whether the said Certificates were renewed. He will revert back within a week time. On being further asked whether the subject goods were cleared from KASEZ on the basis of these Space Availability Certificate of CWC, Okhla, New Delhi, he stated that it was true that the subject goods were cleared on the basis of these Certificates only.
- xiii. On being asked to provide the names of persons who approached me directly or indirectly in connection with inspection, sale/purchase or for any purpose relating to subject goods, he stated that no other person than Shri Vijaykumar Kathirvelu contacted him in this regard.

- xiv. On being asked whether Shri Vijaykumar Kathirvelu informed me the final destination of subject goods subsequent to the Customs Bonded Warehouse in Delhi and whether he had provided any other documents for this purpose, he stated that Shri Vijaykumar Kathirvelu neither informed him the final destination of the subject goods, nor he provided any documents in this regard. On being asked why did he not ask Shri Vijaykumar Kathirvelu about final destination of subject goods, he stated that he relied on the documents provided by him showing destination of subject goods as Customs Bonded Warehouse in Delhi and hence, he did not inquire about final destination of the subject goods subsequent to the Customs Bonded Warehouse in Delhi.
- xv. On being shown the following documents and asked to comment on the same:
- (a) Panchnama dated 14/15.10.2022 drawn at the premises of M/s. Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42
  - (b) Panchnama dated 14.10.2022 and 15.10.2022 drawn at the warehouse of M/s. Varsur Impex Pvt. Ltd., KASEZ, Gandhidham
  - (c) Panchnama dated 15.10.2022 drawn at my residence premises
  - (d) Statement dated 15.10.2022 of Shri Mohammad Nadeem, Driver of Vehicle No. RJ 14 GL 9477
  - (e) Statement dated 15.10.2022 of Shri Mohammad Salman, Driver of Vehicle No. RJ 14 GG 4183
  - (f) Statement dated 15.10.2022 of Shri Satyavan , Driver of Vehicle No. HR 55 S 4111
  - (g) Statement dated 15.10.2022 of Shri Navrang Singh , Driver of Vehicle No. RJ 10 GB 4727
  - (h) Statement dated 15.10.2022 of Shri Kapil Sharma, Manager of M/s. Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42

- (i) Statements dated 14.10.2022 and 15.10.2022 of Shri Ranveer Singh Sandhu, Director & Authorised Person of M/s. Volg Exim India Pvt. Ltd.
- (j) Statements dated 15.10.2022, 15.10.2022, 16.10.2022, 17.10.2022, 18.10.2022, 19.10.2022, 20.10.2022, 21.10.2022, 03.11.2022 of Shri D. Suresh, Partner of M/s. Mercury Shipping, Chennai-600001
- (k) Statements dated 15.10.2022, 15.10.2022, 16.10.2022, 18.10.2022, 19.10.2022, 20.10.2022, 21.10.2022, 03.11.2022 of Shri Vijayakumar Khatirvelu Authorized Person of M/s Global Enterprises, Chennai
- (l) Statement of Sh. Mattaparthi Shiva Rammurthy recorded on 14/15.10.2022
- (m) Statement dated 15.10.2022 of Shri Aabid Khan, Driver of vehicle bearing no. HR 55 S 5421
- (n) Seizure Memo dated 15.10.2022 alongwith Supratnama dated 15.10.2022
- (o) Seizure Memo dated 18.10.2022 alongwith Supratnama dated 18.10.2022

He stated that facts mentioned in the said documents as above, were true to the best of his knowledge. He further stated that after the clearance of the goods covered under from their warehouse at KASEZ, Gandhidham, the goods were diverted to private warehouse of M/s. Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42 instead of declared destination i.e. Bonded Warehouse of CWC, Okhla 2, B-13,14,15, Industrial Area, New Delhi-20.

S. No.	KASEZ Bill of Entry No. & Date (SEZ to Bonded W/H )	Description of goods	Vehicle No.	Qty. of Goods
1	2010413 dated 08.09.2022	Whole Areca Nuts	RJ 14 GG 4183 and HR 55 S 4111	36 MT

2	2010414 08.09.2022	dated	Whole Areca Nuts	RJ 10 GB 4727 and RJ 14 GL 9477	36 MT
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He further stated that the subject goods loaded in fifth truck bearing no. HR 55 S 5421 were also to be diverted to DTA but it could not reach Delhi as they halted the same on account of non-receipt of payment of our various charges from M/s. Global Enterprises.

- xvi. On being shown copy/printouts of some e-way bills dated 08/10/2022, 09.10.2022 and 14.10.2022 shown to be generated by M/s. Global Enterprises and appear to be pertaining to the said consignments having some of the vehicle numbers same as discussed above, and being asked whether as per these e-way bills, the subject goods were to be shipped to M/s. Global Enterprises, 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi or Chengalpattu, Tamilnadu, he stated that he was not aware whether there was any office of M/s. Global Enterprises at 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi. He was also not aware who had prepared these e-way bills. On being asked whether a SEZ warehouse did not have any access/connection to the e-way bills while giving delivery of the subject goods at the time of clearance of consignments from warehouse, he stated that they being warehouse had access to e-way bills when they arranged transportation. In the instant case, they did not arrange transportation and he was not aware who had arranged the transportation for subject goods from KASEZ to Delhi.
- xvii. On being asked that why did they mis-declare the subject consignment in the Bills of Entry filed by us with respect to the destination of the subject goods as Customs Bonded Warehouse, CWC, Okhla, Delhi whereas as per the conspiracy it was already decided that the goods were to be cleared to the private godown/ warehouse in DTA which resulted in the evasion of Customs Duty and violation of law, he stated that he was not informed by anyone that the goods were to be diverted to DTA and he relied on the documents/declarations furnished by their client M/s. Global Enterprises as per which the goods were to be dispatched to

Customs Bonded Warehouse , CWC, Okhla , Delhi and they filed the Bills of Entry accordingly.

- xviii. On being apprised that as per version of Shri D. Suresh in his statement dated 18.10.2022, he used to call for blank letters heads of M/s. Global Enterprises duly signed by Shri Vijaykumar Kathirvelu ; that these were used in preparing Consignment Bonds, making correspondence with Customs and others as if such documents were issued by M/s. Global Enterprises and being asked to comment, he stated that it was done by him as per general practice to save time as after getting telephonic approval of the content printed on such letter heads from Shri Vijaykumar Kathirvelu, he submitted/used such letters with concerned authorities.
- xix. On being shown printouts of emails dated 15.10.2022 (07.13 PM), 15.10.2022 (07.30 PM), 17.10.2022(02.23 PM), 29.10.2022 (07.14 PM), attachment 29.10.2022 etc. vide which certain letters, audio clips, documents etc were sent by him through emails, he stated that he had sent the said emails to DRI etc. to ensure security of the subject goods loaded in fifth/last truck, and to claim that they were not involved in the diversion of subject goods and thereby evasion of Customs Duty. Thus, on the basis of overheard facts, he sent these emails in hurry without verifying the facts and hence various facts mentioned in these emails are not correct. And that he was withdrawing the submissions made by him vide the said emails and attachments thereof without any fear, threat, greed or coercion.
- xx. On being asked to provide whereabouts of S/Shri Kunjilla Kutty, Shri Devendra Yadav, Shri Ashok Kumar Gupta and Shri Gullu, he stated that he did not have contact no. or address of these persons. However, as far as he recalled, Shri Ashok Kumar Gupta was concerned with their client M/s. House of Trades N Exports and that he will inquire in this regard and will revert back within a week time.
- xxi. On being asked to show the WhatsApp Chat conversations held if any, with Shri Vijaykumar Kathirvelu and other telephonic conversations with

him as discussed above, he stated that he did not bring my mobile phone with me at that day.

**Findings of Investigation:**

**42.** M/s Global Enterprises imported Arecanut as detailed above through the SEZ warehouse at Kandla Special Economic Zone (KASEZ) using Bill of Entry Nos. 1012509, 1012510, and 1013163, all dated in August 2022. The goods, initially intended for export, were cleared from KASEZ for shifting to CWC Warehouse Okhla. E-way bills generated for movement of these goods mentioned the destination address as 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi. DRI officers, upon collecting intelligence tracked a truck bearing registration no. HR 55 S 5421, outside KASEZ Gate and it was taken back inside for examination, and was found to be loaded with Areca Nut originating from M/s Varsur Impex Pvt. Ltd.'s warehouse at KASEZ.

46.1. In a parallel operation in Delhi, DRI officers intercepted four trucks bearing registration no. RJ 14 GL 9477, RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727 at the warehouse of M/s Yash Supply Chain Solutions Pvt. Ltd. The DRI team noticed that the goods i.e. Areca Nut were being unloaded from the truck bearing no. RJ14 GL 9477 at the godown of M/s Yash Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, Delhi-110042. Accordingly, the officers carried out search at the premises of the godown of M/s Yash Supply Chain Solutions Pvt. Ltd. located at AG-56, Sanjay Gandhi Transport Nagar under Panchnama dated 14/15<sup>th</sup> October, 2022. During the search proceedings, Shri Kapil Sharma, Manager, of M/s Yash Supply Chain Solutions Pvt. Ltd. confirmed that the goods de-stuffed from the remaining 3 trucks viz. RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727 were already destuffed in the basement of their godown and the destuffing of goods from truck bearing no. RJ14 GL 9477 was in progress. Shri D. Suresh, Vijay Kathirvelu, Shri Dhanraj and Shri Altaf were earning significant commission in the planned scheme of diversion of Areca nuts. Shri Vijay Kathirvelu was employee of Shri D. Suresh. Shri D. Suresh, Shri Dhanraj and Shri Altaf were directors in M/s. Future Log India Pvt. Ltd.

Investigation revealed that two acquaintances of Shri D Suresh, with whom he had past business relations also, Shri Sattar and Shri Kunjilla Kutty, had placed orders for purchase/import of subject Areca Nut from overseas suppliers. Then as per instructions of Shri D. Suresh, Shri Vijay Kathirvelu had arranged IEC of M/s. Global Enterprises for clearing these goods from KASEZ, which was in the name of his brother Shri Jayavelu Kathirvelu. By diversion, they had planned to earn commission of around Rs. 10/Kg. for Areca nut, per person for the four person i.e. Shri D. Suresh, Shri Vijay Kathirvelu, Shri Dhanraj and Shri Altaf. Shri Kunjilla Kutty had also visited, visited KASEZ warehouse of M/s. Varsur Impex Pvt. Ltd. on 08.10.2022 with Shri D Suresh and Shri Vijay Kathirvelu to enquire about clearance of subject goods.

Shri DDN Reddy (Dwarkanadha Reddy) introduced Shri D Suresh to Shri Devendra Yadav, who stated that he was having warehouse in Kandla SEZ. Accordingly the plan was made to make the clearance from Varsur Impex in Kandla SEZ. Initially Shri Devendra Yadav had told Shri D. Suresh that M/s. Varsur Impex Pvt. Ltd. is his own company. The transportation of these goods after clearance from KASEZ was also arranged by Shri Devendra Yadav in coordination with Shri DDN Reddy. Shri Gullu, Shri Ranveer Luthra and Shri Ashok Gupta were coordinating on behalf of Shri Devendra Yadav for movement/diversion of these goods. Shri Ashok Gupta also appears to be the Partner of M/s House of Trade N Exports, a firm that was also being controlled by Shri Devendra Yadav.

As per plan, the goods contained in all 05 containers cleared from KASEZ were to be diverted and unloaded at “kheda kala, om dharma kata” near Gurgaon/Delhi border. Mr. Gullu, deputed by Shri DDN Reddy was there to unload the imported goods and Shri Ranveer Luthra was also deputed by Shri Devendra Yadav/Ashok Gupta for the same purpose. However due to internal dispute, between them, Ashok Gupta, Shri Ranveer Luthra and Shri Gullu were telling the truck drivers that the goods belonged to them and due to which the drivers had to call police upon which these persons fled the spot. Accordingly as per instructions of Shri Ashok Gupta and Shri Devendra Yadav



the goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111 and covered under BE. 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II and unloaded there when DRI intercepted them. The fifth truck bearing no. HR 55 S 5421 containing goods covered under SEZ to Bonded W/H B/E No. 2010974 dated 20.09.2022 was also to be diverted in same manner as were done in respect of aforesaid 04 vehicles, however, it became late due to pending documentation and after clearance from KASEZ. It could not reach Delhi and was intercepted by the DRI officers outside KASEZ.

The conspirators as discussed above, had planned to divert the goods to a firm M/s JB Traders, Nagpur. Payment for the diverted goods was to be sent through the firm M/s JB Traders. Shri Anis Juned Kacchi Chamadiya, was prospective buyer of the diverted Areca Nut and he knew Shri Abdul Sattar A M due to their business of Areca Nut. Shri Abdul Sattar introduced him to Shri Mohan of M/s Mercury Shipping and on being contacted by Shri Mohan and Suresh of M/s Mercury Shipping, on behalf of M/s Global Enterprises, and knowing the terms of the deal, he had found the price suitable to him. He then ordered for 62 MT of Areca Nut @ 450 per Kg. approx. to Shri Suresh. He had also made payments to the account of M/s Global Enterprises to the tune of Rs. 1.18 Crore approx. against the order of the said consignments showing his complicit involvement in entire fraud. Shri Suresh admitted that their (His, Vijay's, Altaf's and Dhanraj's) profit in the diversion was Rs. 40/- per KG. After deducting the same, they had paid balance amount to Devendra's account for clearance of the goods from KASEZ.

- 43.** The Central Board of Indirect Taxes and Customs (CBIC), vide the Notification No. 84/2200-CUSTOMS (N.T.) dated 30<sup>th</sup> September 2023, had notified the Minimum Tariff Value for import of Areca Nut at USD 6853 per MT. Further, CBIC, vide Notification No. 87/2022-Customs (N.T.) dated 6<sup>th</sup> October, 2022

had notified the exchange rate of one unit of USD at Rs. 82.45. Thus, the value of total 90.34 MT of the Areca Nut imported into India by M/s Global Enterprises, as per the notifications above, is Rs. 5,10,44,796/-. Accordingly, the duty payable on the subject Areca Nut weighing 90.34 MT, on diversion of the same to DTA, is Rs. 5,61,49,276/-.

- 44.** Shri D.Suresh and Shri Vijay admitted the facts that fraudulent Bond to Bond Warehousing and diversion of Areca Nuts weighing 90.34 MTs into the domestic tariff to evade the total Customs Duty of Rs.5,61,49,276/- and when the modus operandi got revealed, Shi D.Suresh and Shri Vijay paid the portion of duty of amount Rs. 2,60,83,470/-.
- 45.** The investigation could not be completed in the stipulated time period of six months from the date of the seizure of goods due to the fact that several key persons involved in the fraud had not appeared for tendering their statements. The competent authority vide letter dated 12.04.2023 had granted the extension by a further period of six months for issuance of Show Cause Notice in respect of seized goods in terms of the first proviso of Section 110(2) of the Customs Act, 1962 as amended by the Finance Act, 2018.

**Role played by various firms/persons in the subject fraudulent diversion of the goods imported duty-free in SEZ into DTA and evasion of Customs duty:**

**46. M/s Global Enterprises:**

M/s Global Enterprises, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram, is the importer of Supari/Arecanut through SEZ warehouse Unit at Kandla Special Economic Zone imported vide Bill of Entry No. 1012509 dated 13.08.2022, 1012510 dated 13.08.2022 and 1013163 dated 31.08.2022. The Areca Nut imported as above was warehoused at the warehouse of M/s Varsur Impex Pvt. Ltd located at KASEZ. Out of the 3 import consignments the Areca Nut imported under 1012509 dated 13.08.2022 and 1012510 dated 13.08.2022 were cleared from KASEZ to Bonded warehouse, CWC Okhla by M/s Global Enterprises, under SEZ to Customs Bonded Warehouse Bill of Entry No. 2010413 and 2010414 both

dated 08.09.2022, and the Areca Nut was to be shifted to CWC Warehouse, Okhla-II, Delhi for warehousing.

However in the e-way bills generated by M/s Global Enterprises in respect of the 4 trucks carrying the goods under SEZ to warehouse Bill of Entries as above, it was noticed that the goods were headed to M/s Global Enterprises, 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi, instead of the Customs Bonded Warehouse as declared. The said Areca Nut weighing 73,520 Kgs., were then intercepted by the DRI officers at the godown premises of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, Delhi and seized vide seizure memo dated 15.10.2022.

The DRI officers intercepted one more truck outside KASEZ, Gandhidham, which was similarly intended to be diverted to DTA in guise of SEZ to Bonded warehouse transfer, and was brought back to KASEZ and the Areca Nut weighing in total to 16,820 Kgs. found loaded in the truck was placed under seizure vide Seizure Memo dated 18.10.2022 at the warehouse of M/s Varsur Impex Pvt. Ltd.

Thus M/s Global Enterprises, being the actual importer of the said goods, was required to declare the intention to clear the said goods and pay the applicable Customs Duty required to be paid on SEZ to DTA transfer of goods. However, to evade the Customs duty applicable on such transfer, M/s Global Enterprises fraudulently claimed to transfer the subject goods from KASEZ to Bonded warehouse of CWC at Okhla-II, Delhi. Further, the goods had already been rejected by the FSSAI, by testing/analysing the samples.

During the further investigation, it was gathered that the Areca Nut was imported by M/s Global Enterprises with the original intention of diverting the said goods to the local market and they never intended to transfer/export/re-export the same. The same was accepted and agreed to by Shri Vijay Kathirvelu, Authorised Signatory of M/s Global Enterprises. Thus M/s Global Enterprises had attempted to clear the subject goods, from SEZ to DTA without payment of duty, by indulging themselves in various acts of wilful

fraud, mis-statement and suppression of key facts from Customs/SEZ Authorities.

Any person, 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, is liable to penalty under Section 112(a) of Customs Act, 1962. Also, any person, 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 to, to penalty under Section 112(b) of Customs Act, 1962.

M/s. Global Enterprises by way of fraud, collusion, suppression of facts, wilful mis-statement had committed various counts of violations of Customs Act, 1962, Customs Tariff Act, 1975, CVR, 2007 etc. in respect of imports; in respect of sale/purchase of offending goods in violation of Food Safety & Standards Act, 2006, Import policy of ITC (HS) for CTH 080280/08029000 of Customs Tariff Act, 1975, provisions relating to unloading of imported goods from conveyance without supervision of proper officer, etc.; and thereby rendering the subject goods liable to confiscation under Section 111(h) and Section 111(o) of Customs Act, 1962. By their acts of said commission and omission, Global Enterprises have thus rendered themselves liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

For this fraud, they have submitted documents falsely evidencing the intention to warehouse the goods at CWC Okhla. They have submitted space certificates which were already expired. As narrated above, it is apparent that M/s. Global Enterprises have deliberately and fraudulently tried to divert the duty-free imported goods in SEZ to DTA without making payment of applicable Customs Duty and tried to evade the duty and thereby rendered the goods liable for confiscation. Since the subject amount of duty was intended to be evaded by M/s. Global Enterprises by way of fraud, suppression of facts and wilful mis-statement, M/s. Global Enterprises are also liable to penalty under Section

114 A. M/s. Global Enterprises also submitted expired space certificate of CWC, and made false declarations regarding transfer of goods to CWC Okhla, and also presented bond thereof to Customs. By such acts/omissions, M/s. Global Enterprises has rendered itself liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

**47. Shri Vijay Kathirvelu, Authorised Signatory of M/s Global Enterprises:**

Shri Vijay Kathirvelu was the Authorised Signatory of M/s Global Enterprises, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram and one of the key persons in the fraudulent attempt to divert the Areca Nut from SEZ to DTA without payment of applicable duty. He along with Shri D. Suresh, Shri Devendra Yadav and Shri DDN Reddy conspired to import Areca Nut duty-free in KASEZ, and divert the goods to DTA in guise of SEZ to Warehouse Transfer. He also worked as the translator for Shri D. Suresh, during their meeting with Shri Devendra Yadav and Shri DDN Reddy, where the proposal to import Areca Nut duty-free in KASEZ, and divert the goods to DTA in guise of SEZ to Warehouse was first put up by Shri Devendra Yadav.

He co-ordinated with Shri D. Suresh, Shri Devendra Yadav, Shri DDN Reddy, Shri Nawaz Khan Chaudhary and others, during the whole process of import, warehousing and transfer of the Areca Nut from KASEZ to the godown of M/s Yash Supply Chain Solution Pvt. Ltd. He also provided blank letterheads of M/s Global Enterprises duly signed by him to Shri D. Suresh, which were then provided to Shri Nawaz Khan Chaudhary for use in various procedures during subject transfer of Areca Nut.

In his various statements recorded between 15.10.2022 to 03.11.2022, he accepted that the Areca Nut imported by M/s Global Enterprises was originally intended to be diverted to DTA and that he alongwith Shri D. Suresh, Shri Devendra Yadav and Shri DDN Reddy had pre-planned for the same. The goods were never intended to be transferred to the Bonded Warehouse as declared by them. They had planned to unload the Areca Nut in private godowns near Delhi, from where it was to be further taken to Nagpur. He had also visited the warehouse of M/s Varsur Impex Pvt. Ltd., KASEZ for checking

the quality and position of the goods to show the buyers as proof of possession.

He was to receive commission of Rs. 10/- per Kgs. for the Areca Nut delivered in Nagpur, and he had received around Rs. 1.16 Crores in the accounts of M/s Global Enterprises from Shri Abdul Sattar for the same, out of Rs. 1.08 Crore was transferred by him as further payments to Devendra Yadav towards various charges as directed by Shri D. Suresh and Shri Devendra Yadav.

Thus, by involving himself in the said acts of commission and omission, Shri Vijay Kathirvelu has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Vijay Kathirvelu had also deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. He also submitted expired space certificate of CWC, and made false declarations regarding transfer of goods to CWC Okhla, and also presented bond thereof to Customs. By such acts/omissions, Shri Vijay Kathirvelu has rendered him liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

**48. Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping, Chennai and Director of M/s Future Logs India Pvt. Ltd.,:**

Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping, Chennai and Director of M/s Future Logs India Pvt. Ltd., is the main key person in the case as he had used his acquaintanceship with Shri DDN Reddy, Shri Devendra Yadav, Shri Vijay Kathirvelu, Shri Abdul Sattar. It is a fact on record that he had good knowledge of laws and regulations in India, as he was a Customs Broker for many years. He used his knowledge to carry out a pre-planned fraud by diverting the Areca Nut which had been imported in India without payment of duty in SEZ, to DTA without paying any Customs duty on it.

He had cleared two containers of Areca Nut at Chennai for Shri Devendra Yadav, in lieu of Rs. 1,50,000/- for each container for IEC holder M/s House N Traders, however Shri Devendra only paid Rs. 1,25,000/- for each container citing shortage in the quantity of goods and that AIFTA benefit was claimed in the both consignments. When Shri DDN Reddy asked him to do business again with Shri Devendra Yadav, he had met him along with Shri Vijay Kathirvelu, and Shri DDN Reddy

On being asked by Shri DDN Reddy, a common friend who had managed the clearance of the 2 Containers as above of Areca Nut for Shri Devendra Yadav, he had met Shri DDN Reddy and Shri Devendra Yadav in Hotel Rang Sharatha at Bandra, Mumbai. During the said meeting, Shri Devendra had offered him a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham. Shri Devendra had told that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments. He had to only pay money for purchasing cost of goods and all other misc. expenses and the rates of purchase of Areca Nuts were fixed at USD 2500 /MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per KG.

He had agreed to the said proposal and proposed to use the IEC of M/s Global Enterprises for the said import. As per his statement dated 19.10.2022, on being proposed to import the Areca Nut in the name of M/s House of Trade N Exports by Shri DDN Reddy, he himself had requested to make the import under the IEC of M/s Global Enterprises. For the same, he got the consignment bonds dated 29.08.2022 signed by Shri Vijay Kathirvelu, in place of his brother, Shri Jayavelu Kathirvelu. As stated by Shri Vijay Kathirvelu in his statement dated 16.10.2022, Shri D. Suresh had also taken his signature on 10 blank stamped letters of M/s Global Enterprises, cancelled cheques, signed invoices, packing lists and Bills of Lading. He then asked Shri Vijay to courier the same to Shri Nawaz Khan Chaudhary in Delhi.

He had also shared the credentials (Username/Password) for e-way bill portal of M/s Global Enterprises with Shri Devendra Yadav, through which the e-way bills bearing no. 511419998102, 571419997420, 501419996695, 501419995845 all dated 09.10.2022, in respect of the 4 trucks carrying the Areca Nut to Delhi, which showed place of delivery as 101 A, PLOT NO. 29, APRA plaza Rani bagh, New Delhi-34 and place of dispatch was mentioned as Road No. 11/B, Sector 11, Mundra, as stated by him in statement dated 19.10.2022

He had known Shri Abdul Sattar and Shri DDN Reddy for long. On being offered the proposal of importing Areca Nut from Indonesia through Kandla SEZ by Shri Devendra Yadav and Shri DDN Reddy, he had introduced Shri Abdul Sattar and Shri DDN Reddy in connection of the said proposal of importing Areca Nuts from Shri Devendra. He had contacted Shri Abdul Sattar for investment in the consignment of Areca Nut and received money from him through the accounts of M/s JB Traders, Nagpur, in the accounts of M/s Global Enterprises. The amount was deposited by Shri Sattar for further payment to Shri Devendra and Shri Nawaz for clearance, as stated by Shri Vijay Kathirvelu in the statement dated. The payments were made in the accounts of M/s Volg Exim India Pvt. Ltd. and Knitfab Creation Exim as directed by Shri Devendra Yadav.

He had made a cash payment of Rs. 25 Lakhs, through Hawala to Shri Devendra Yadav in connection with the subject consignment. He had also made payment in connection with subject import, warehousing, clearance, transportation of subject goods, to Shri Devendra Yadav, in various firms such as Volg Exim, Varsur, Knitfab creation, all through hawala, and had shared the details to Shri Devendra through WhatsApp. He co-ordinated among Shri DDN Reddy, Shri Sattar, Shri Devendra and other related persons. He had received money from Sattar and paid to Shri Devendra towards purchase of subject goods, transportation, clearance, storage, insurance etc. as He was having good and old relations with Shri DDN Reddy and Shri Sattar. He had made a total payment of Rs. 1.08 Crores, to Shri Devendra Yadav in the different accounts as directed.



On being asked what was the benefit of Shri D. Dwarkanadha Reddy in lieu of involving in this case and what was their deal with Shri D. Dwarkanadha Reddy, Shri D. Suresh had stated that being a friend, he did not fix or make any payment to Shri D. Dwarkanadha Reddy but he was not aware if there was any deal between Shri D. Dwarkanadha Reddy and Shri Devendra Yadav and that Shri D. Dwarkanadha Reddy was a medium for making conversations with Shri Devendra as and when Devendra did not receive call or his phone was not connected.

He was aware of the change in the delivery place of the Areca Nut, as stated by him in his statement dated, 20.10.2022, wherein he explained his chats with Shri Mohan Raj, wherein he was provided by Shri Mohan Raj the locations of godown where the goods were diverted “Village-Khedkidhola, Near Bewrrha Chowk, Gurgaon, Haryana, Landmark-Sonu Dharm Kanta”. He had further received a message from Shri Mohan Raj, informing him of another address “khedakala,omdharam kata”.

He had continuously updated the status of the consignments with Shri Abdul Sattar and Shri Kunjilla Kutty in respect to payment and delivery of the consignments and on being persuaded by them, he had visited the warehouse of M/s Varsur Impex Pvt. Ltd., KASEZ, Gandhidham on 08.10.2022 with his business associate Shri Vijaykumar Kathirvelu, to check the status of the goods, Shri Devendra had informed him that 4 containers had been cleared, and 1 would be cleared shortly.

During his statement dated 16.10.2022, he accepted that the after clearance from KASEZ, the Areca Nut were to be handed over to Shri Sattar at Nagpur. For the same, Shri Sattar had already deposited Rs. 90 Lakhs in the accounts of M/s Global Enterprises. Out of the said amount, he had deducted their margin of Rs. 40/- per Kg. and the rest was transferred to the accounts of Shri Devendra.

Throughout the process of import and diversion of the Areca Nut, he had co-ordinated between the concerned persons, by regularly checking the status of the goods by contacting Shri Devendra Yadav through the middleman Shri

DDN Reddy, and informing him of any developments on his side through the same person. He, Shri Vijay, Altaf and Dhanraj, were to receive commission of Rs. 10/- per Kg. each for the Areca Nut delivered in Nagpur.

Being a Customs Broker himself, he was well aware that the import of duty-free Areca Nut in SEZ and diversion of the same to DTA was not permissible without payment of Customs Duty as per the provisions of Customs Act, 1962 and SEZ Act, 2005, and the rules made thereunder. However, he still indulged himself in such act of wilful fraud, mis-statement, suppression of the key material facts from Customs and SEZ authorities and furnishing false/incorrect information for evasion of Customs Duty applicable on the import of Areca Nut, by importing Areca Nut duty-free in SEZ and then diverting them to DTA in guise of SEZ to warehouse transfer.

Thus, by the said acts of commission and omission, Shri D. Suresh has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri D. Suresh has also deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. He also submitted expired space certificate of CWC, and made false declarations regarding transfer of goods to CWC Okhla, and also presented bond thereof to Customs. By such acts/omissions, Shri D. Suresh has rendered him liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

**49. Shri DDN (Dwarkanadha) Reddy, Assistant Commissioner, Nhava Sheva, Mumbai Zone-II:**

Shri DDN (Dwarkanadha) Reddy, Assistant Commissioner, Nhava Sheva, Mumbai Zone-II, was a friend of Shri D. Suresh since long and he was assisting him in clearance of consignments of Areca nuts, Garments, Fabrics, Watches etc. For present consignment too, Shri D. Dwarkanadha Reddy introduced one Shri Devendra Yadav to Shri D. Suresh and also suggested that

clearance of cargo was easier from KASEZ. Shri D. Dwarkanadha Reddy shared photo of KASEZ warehouse of M/s. Varsur Impex Pvt. Ltd. to Shri D. Suresh where the subject goods were to be stored before clearance.

When Shri Devendra Yadav asked for money towards misc. charges before delivery of goods, a Hawala transaction of Rs. 25 lakh was made by Shri D. Suresh to Shri Devendra through Shri D. Dwarkanadha Reddy. Shri D. Dwarkanadha Reddy provided the address of godown for taking the delivery of the goods and as per his directions, Shri Sattar (actual investor/beneficiary owner) sent a person named Gullu to the godown in DTA for unloading of the subject goods from the trucks.

On being asked what was the benefit of Shri D. Dwarkanadha Reddy in lieu of involving in this case and what was their deal with Shri D. Dwarkanadha Reddy, Shri D. Suresh stated that being a friend, he did not fix or make any payment to Shri D. Dwarkanadha Reddy but he was not aware if there was any deal between Shri D. Dwarkanadha Reddy and Shri Devendra Yadav; that Shri D. Dwarkanadha Reddy was a medium for making conversations with Shri Devendra as and when Devendra did not receive call or his phone was not connected.

From the statements of the key persons recorded during the course of the subject investigation and the chats founds on the WhatsApp of the said persons during the statements, it appears that Shri DDN Reddy is the person, who had brought together Shri Devendra Yadav and Shri D. Suresh, two persons who are the main role players in the instant case of fraud, with whom he had been friends for long, and suggested to import Areca Nut through KASEZ, diverting it to DTA after clearing from KASEZ, without payment of any Customs Duty.

He had arranged for a meeting between Shri D. Suresh and Shri Devendra Yadav, during which Devendra Yadav offered Shri D. Suresh a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham; and that Shri Devendra had assured Shri D. Suresh that he would manage placing orders

with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and he had to only pay money for purchasing cost of goods and all other misc. expenses; that the rates of purchase of Areca Nuts were fixed at USD 2500 /MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per Kg.

Shri DDN Reddy had acted as the main conspirator in the instant case, by working as a middleman for contact between D. Suresh and Shri Devendra Yadav. He used to receive messages/updates from Devendra Yadav, including demand of money related to various charges/expenses, and forward the same to Shri D. Suresh and used forward messages/updates received from Shri D. Suresh to Shri D. Suresh. In his statement, Shri Kapil Sharma, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd, had stated in his statement dated 15.10.2022, that One person named Reddy having mobile no. 9745848100 had asked him the whereabouts of the trucks carrying the Areca Nut from KASEZ, as the drivers were not responding to him, to which he responded that the trucks were caught by Sales Tax. Shri Reddy had called the drivers claiming the ownership of the goods saying that Gullu was his man and to unload the trucks at Khera Kalan. Shri Kapil Sharma had also stated that Shri Ashok Gupta informed him that Reddy was known to him and that he will talk to him.

Thus, it appears that Shri DDN Reddy had actively managed the whole process of the instant case, from initial planning to final delivery of the goods to Nagpur. He sent Shri Gullu to the drivers of the trucks carrying Areca Nut to Delhi, and attempted to get the trucks unloaded at the place already decided by him, by claiming that he was the owner of the said goods. He was also known to Shri Ashok Gupta, who had claimed the goods and had asked Shri Kapil Sharma to warehouse the goods at his company's godown at AG-56, Sanjay Gandhi Transport Nagar.

Thus, by involving himself in the said acts of commission and omission, Shri DDN (Dwarkanadha Reddy) has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri DDN Reddy also

had also deliberately suppressed and helped persons involving in suppression the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It appears that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri DDN Reddy is also liable to penalty under Section 114AA of the Customs Act, 1962.

**50. Shri Devendra Yadav:**

Shri Devendra Yadav was a friend of Shri DDN Reddy, and also the beneficial owner of M/s House of Trade N Exports, M/s Volg Exim India Pvt. Ltd., and M/s Knitfab Creations, Delhi. He along with Shri DDN Reddy had proposed to Shri D. Suresh a plan for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham. Shri Devendra had assured Shri D. Suresh that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and Shri D. Suresh had to only pay money for purchasing cost of goods and all other misc. expenses; that the rates of purchase of Areca Nuts were fixed at USD 2500 /MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per Kg.

Shri Devendra Yadav asked for money towards misc charges before delivery of goods, and received the same through a Hawala transaction of Rs. 25 lakhs made by Shri D. Suresh and was informed of the same through Shri D. Dwarkanadha Reddy. Shri Devendra Yadav and Shri D. Dwarkanadha Reddy provided the address of godown for taking the delivery of the goods and as per his directions through Shri DDN Reddy, Shri Sattar (actual investor/beneficiary owner) sent a person named Gullu to the godown in DTA for unloading of the subject goods from the trucks.

It was Shri Devendra Yadav who had offered Shri D. Suresh a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham. All the key aspect ranging from filing of Bill of Entries, E-way bills, payment of dues to M/s Varsur Impex and other charges towards the import and clearance from KASEZ, was handled by Shri Devendra Yadav. He had asked Shri D. Suresh to not to talk to Shri Nawaz of M/s Varsur Impex Pvt. Ltd. related to any updates in the subject consignment of Areca Nut, which further confirms the fact that he is the actual mastermind behind the said fraudulent import of Areca Nut through KASEZ and diversion of the same to DTA in guise of SEZ to Warehouse Transfer.

He only required investment in his said plan, which he had devised along with Shri DDN Reddy, and for the same, he and Shri DDN Reddy had held a meeting with Shri D. Suresh and Shri Vijay Kathirvelu, and had assured them of huge profit in the said import of Areca Nut. He had also assured that all the work related to clearance and delivery would be managed by him, and he only needed investment.

All the payment made by Shri Global Enterprises in the process of import and clearance, were received by Shri Devendra Yadav. In total, an amount of Rs. 1.08 Crore were transferred to him by M/s Global Enterprises, in different accounts, some of which are of M/s Volg Exim and M/s Knitfab. He had also received Rs. 25 Lakhs through Hawala transaction. He used to communicate all his demands and confirmations through Shri DDN Reddy, to Shri D. Suresh.

Shri Devendra Yadav had arranged transportation of the goods to Delhi and he was managing the communications with the transporter, driver through Ashok Gupta/ Ranveer Singh Sandhu. Shri Devendra Yadav had asked Ranveer Singh Sandhu to handover Rs. 60,000/- for disbursing to the drivers of the trucks of Areca Nut from KASEZ, Kandal to Kapil Sharma at godown located at Plot No. AG-56, Sanjay Gandhi Transport Nagar, Delhi-42 at around 7 O'clock in the evening when he was intercepted by DRI officers. The destination

address in eway bills was mentioned as “101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi” by Shri Devendra Yadav. Further after clearance of goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111 and 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, the goods were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, as per directions of Shri Devendra Yadav, instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II, B-13, 14, 15, Industrial Area, New Delhi-20.

Thus, it appears that Shri Devendra Yadav had actively managed the whole process of the instant case, from initial planning to final delivery of the goods to Nagpur. Hence, by involving himself in the said acts of commission and omission, Shri Devendra Yadav has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Devendra Yadav has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. He also got submitted expired space certificate of CWC, and ensured submissions of false declarations regarding transfer of goods to CWC Okhla and also generated e-way bills for movement. By such acts/omissions, Shri Devendra Yadav has rendered him liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

**Shri Ashok Gupta, Partner of M/s House of Trade N Exports**

Shri Ashok Gupta, who appears to be the Partner of M/s House of Trade N Exports, sent Shri Ranveer Singh Sandhu/Luthra to the drivers of the trucks carrying Areca Nut to Delhi, and attempted to get the trucks unloaded at the place already decided by him, by claiming that he was the owner of the said goods. He also claimed to know Shri Reddy, who had claimed the goods and had sent Shri Gullu to take the truck drivers with him and unload the goods to

a private godown at Khera Kalan. He was assisting and working for Devendra Yadav in his plans to divert the imported goods into DTA without payment of Customs duty.

He had sent a person named Pandey at KASEZ who had provided the e-way bills and his mobile no. 7092814685 to Shri Kapil Sharma in respect of the 4 trucks carrying Areca Nut from KASEZ from Delhi. Further, corrected e-way bills were shared by Shri Ashok Gupta with Shri Kapil Sharma/said drivers. On his directions, the said person Pandey had paid the detention charges for non-receipt of documents amounting to Rs. 50,000/- and Shri Ashok Gupta assured him that the freight will be paid on the next day. Shri Ashok Gupta had made a payment of Rs. 2.50 lakhs to Shri Kapil Sharma/M/s Yash Supply Chain Solutions Pvt. Ltd on 10.10.2022. On his directions, Shri Pandey, who was escorting the trucks to Delhi, had transferred Rs. 1.38 Lakhs to the account of M/s Yash Supply Chain Solutions Pvt. Ltd on 12.10.2022.

Shri Ashok Gupta had sent Shri Ranveer Singh Luthra at the trucks in Manesar, claiming the goods as his own and then when another person claimed the same goods, he had asked Shri Kapil Sharma to arrange for a warehouse for the unloading and safekeeping of the said Areca Nut. He had assured Shri Kapil Sharma of payment in respect of warehousing, unloading and other misc. charges for the said Areca Nut.

From the facts discussed above, it appears that Shri Ashok Gupta, who was a partner in M/s House of Trade N Export, and possible known person of Shri Devendra Yadav, was involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer.

Thus, by involving himself in the said acts of commission and omission, Shri Ashok Gupta has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Ashok Gupta has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ



to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. Shri Ashok Gupta also had also deliberately suppressed and helped persons involving in suppression the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It appears that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Ashok Gupta is also liable to penalty under Section 114AA of the Customs Act, 1962.

**51. Shri Mohan Raj of M/s Mercury Shipping:**

Shri Mohan was an employee of M/s Mercury Shipping Chennai and involved in the case as a beneficiary and co-ordinator who had been involved into sharing of key details of the consignment and other related work.

Shri Mohan along with Shri Suresh Kumar, had approached Shri Abdul Sattar AM for investment in the consignment of Areca Nut. Shri Mohan had forwarded him the copy of the Bill of Lading of the subject consignment and asked him to invest in the said consignment promising him commission of around Rs. 1 lakh, as stated by Shri Abdul Sattar AM in his statement dated 16.10.2022.

On being introduced to Shri Anis Juned KacchiChamadiya of M/s JB Traders, Nagpur, by Shri Abdul Sattar, Shri Mohan had explained the terms of the deal to Shri Anis of M/s JB Traders and offered Areca Nut at Rs. 450/- per Kg., below the notified Tariff Rate prevalent at the time. He also provided Shri Anis Juned KacchiChamadiya the bank details of M/s Global Enterprises, through which payment was made by M/s JB Traders to M/s Global Enterprises, for the order of 62 MT of Areca Nut. In his statement dated 09.11.2022, Shri Anis Juned KacchiChamadiya, beneficial owner of JB Traders has stated that Shri

Mohan had requested the payment in advance, for which he had made payment of around 1.18 Crores.

Shri Mohan had also co-ordinated with Shri Sattar and Shri Gullu, and had forwarded the details of the private godowns and contact no. of Shri Gullu to Shri Vijay Kathirvelu and Shri D. Suresh, wherein the address where the goods were to be unloaded was mentioned, such as “as “Village-Khedkidhola, Near Bewrrha Chowk, Gurgaon, Haryana, Landmark-Sonu Dharm Kanta” and “khedakala,omdharam kata”.

From the above, it appears that Shri Mohan Raj was wilfully and knowingly involved in the subject case of fraudulent diversion of duty-free goods imported in SEZ to DTA in guise of SEZ to warehouse transfer.

Thus, by the said acts of commission and omission, Shri Mohan Raj of M/s Mercury Shipping has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Mohan Raj has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It appears that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Mohan Raj is also liable to penalty under Section 114AA of the Customs Act, 1962.

## **52. Shri Abdul Sattar AM**

Shri Abdul Sattar A M, also mentioned as Kochi Sathar/Sathar/Sattar in the aforementioned paras, is the proprietor of AL Shabib Trading Co., having GSTIN 32AHPPA4337G1ZN and IEC 1005009376. On being informed by Shri D. Suresh regarding the import of Areca Nut through KASEZ and the requirement of investment, he had contacted Shri Anis Juned KacchiChamadiya, the beneficial owner of M/s JB Traders, Nagpur for the

investment in the said consignment. He had arranged for the investment in the said Areca Nut from Shri Anis Juned KacchiChamadiya, the beneficial owner of M/s JB Traders, Nagpur, as he was known to him, both of them being involved in the trading of Areca Nut.

Shri Sattar had contacted the seller of said consignment of Areca Nut in Indonesia and had placed the orders for the same. He had then arranged for the transfer of Rs. 1.16 Crores from the account of M/s JB Traders, Nagpur, to the account M/s Global Enterprise, which was then utilised by M/s Global Enterprises to further payments to Shri Devendra Yadav through DDN Reddy, against various charges related to warehousing, clearance, insurance etc. It is apparent from the statements recorded in the case, that Shri Sattar had sent Shri Gullu, at the trucks of Areca Nut in Manesar, and had planned to unload the trucks at 'Khera Kalan, Om Dharm Kanta', instead of the CWC Warehouse, Okhla-II, Delhi.

Thus, it appears that Shri Abdul Sattar AM, proprietor of AL Shabib Trading Co., having GSTIN 32AHPPA4337G1ZN and IEC 1005009376, was actively involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer.

Thus, by involving himself in the said acts of commission and omission, Shri Abdul Sattar AM has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Abdul Sattar AM has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It appears that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Abdul Sattar AM is also liable to penalty under Section 114AA of the Customs Act, 1962.

**53. M/s JB Traders**

M/s JB Traders, Near Risaldar Akhada, House No. 207 A, Ploe Not. HR 56, Timki Road, Mominpura, Nagpur whose beneficial owner is Shri Anis Juned KacchiChamadiya, is the actual buyer of the Areca Nut imported in the subject consignment after diversion into DTA. During his statement recorded on 09.11.2022, Shri Anis Juned KacchiChamadiya had stated that he had known Shri Abdul Sattar A M due to their business of Areca Nut. Shri Abdul Sattar introduced him to Shri Mohan of M/s Mercury Shipping by Shri Abdul Sattar, and his number was given to Shri Mohan by Abdul Sattar.

On being contacted by Shri Mohan and Suresh of M/s Mercury Shipping, on behalf of M/s Global Enterprises, and knowing the terms of the deal, he had found the price suitable to him. He then ordered for 62 MT of Areca Nut @ 450 per Kg. approx. to Shri Suresh. He had made payments to the account of M/s Global Enterprises to the tune of Rs. 1.18 Crore approx. against the order of the said consignment.

It appears that M/s JB Traders was involved in the said illegal import of Areca Nut and diversion, as they had agreed to buy imported Areca Nut below the tariff rate as notified by the Customs Act, 1962, prevalent at the time. Hence it is clear that Shri Anis Juned KacchiChamadiya and M/s JB Traders were aware of the fact that the Areca Nut is to be delivered to him through illegal means. Even after being aware of the fact, Shri Anis Juned KacchiChamadiya and M/s JB Traders, indulged themselves knowingly, in the import of Duty-free Areca Nut in SEZ and diversion of the said Areca Nut into DTA without paying the Customs Duty on it. Even before clearance of goods, they were sending money to Global Enterprises for making various payments related to clearance of goods. It appears that they were a part of the fraudulent diversion of Areca Nuts.

Thus, it appears that M/s JB Traders, Nagpur, were involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer and has benefitted from the said

diversion and evasion of Customs Duty. By their acts of said commission and omission, M/s Varsur Impex Pvt. Ltd have rendered themselves liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

As narrated above, it is apparent that M/s JB Traders, Nagpur were involved in an act in which they had deliberately and fraudulently tried to divert the duty-free imported goods in SEZ to DTA without making payment of applicable Customs Duty and tried to evade the duty and thereby rendered the goods liable for confiscation. It appears that they have made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, M/s JB Traders, Nagpur are also liable to penalty under Section 114AA of the Customs Act, 1962.

**54. M/s Varsur Impex Pvt. Ltd.**

M/s Varsur Impex Pvt. Ltd., KASEZ, Gandhidham, whose Authorised Signatory is Shri Nawaz Khan Chaudhary, is the warehousing unit in KASEZ where the Areca Nut imported by M/s Global Enterprises was warehoused. Shri Nawaz Khan Chaudhary had known Shri Devendra Yadav, as all the payments related to various charges to M/s Varsur Impex Pvt. Ltd. was made by Shri Devendra Yadav. The warehousing unit M/s Varsur Impex Pvt. Ltd., appears to be selected by Shri Devendra Yadav, for the warehousing the Areca Nut.

M/s Varsur Impex Pvt. Ltd., through their authorised Signatory, Shri Nawaz Khan Chaudhary had claimed that they were not involved in the said fraud, however, all the facts as stated by the persons who had recorded their statements during the investigation in the instant case and facts gathered during the course of investigation, have made it apparent that M/s Varsur Impex Pvt. Ltd., and Shri Nawaz Khan Chaudhary, being the Authorised Signatory of the warehousing unit, were involved in the said fraud from the planning stages of the said import of Areca Nut, as they had received payment related to the various expenses from Shri Devendra Yadav well in excess of what was their legal dues.

M/s Varsur Impex Pvt. Ltd., had cleared the goods to the DTA from KASEZ, even when the FSSAI had rejected the Areca Nut in their reports. Further, the space availability certificate provided by CWC Warehouse, Okhla-II, Delhi had expired before the said good were cleared from KASEZ, still Shri Nawaz Khan Chaudhary had cleared the said goods from their warehouse in KASEZ without verifying if the goods were eligible for SEZ to warehouse transfer or not.

Thus, M/s Varsur Impex Pvt. Ltd. and Shri Nawaz Khan Chaudhary failed to notify the Customs or the SEZ Authorities in respect of the said fraudulent transfer of duty-free goods imported in SEZ and intended to be diverted to DTA, in guise of SEZ to warehouse transfer, on the basis of invalid space availability certificate, which was their responsibility, being a warehousing unit in KASEZ. In their e-mails, they had also incorrectly alleged that the DRI officers had escorted the trucks and got the goods unloaded at the godown of M/s Yash Supply Chain Solutions Pvt. Ltd, a fact which was nowhere stated by the drivers of the trucks, or Shri Ranveer Singh Sandhu/Luthra, or Shri Kapil Sharma, thus proving that they had tried to mislead the investigation by stating false and incorrect facts.

Devendra Yadav has mentioned to D.Suresh that clearance has to be done from Varsur Impex in KASEZ. He had claimed that he will ensure smooth clearance without any hurdles and had also claimed that it was his warehouse. He also allowed use of own vehicles by the importer for movement of the goods to CWC Okhla to facilitate diversion of goods.

Thus, it appears that M/s Varsur Impex Pvt. Ltd, was involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer and has benefitted from the said diversion and evasion of Customs Duty. By their acts of said commission and omission, M/s Varsur Impex Pvt. Ltd have rendered themselves liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

As narrated above, it is apparent that M/s. Varsur Impex Pvt. Ltd were involved in an act in which they had tried or helped to deliberately and fraudulently divert the duty-free imported goods in SEZ to DTA without

making payment of applicable Customs Duty and tried to evade the duty and thereby rendering the goods liable for confiscation. It appears that they have made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect away bills for movement of goods. For such acts and omissions, M/s Varsur Impex Pvt. Ltd are also liable to penalty under Section 114AA of the Customs Act, 1962.

**55. Shri Dhanraj of M/s Future Logs India Pvt. Ltd., Chennai**

Shri Dhanraj was a director/partner in M/s Future Logs India Pvt. Ltd., along with Shri Altaf and Shri D. Suresh. He had introduced Shri D. Suresh to Shri DDN Reddy. Shri Dhanraj in contact with Shri DDN Reddy and Shri Devendra Yadav, as evident from the fact that he had forwarded a message to Shri D. Suresh, wherein Rs. 10 note photo was shared by him, which, as explained by Shri D. Suresh in his statement dated 17.10.2022, meant that his employee Basha had had sent Rs. 3,00,000/- in cash by Havala to Shri Devendra for misc. charges of clearance, warehousing charges.

Shri Dhanraj was also co-ordinating the order placement and price negotiation of the subject consignment as evident from the documents such as Bill of Lading of Pt. Bumi IndoyaGemilang, Surabaya 60227, Indonesia No. LL250803MUN09 and LL250803MUN10 both dated 20.07.2022 issued for Whole Areca Nuts shipped from Jambi port, Indonesia to Mundra, India per vessel MV Stephanie V.2203W and Invoice No. INV-GLB008 and INV-GLB009 dated 14.07.2022, were forwarded by him to Shri D. Suresh.

Further conversation between him and Shri D. Suresh, as per statement dated 18.10.2022 of Shri D. Suresh, found on the Whatsapp of Shri D. Suresh, it was noticed that he had informed Shri D. Suresh related to payment to be made to Shri Devendra, and also provided him the location of the godowns where the goods were to be unloaded. He had got commission of Rs. 10/- per Kg. for the delivery of Areca Nut to M/s JB Traders, Nagpur.

Thus, by the said acts of commission and omission, Shri Dhanraj of M/s Future Logs India Pvt. Ltd., Chennai has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Dhanraj has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It appears that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Dhanraj is also liable to penalty under Section 114AA of the Customs Act, 1962.

**56. Shri Altaf of M/s Future Logs India Pvt. Ltd**

Shri Altaf was one of the directors of M/s Future Logs India Pvt. Ltd. He was to get commission of Rs. 10/- per Kg. for the delivery the subject consignment of Areca Nut to M/s JB Traders in Nagpur, which was imported duty-free in KASEZ and then diverted to DTA in guise of SEZ to warehouse transfer without payment of Customs Duty.

He was an active partner of Shri D. Suresh and Shri Vijay in this fraudulent diversion of Areca Nut into DTA. Thus, by the said acts of commission and omission, Shri Altaf of M/s Future Logs India Pvt. Ltd., Chennai has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. It also appears that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Altaf is also liable to penalty under Section 114AA of the Customs Act, 1962.

**57. Shri Kunjilla Kutty**

Shri Kunjilla Kutty (Mob. No. 9946231000) had contacted Shri D. Suresh as he wanted to invest into import of Areca Nut. Shri Kunjilla Kutty had also pressured them to check the quality and status of the warehoused goods, on which they had planned to visit Gandhidham. As per statement dated



18.10.2022 of Shri D. Suresh, Shri Kunjilla Kutty along with Shri Vijay and Shri D. Suresh had visited the warehouse of M/s Varsur Impex Pvt. Ltd. on 08.10.2022, and after being satisfied with the condition of the goods, he had left from there.

From the facts discussed in the foregoing paras, it appears that Shri Kunjilla Kutty, together with Abdul Sattar had purchased the said consignment from M/s Global Enterprises, as Shri Kunjilla Kutty and Shri Abdul Sattar, both had given instructions to deliver the goods to Nagpur. Shri Kunjilla Kutty had assured Shri D. Suresh that he would pay up the amount after clearance/delivery of the goods. He also visited KASEZ to check the goods status and quality.

It appears that Shri Kunjilla Kutty had knowingly and willingly involved himself in the fraudulent act of import of duty-free Areca Nut in SEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer. Thus, by the said acts of commission and omission, Shri Kunjilla Kutty has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. It appears that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Kunjilla Kutty is also liable to penalty under Section 114AA of the Customs Act, 1962.

#### **58. Shri Gullu:**

Shri Gullu, having mobile no. 89295 34762, was a person known to Shri Sattar and Shri Reddy. He was instructed by Shri Reddy and Shri Reddy to reach to the trucks carrying the Areca Nut to Delhi from KASEZ, and get the said Areca Nut unloaded at a private godown outside Delhi. As per the statements of the drivers of the 4 trucks carrying the said Areca Nut to Delhi, recorded on 15.10.2022, Shri Reddy had called them claiming that he was the owner of the goods, and Shri Gullu was his person.

Shri Gullu had called the drivers and had directed them to bring the goods to Om Dharam Kanta, Kheda Kalan, Delhi, where the Areca Nut was to be unloaded in private godowns, instead of the bonded warehouse as declared. He had met the drivers, where the goods were also claimed by one Shri Ranveer Singh Sandhu/Luthra, and when the drivers called the police, he had fled from there. Thus, it appears Shri Gullu was involved in diversion of the duty-free goods to DTA fraudulently without payment of Customs Duty.

Thus, by the said acts of commission and omission, Shri Gullu has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

**59. Shri Ranveer Singh Sandhu/Luthra:**

Shri Ranveer Singh Sandhu, was the Director and authorised person of M/s Volg Exim India Pvt. Ltd., Flat no. 169/A, QU-Block, Pitampura, DDA Flat, New Delhi. He had known Shri Devendra Yadav, as he was working for Shri Devendra Yadav for one year. The account/s of M/s Volg Exim India Pvt. Ltd. was used by Shri Devendra Yadav to receive payment from M/s Global Enterprises, in respect of the subject consignment of Areca Nut. In his statement dated 14.10.2022, he had stated that he did not know the purpose for which the said payments were deposited into the account/s of M/s Volg Exim India Pvt. Ltd., as the effective control of M/s Volg Exim was with Shri Devendra Yadav.

On instructions of Shri Ashok Gupta and Shri Devendra Yadav, he had called the drivers of the 4 trucks carrying the Areca Nut cleared from KASEZ, and had informed that trucks would be unloaded at Khedki Daula, Delhi. He had reached at the trucks carrying the Areca Nut cleared from KASEZ, which were parked at Manesar, where Shri Gullu was also present. When the drivers called the police, due to different persons claiming the goods, he had left from the location.

In addition to the above, Shri Ashok Gupta had informed Shri Kapil Sharma, that any charges towards the warehousing, unloading or any other misc. charges related to the goods warehouse at their godown, were to be cleared by Shri Ranveer Singh Sandhu/Luthra. On being directed by Shri Devendra Yadav, he had also arrived at the godown with Rs. 60,000/- for payment towards to the drivers of the 4 said trucks. He had stated in his statement dated 15.10.2022, that he had known about the duty foregone nature of the goods, however he did not inform Shri Kapil Sharma of M/s Yash Supply Chain Solutions regarding the same.

Thus, by the said acts of commission and omission, Shri Ranveer Singh Sandhu has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

- 60.** It is evident from the facts discussed above that M/s Global Enterprises had imported Areca Nut in SEZ without payment of duty, with the intention of diverting the same into DTA in the guise of SEZ to Warehouse transfer, despite the fact that the said goods were rejected by FSSAI, and that the space availability certificate issued by the CWC Warehouse was invalid having expired before the date of clearance of the goods from SEZ.

**SHOW CAUSE-**

- 61.** Now therefore, M/s Global Enterprises, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram, were called upon to show cause in writing to the Pr. Commissioner/Commissioner of Customs, Kandla having his office situated at Customs House, Kandla, within 30 days from the receipt of this notice as to why: -

- (i) the Areca Nut weighing total **90,240 Kgs.**, collectively valued at Rs. 5,10,44,796/-, imported vide Bill of Entry no.1012509 dated 13.08.2022, 1012510 dated 13.08.2022 and 1013163 dated 31.08.2022 and illegally diverted to DTA into India, should not be confiscated under Section 111(h), and 111(o) of the Customs Act, 1962.

- (ii) the Customs duty amounting to **Rs. 5,61,49,276/-** chargeable on the said offended goods removed/diverted in to DTA **(as shown in enclosed Annexure-A)** should not be demanded and recovered under Section 28 (4) of Customs Act, 1962.
  - (iii) interest at appropriate rate should not be demanded and recovered on the duty demanded at (ii) above under Section 28AA of the Customs Act, 1962
  - (iv) penalty should not be imposed upon them under Sections 112(a), 112(b), 114A and 114AA, separately, of the Customs Act, 1962.
  - (v) the Bond furnished by them against the consignments imported duty free under provisions of SEZ Act, 2005 and Rules framed thereunder but diverted as such to the domestic market, should not be enforced and security if any furnished with bond should not be encashed and appropriated towards their duty liabilities, interest thereon, fine and penalties.
  - (vi) The amount of **Rs. 2,60,83,470/-** deposited by them during the course of investigation should not be appropriated towards the duty liability against the clearance of Areca Nut into DTA.
- 62.** Now therefore, Shri Vijay Kathirvelu, Authorised Signatory of M/s Global Enterprises, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram, is hereby called upon the show cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 63.** Now therefore, Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping, Armenian Street, Armenian Business Complex, 3<sup>rd</sup> Floor, (Old No. 10), New No. 21, Armenian Street, Mannady, Chennai-600001, is hereby called upon the show cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.

- 64.** Now therefore, Shri DDN Reddy, Assistant Commissioner, Nhavasheva, Mumbai Zone-II, R/o- 5, 89th Street, 13th Sector, K.K. Nagar, Chennai-600078 is hereby called upon the show cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 65.** Now therefore, Shri Devendra Yadav, beneficial owner of M/s House of Trade N Exports, M/s Volg Exim and M/s KnitFab Creations, Delhi, is hereby called upon the show cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 66.** Now therefore, Shri Ashok Gupta, partner of M/s House of Trade N Exports, Delhi, is hereby called upon the show cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 67.** Now therefore, Shri Mohan Raj of M/s Mercury Shipping Armenian Street, Armenian Business Complex, 3rd Floor, (Old No. 10), New No. 21, Armenian Street, Mannady, Chennai-600001 is hereby called upon the show cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 68.** Now therefore, Shri Abdul Sattar A M, proprietor of AL Shabib Trading Co., Ayyappa Arcade, 11/808 (New 21/451), Wadakkanchery, Trichur, is hereby called upon the show cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 69.** Now therefore, M/s JB Traders, Near Risaldar Akhada, House No. 207 A, Ploe Not. HR 56, Timki Road, Mominpura, Nagpur, is hereby called upon the show

cause as to why penalty should not be imposed upon him under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.

- 70.** Now therefore, M/s Varsur Impex Pvt. Ltd., Industrial Shed No. 168, Special CIB Type, Phase-I, Sector-II, KASEZ, Gandhidham is hereby called upon the show cause as to why penalty should not be imposed upon them under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 71.** Now therefore, Shri Dhanraj of M/s Future Logs India Pvt. Ltd., Chennai, is hereby called upon the show cause as to why penalty should not be imposed upon them under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 72.** Now therefore, Shri Altaf of M/s Future Logs India Pvt. Ltd., Chennai, is hereby called upon the show cause as to why penalty should not be imposed upon them under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 73.** Now therefore, Shri Kunjilla Kutty (Mob. No. 9946231000), is hereby called upon the show cause as to why penalty should not be imposed upon them under Sections 112(a), 112(b), and 114AA, separately, of the Customs Act, 1962.
- 74.** Now therefore, Shri Gullu, having mobile no. 89295 34762 is hereby called upon the show cause as to why penalty should not be imposed upon them under Sections 112(a), and 112(b), separately, of the Customs Act, 1962.
- 75.** Now therefore, Shri Ranveer Singh Sandhu/Luthra, Director and authorised person of M/s Volg Exim India Pvt. Ltd., Flat no. 169/A, QU-Block, Pitampura, DDA Flat, New Delhi, is hereby called upon the show cause as to why penalty should not be imposed upon them under Sections 112(a), and 112(b), separately, of the Customs Act, 1962

## **SECTION B**

### **EXTENSION OF TIME LIMIT AS PER SECTION 28(9) OF THE CUSTOMS ACT, 1962.**

**76.** Since the show cause notice could not be adjudicated within one year from the date of show cause notice i.e. 11.10.2023 as mandated in Section 28(9)(b) of the Customs Act, 1962, the undersigned vide letter dated 19.09.2024 requested the Hon'ble Chief Commissioner, Customs, Gujarat Customs Zone to extend the time limit for another one year i.e. from 10.10.2024 to 10.10.2025. Considering the request, the Hon'ble Chief Commissioner granted the extension of one year i.e. upto 10.10.2025 in terms of first proviso to Section 28(9) of the Customs Act, 1962.

## **SECTION C**

### **PROVISIONAL RELEASE OF GOODS**

M/s. Global Enterprises vide letters dated 12.11.2022 to 20.12.2022 requested for provisional release of goods for the purpose of re-export. However, taking into consideration that the subject goods were diverted into DTA, even after being rejected by FSSAI, the provisional release of goods was not tenable for the purpose of re-export as the goods fell in the category of prohibited as well as smuggled goods. In terms of Circular No. 35/2017-Cus dated 16.08.2017, provisional release of the said goods was not allowed for the following reasons:-

- (a)** Goods were prohibited to be import in terms of FSS Act, 2006
- (b)** Goods did not fulfill the statutory compliance requirement of FSS Act, 2006 and Rules/Regulations made thereunder
- (c)** The provisional release was not in public interest as the importer diverted the goods in domestic market despite knowing that the goods were unfit for human consumption in the guise of transferring the goods to bonded warehouse. The importer indulged in the smuggling of Areca nuts to bypass the customs clearance on payment of duties of Customs in order to earn profit at the cost of human lives.

In view of the above, the provisional release of the goods was not considered and the case was taken up for adjudication.

## **SECTION D**

### **PERSONAL HEARING**

**77.** Opportunities of personal hearing was granted to all the 14 noticees on 25.07.2024, 03.09.2024, 19.09.2024/20.09.2024, 14.02.2025/17.02.2025/18.02.2025 vide this office letters dated 18.07.2024, 05.08.2024, 28.08.2024, 06.02.2025. M/s. Varsur Impex was allowed another opportunity of personal hearing on 11.03.2025 vide this office letter dated 21.02.2025, after rejecting their request of cross examination.

M/s. Global Enterprise vide letter dated 23.07.2024 sought adjournment of two weeks and vide email dated 19.09.2024 sought adjournment of another two weeks. Shri DDN Reddy vide his letter dated 22.07.2024 sought adjournment of 6 weeks for effective representation of the case.

### **RECORD OF PERSONAL HEARING-**

**78.** Shri K.Madhu appeared for personal hearing on 25.07.2024 on behalf of Shri Muralimohan Dhanraj and reiterated the submission and requested for dropping the charges.

**78.1** Shri N. Viswanathan, Advocate appeared for personal hearing on 18.02.2025 on behalf of Shri DDN Reddy, Shri D.Suresh, Shri Vijayakumar Kathirvelu and M/s. Global Enterprises and requested to drop the proceedings initiated vide SCN dated 11.10.2023 and sought some time to file the written submission on behalf of all the 4 noticees. In pursuance of the same, they filed written submission on 20.02.2025 and 01.03.2025.

## **SECTION E**

### **WRITTEN SUBMISSION**

**78.2** Apart from the above, M/s. Varsur Impex filed submission on 16.03.2025 which was received on email on 17.03.2025. Further, Shri Muralimohan Dhanraj filed his submission during the course of personal hearing on 25.07.2024. The arguments made by the respective noticees have been reproduced in the discussion and findings of this order.

## **SECTION F**

### **DISCUSSION OF EVIDENCE**

**79.** I have carefully gone through the Show Cause Notice, written submissions, Records of Personal hearing and all the evidences available on record.



- 80.** I find that intelligence was gathered by the DRI that M/s. Global Enterprises imported Supari/Arecanut through SEZ warehouse unit at KASEZ vide Bills of Entry No. 1012509 dated 13.08.2022, 1012510 dated 13.08.2022 and 1013613 dated 31.08.2022 **(RUD-1)**. The intelligence further revealed that the involved persons were trying to divert the said goods without payment of applicable custom duties on the pretext of shifting of shifting the said imported goods to a Bonded warehouse at Delhi.
- 81.** The intelligence further revealed that e-way Bills filed **(RUD-2)** in respect of the said trucks (involved in transportation of goods from KASEZ to a Bonded warehouse at Delhi), it was observed that the trucks were destined for a different location i.e. M/s. Global Enterprises, 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi, instead of the Customs Bonded Warehouse as declared. The intelligence further revealed that the subject goods were rejected by FSSAI.
- 82.** The intelligence further revealed that the subject goods were to be taken to Delhi in trucks bearing no. RJ 14 GL 9477, RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727, all covered under SEZ to Customs Bonded Warehouse Bill of Entry No. 2010413 and 2010414 both dated 08.09.2022 and that the goods were cleared from KASEZ, Gandhidham for diversion of the Areca Nut in private godowns in guise of supply to Customs Bonded Warehouse.
- 83.** I find that during the investigation, the DRI team noticed that the goods i.e. Areca Nut were being unloaded from the truck bearing no. RJ14 GL 9477 at the godown of *M/s Yash Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, Delhi-110042*. Accordingly, the officers carried out search at the premises of the godown of M/s Yash Supply Chain Solutions Pvt. Ltd. located at AG-56, Sanjay Gandhi Transport Nagar under Panchnama dated 14/15th October, 2022 **(RUD-3)**. During the search proceedings, *Shri Kapil Sharma, Manager, of M/s Yash Supply Chain Solutions Pvt. Ltd.* confirmed that the goods de-stuffed from the remaining 3 trucks viz. RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727 were already destuffed in the basement of their godown and the destuffing of goods from truck bearing no. RJ14 GL 9477 was in progress. Shri Kapil Sharma provided the documents related to the transportation of subject goods vide the above 4 trucks including deemed export Bill of Entry no. 2010413 dated 08.09.2022 and STL008 dated 20.07.2022 **(RUD-4)**. Shri Kapil Sharma informed that one person named Pandey from Mundra approached Shri Surender Singh Chaudhary, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd. for the transportation of four truckloads of areca nuts to Delhi, specifically to CWC Continental Warehouse TKD. Shri Surender Singh Chaudhary asked Shri Kapil to contact one Shri Ashok

Gupta having mobile no. 7092814685, resident of Delhi. Shri Ashok Gupta provided him the contact no. of Shri Ranveer Singh Sandhu, having mobile no. 9599893938, who asked him to park the trucks at the entrance of Manesar, Haryana.

- 84.** Shri Kapil Sharma also informed the DRI Officers that Shri Ashok Gupta asked him to break the intact seals on the four trucks and unload the goods at a secure place. Shri Ashok Gupta also informed that the delivery of the unloaded goods would be taken in future from the unloaded place. The DRI officers requested Shri Kapil Sharma to call Shri Ranveer Singh Sandhu, to which Shri Kapil Sharma called him asking him to come at the premises of M/s Yash Supply Chain Solutions Pvt. Ltd. and also to provide the payment. Shri Ranveer Singh Sandhu arrived at the premises of M/s Yash Supply Chain Solutions Pvt. Ltd at around 19.30 Hrs on 14.10.2022.

### **APPRECIATION OF EVIDENCES AVAILABLE ON RECORD**

#### **DOCUMENTARY EVIDENCE-**

- 85.** I find that M/s. Varsur Impex filed Bills of Entry for transfer of goods i.e. Whole Arecanuts from SEZ to Bonded Warehouse i.e. Central Warehousing Corporation of India, Okhla Industrial Area, Delhi [as per Rule 46(13) of SEZ Rules, 2006] on behalf of the client (Indian) M/s. Global Enterprise
- 86.** On going through the consignment note having Docket No. 5218 dated 10.10.2022 issued by Yash Supply Chain Solutions Pvt. Ltd, it is noticed that the goods i.e. 18 MTs Whole Arecanuts in 300 bags were meant to be transported to Global Enterprises, Delhi and the same has E-Way Bill No. as 561420023258.
- 87.** Further, on going through the said E-Way Bill, it is seen that the same has been generated on 09.10.2022 by M/s. Global Enterprises having GSTIN- 33ALDPJ1623J1ZH and the goods were to be shipped to 101A, Plot No. 29, Apra Plaza Rani Bagh Shakurpur Basti, New Delhi-110034 instead of their destined place i.e. Central Warehousing Corporation of India, Okhla Industrial Area, Delhi. In this regard, it is pertinent to note that in case goods are transferred to Bonded warehouse, such a movement of goods doesn't require any e-way bill. However, as and when the goods are cleared for home consumption, the same requires the generation of an e-way bill. Clearly, the intention of the noticees was to divert the goods in DTA instead of taking the goods to bonded warehouse.
- 88. Space availability certificate** dated 31.08.2022 issued by Central Warehousing Corporation, Okhla-II, New Delhi valid upto 27.09.2022.

However, the goods were taken out from the KASEZ in the month of October 2022. They have admitted in their statements also that they disregarded the Space availability certificate as the goods were meant for diversion only.

**89. Bank statement** of M/s Global Enterprise (Acc. No. 10091620207), showing the transactions dated 10.08.2022, 17.08.2022, 17.08.2022, and 18.08.2022 wherein Rs. 5 Lakh, 30 Lakh, 30 Lakh and 25 Lakh respectively were received from the account of M/s JB Traders by Shri Sattar. Shri Vijay Kathirvelu in his statement dated 16.10.2022 has admitted the receipt of such amounts. If the goods were meant for bonded warehouse in Delhi, receipt of such amounts for clearance of goods clearly establishes the fact of diversion.

**90. Various Chat Messages** showing details of bank transactions, forwarding location of address where goods to be unloaded, forwarding of Indian currency for the purpose of Hawala etc. clearly highlighting the nexus of the diversion of the Areca nuts. The chats which has been placed on record, have been admitted to be held between:-

- a. Chats between D.Suresh and Dev Dubai
- b. Chats between D.Suresh and Kochi Sattar
- c. Chats between D.Suresh and Dhanraj
- d. Chats between D.Suresh and Facetime Ddn Ready
- e. Chats between D.Suresh and Mohan Raj
- f. Chats between D.Suresh and Vijay MGR nagar Paddapai

All the above chats were retrieved from the Mobile phone of Shri D.Suresh

- g. Chat between Abdul Sattar and D.Suresh retrieved from mobile phone of Shri Abdul Sattar

### **STATEMENTS OF VARIOUS PERSONS**

**91. Shri Ranveer Singh Sandhu**, Director and authorised person of M/s Volg Exim India Pvt. Ltd., Flat no. 169/A, QU-Block, Pitampura, DDA Flat, New Delhi in his statement dated 14.10.2022(**RUD-5**), during which he interalia stated that he was working with M/s. Volg Exim India Pvt. Ltd., Flat No.169/A, QU-Block, Pitampura, DDA Flats, New Delhi since last one year and was made the acting partner of M/s Volg Exim with other sleeping partner being Mr. Mohan Bansal, who was equal partner. The firm was being managed by **Sh. Devendra Yadav**, who paid him Rs.40,000/- per month since last three months, but during first six months he was paid

Rs.20,000/- per month as salary. He admitted that he had come to the godown of M/s. Yash Supply chain Solutions, as Shri Devendra Yadav had asked him to handover Rs. 60,000/- for disbursing to the drivers of the trucks of Areca Nut from KASEZ, Kandla to Kapil Sharma at godown located at Plot No. AG-56, Sanjay Gandhi Transport Nagar, Delhi-42 at around 7 O'clock in the evening, where he found that the truck bearing no. RJ 14 GL 9477 was being unloaded. He further stated that 2 days earlier Shri Devendra Yadav informed him that the transporter will call him regarding arrival and placement of the trucks at Manesar. In the evening of that day, one Shri Kapil Sharma contacted him stating that his number was given to him by Guptaji and that trucks from KASEZ had reached at Manesar and location of Khedki Daula near Manesar would be sent for unloading. He further informed that the Ranibagh (Delhi address of M/s. Global Enterprises) was the rented address of Shri Devendra Yadav, before he joined his firm. This clearly establishes the connivance of Shri Devendra Yadav (Manager of M/s. Volg Exim) and M/s. Global Enterprises in the diversion of Areca Nuts.

**92. Shri Kapil Sharma**, Manager of M/s Yash Supply Chain Solutions, AG-56, Sanjay Gandhi Transport Nagar, Delhi-110042, in his statement recorded on 15.10.2022 (**RUD-6**), during which he interalia stated that on 5th October 2022, an individual named Pandey from Mundra approached their firm for the transportation of four truckloads of areca nuts to Delhi, specifically to CWC Continental Warehouse TKD. He further admitted that on 09.10.2022, Shri Pandey was located and made to provide the e-way bills and mobile number of one Shri Ashok Gupta as owner (7092814685) of the goods, however the e-way bills did not have current transport ID, so the trucks were further held at KASEZ. Shri Ashok Gupta provided the correct e-way bills on 10.10.2022. He further admitted that they received payment of Rs. 2.50 lakhs from Shri Ashok Gupta on 10.10.2022. He also added in his statement that Shri Pandey, who was escorting the trucks from KASEZ to Delhi, transferred further amount of Rs. 1.38 lakhs on 12.10.2022 to their account. He also admitted that the drivers informed him that different persons were claiming the goods and were asking them to bring the goods

to different locations like Khera Kalan Delhi, Ghaziabad-UP, and TKD-Delhi. Shri Ashok Gupta at 8.05 PM on 12.10.2022, informed him through message that “mere office se aapko Premji phone karenge, mai aapka number usko de raha hun, Manesar toll se vo gadio ko saath le lenge”. After 2 minutes voice message was received from Shri Ashok Gupta stating “Prem banda available nahi hai. Mai aapko apne dusre staff Ranveer Luthra ka number de raha hun.” followed by number 9599893938. However, the said Ranveer Luthra did not attend his calls.

**93.** He further stated that he had received confirmation from Shri Luthra that he had halted the trucks at Manesar Toll Plaza. On 13.10.2022, Shri Kapil sent a voice message to Shri Ashok Gupta that a person named Gullu (89295 34762) had reached at the vehicles and that Shri Luthra was not picking up Shri Kapil's calls. At 15.43 Hrs. Shri Luthra messaged him saying that he was at the trucks and would sort out the matter after talking to Shri Gupta. In the meantime, the drivers received call from one person Reddy (9745848100) who was claiming that the goods belonged to him and the truck would unload at Khera Kalan and that Shri Gullu was his concerned person. Further, an unknown person contacted the drivers claiming goods to be his own, and told the drivers that the trucks would be unloaded at Ghaziabad-UP. The drivers then contacted Shri Kapil, who then directed them to call the police. On arrival of police, Gullu, Ranveer Luthra and the unknown person fled from the location. The police advised the drivers to call their transporter as it was a sensitive area and vehicles used to get stolen.

**94.** He further admitted that he reached at the location of the trucks at 21.10 Hrs. on 13.10.2022 and escorted the trucks to their godown located at AG-56, Sanjay Gandhi Transport Nagar, Delhi. They reached the godown at 03.00 AM on 14.10.2022, and started unloading of the goods at 11.00 AM on the same day. He then contacted Shri Ashok Gupta and Shri Ranveer Luthra informing him the incidents of previous night related to various people claiming the ownership of the goods. Shri Gupta did not confirm anything, however he confirmed that he knew the person named Reddy and that he would talk to him. Further Shri Gupta confirmed that

Shri Ranveer would pay for the miscellaneous problem, unloading charges, detentions charges and godown charges.

**95.** He also admitted that at the time of booking he was informed by Shri Pandey that the goods would be unloaded at CWC Continental Warehouse, TKD, however Shri Pandey left the trucks in Jaipur. Various people claimed the ownership of the goods in the meantime and asked the goods to be unloaded at different places. However, Shri Ashok Gupta had asked him to keep the goods at a secure place and told that he would pay for the charges towards unloading charges, detentions charges and godown charges. No contract or agreement in this respect was made between him and Shri Gupta, as Shri Gupta had assured the said charges.

**96. Shri Mohammad Nadim**, driver of the truck bearing no. RJ14 GL 9477, in his statement recorded on 15.10.2022 (**RUD-7**), admitted that he took the goods to Delhi where one more vehicle carrying goods from KASEZ was already standing. Next morning two persons namely Shri Gullu and Shri Ranveer Sandhu Sardarji arrived in the parking and claimed the goods as their own. Since it could not be decided that who the goods belonged to and where the goods were to be taken, the driver of other truck, Shri Satyawar called the police. The Police arrived and asked them to file complaint at the KhedkiDaula police station. Shri Navrang Singh and Shri Satyawar, drivers of the other trucks went to police station and on returning, they informed that they have to talk to Shri Kapil Sharma of M/s Yes Supply Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi **as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken** and goods were unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ 14 GG 4183 (driver Shri Mohammad Salim), HR55 S 4111 (Driver Shri Satyawar), RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was

falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.

**97. Shri Mohammad Salman**, driver of the truck bearing no. RJ 14 GG 4183, was recorded on 15.10.2022(**RUD-8**), where he interalia stated that he received a call on 05.10.2022 from Shri Amit Vinayak while in Mundra, that the truck was going to be loaded from Gandhidham. Then he received a call from transporter Shri Vikrant (Mob. No. 8683800038), who informed that he had talked to Shri Amit Vinayak and asked to bring the truck in the parking of KASEZ, Gandhidham. One person came to him in the morning of 06.10.2022 and the said person got the truck entered inside KASEZ and asked to take the truck to M/s Varsur Impex Pvt. Ltd. company. The goods were loaded into his truck from M/s Varsur Impex Pvt. Ltd, KASEZ. On the way to Delhi, he received a call from Mob. No. 9350637317, and the person calling told him to stop the truck at Manesar. One person who was travelling in the truck of Shri Satyawar, also directed him to stop the truck in Manesar. After reaching Manesar on 12.10.2022, he received a call from a mobile no. 9817260369 asking where he was. The person told him that he will send a person and the truck will go to the address told by him. Around 9 PM one Shri Ranveer Singh Sandhu Sardarji arrived and told him to take the truck to the parking of Laxmi Hotel, where 3 more truck will arrive. The number of Shri Ranveer Sandhu was also provided by Shri Vikrant to him, so he took the truck to the parking of Laxmi Hotel. Next morning two persons namely Shri Gullu and Shri Ranveer Sandhu Sardarji arrived in the parking and claimed the goods as their own. Since it could not be decided that who the goods belong to and where the goods are to be taken, the driver of other truck, Shri Satyawar called the police. The Police arrived and asked them to file complaint at the KhedkiDaula police station. Shri Navrang Singh and Shri Satyawar, drivers of the other trucks went to police station and on returning, they informed that they have to talk to Shri Kapil Sharma of M/s Yes Supply Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to

Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken and goods were unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim), HR55 S 4111 (Driver Shri Satyawar), RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.

**98. Shri Satyawar**, driver of the truck bearing no. HR55 S 4111, in his statement recorded on 15.10.2022(**RUD-9**), admitted that he was working for **M/s RCI Container Services Private Limited** since March-2022. The owner of the company were Shri Ashok Kumar Gupta, Shri Anil Gupta and Shri Pawan Gupta. He used to receive instructions from company supervisor Shri Rajesh Poonia whose mobile no. was 9154911329. Shri Poonia informed him that he will receive a call from M/s Shri Ram Carrying Corporation. He then received a call from Shri Narendra Shekhawat (Mob. No. 7062325341) of M/s Shri Ram Carrying Corporation, who told him that the truck will be loaded from KASEZ and goods were to be taken to Delhi. Thereafter, one person came to him in the morning of 06.10.2022 in the parking of KASEZ with gate pass to enter inside KASEZ and asked to take the truck to M/s Varsur Impex Pvt. Ltd. company. The goods were loaded into his truck from M/s Varsur Impex Pvt. Ltd, KASEZ. On asking for the e-way bill and bilty, Shri Narendra Shekhawat told him that the documents will be provided by the transporter company M/s Yes Supply Chain Solutions Pvt. Ltd. The documents were provided to him by Shri Nagendra Singh of M/s Shri Ram Carrying Corporation on 10.10.2022 at around 8 PM. Then Shri Surender of M/s Yash Supply Chain Solutions Pvt. Ltd. came with one person and told him that the said person was employee of the party of Delhi, where the goods were destined and that the



said person will go with him in the truck. The said person said that his name was Pandey and told him to stop the truck before KhidkhiDaula toll Plaza, Manesar, where one person will come and take the truck with him to place where the goods were to be unloaded. Shri Pandey then got off the truck in Jaipur on 12.10.2022 on Jaipur Bye Pass. Thereafter, he got a call from mobile no. 8072461759 and he was told that he will receive a call from Shri Gullu and he has to do as Shri Gullu says. Then he received a call from a person with mobile no. 8929534762, who said he was Shri Gullu bhai, and directed him to bring truck bearing no. 4111 and 4727 to Om Dharam Kanta, Kheda Kalan, Delhi. He also sent the same by SMS. After sometime, he received call from mobile no. 9599893938, and he was told that the truck will be unloaded in KhedkiDaula, Manesar and directed him to bring the truck to IMT, Manesar Chowk. However, he refused the same due to no entry and night time and parked the truck at Balaji Hotel, near KMP, Manesar. He told him that he will bring the truck in the morning and asked him to send the location at the WhatsApp of Shri Navrang Singh, driver of truck bearing no. RJ 10 GB 4727. On 13.10.2022 morning, location was received on the mobile of Shri Navrang Singh, which was of Manoj Hotel, Manesar. He parked the truck at Laxmi hotel, 200 meters away from Manoj Hotel due to non-availability of parking at Manoj Hotel. Both the persons, Shri Gullu and Shri Ranveer Sandhu Sardarji arrived in the parking in the morning of 13.10.2022 and claimed the goods as their own. Since it could not be decided that who the goods belong to and where the goods are to be taken, the driver of other truck, Shri Satyawar called the police. The Police arrived and asked them to file complaint at the KhedkiDaula police station. He and Shri Satyawar went to police station, where the police told them to call their transporter as it was a sensitive area. They then decided to call Shri Kapil Sharma of M/s Yes Supply Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken and goods were

unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim), RJ 14 GG 4183 (driver Shri Mohammad Salim) and RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.

**99. Shri Navrang Singh,** Driver of the truck bearing no. RJ 10 GB 4727 in his statement recorded on 15.10.2022(**RUD-10**), admitted that the truck was owned by Shri Suraj Singh of Churu, Rajasthan and the truck was given to M/s Shri Ram Carrying Corporation for carrying goods. M/s Shri Ram Carrying Corporation, Mundra was owned by Shri Lokendra Singh and he was paid Rs. 15,000/- Salary monthly and Rs. 500/- daily for food by the truck owner Shri Suraj Singh. He further stated that while he was delivering goods in Morbi on 05.10.2022, he received a call from Shri Narendra Shekhawat of M/s Shri Ram Carrying Corporation telling him that he has to load goods from KASEZ on the next day and deliver to Delhi. He reached in the container parking of KASEZ on 06.10.2022. On 06.10.2022, one person came to him with gate pass and asked him to take the truck to M/s Varsur Impex Pvt. Ltd. The truck was loaded on 07.10.2022 from M/s Varsur Impex Pvt. Ltd., KASEZ and after that he took the truck to ARC Hotel and parked there. The person, who arranged the gate pass came to him there and took the documents received from KASEZ and told him that he would give him the e-way bill and bilty. On 10.10.2022, Shri Nagendra Singh of M/s Shri Ram Carrying Corporation provided him the e-way bill and bilty. On the way to Delhi, he received a call from a person with mobile no. 9350637317 telling him to call after reaching Manesar and one person will come there. After that call from a person with mobile no. 9599893938 was received who told that the truck will be unloaded in KhedkiDaula, Manesar and directed him to bring the

truck to IMT, Manesar Chowk. However, he refused the same due to no entry and night time and parked the truck at Balaji Hotel, near KMP, Manesar. He told him that he will bring the truck in the morning and then he sent me the location of the truck on his WhatsApp. One more truck bearing no. HR 55 S 4111 (Driver Shri Satyawan) was with him at the time. On the morning of 13.10.2022, location was received on his WhatsApp, which was of Manoj Hotel, Manesar. He parked the truck at Laxmi hotel, 200 meters away from Manoj Hotel due to non-availability of parking at Manoj Hotel. Two other trucks which started from KASEZ, bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim) and RJ 14 GG 4183 (driver Shri Mohammad Salim) were already parked there. Shri Gullu bhai called Shri Satyawan, driver of truck bearing no. HR 55 S 4111 and informed that the four trucks were to be unloaded at Kheda Kalan and asked to bring the truck there. After sometime, Shri Ranveer Sandhu (Mob. No. 9599893938) called and informed that the trucks were to be unloaded at KhedkiDaula. He and Shri Satyawan went to police station, where the police told them to call their transporter as it was a sensitive area. They then decided to call Shri Kapil Sharma of M/s Yes Supply Chain Solutions Pvt. Ltd, who told them that the goods belong to Shri Ashok Gupta and directed them to bring the trucks to Sanjay Gandhi Transport Nagar, Delhi. They then took the trucks to AG-56, Sanjay Gandhi Transport Nagar, Delhi as per directions of Shri Kapil Sharma, and there, the Customs Seals were broken and goods were unloaded from the trucks. On being asked about the other trucks which departed from KASEZ with him, he stated that trucks bearing no. RJ14 GL 9477 (driver Shri Mohammad Nadim), RJ 14 GG 4183 (driver Shri Mohammad Salim) and RJ 10 GB 4727 (driver Shri Navrang Singh) were the other trucks which were carrying goods from KASEZ. He also stated that he was aware that the goods loaded in his truck was Areca Nut as the same was falling out of the bags during loading and the persons present at the time of loading at M/s Varsur Impex Pvt. Ltd. also told him that the goods being loaded are Areca Nut.

**100. Shri Ranveer Sandhu** in his statement recorded on 15.10.2022(**RUD-11**), agreed to the facts stated by the drivers in their statements and that he met the drivers on the night of 12.10.2022 and during the afternoon of 13.10.2022, with Gullu for unloading of the trucks at KhedkiDaula, whereas Gullu was asking the drivers to unload the goods at Om dharam Kanta, Kheda Kalan, Delhi. Since the matter could not be resolved and the drivers called the police, he left the place. He further stated that he did not inform about the nature of cargo being bonded or duty foregone and that he was working on the instructions/directions of his boss Shri Devendra Yadav; and that of Shri Ashok Gupta.

**101.** I find that while the above proceedings were going on in Delhi, a fifth truck bearing no. HR 55 S 5421 was gated out from KASEZ with intent to divert the imported Areca Nut in DTA in guise of supply from SEZ to Customs Bonded Warehouse. The said truck was intercepted by the DRI officers outside KASEZ and was taken back inside KASEZ under panchnama dated 14.10.2022(**RUD-13**). The driver of the truck bearing no. HR 55 S 5421 informed that the loading of the Areca Nut imported by M/s Global Enterprises and warehouse at M/s Varsur Impex Pvt. Ltd. in the truck cleared from KASEZ was supervised by Shri Mattaparthi Shiva Rammurthy.

**102. Shri Mattaparthi Shiva Rammurthy** in his voluntary statement recorded on 14/15th October 2022(**RUD-14**), interalia admitted that he had been working for M/s. Varsur Impex Pvt. Ltd. for the past six months, earning a monthly salary of Rs. 15,000. He handled the loading, unloading, and clearance of goods. Before this, he was a labour contractor in the Kandla Special Economic Zone. He reported daily activities to Shri Nawaz Khan Chaudhary, the owner of the SEZ warehouse unit. M/s. Varsur Impex Pvt. Ltd. only had two employees viz. himself and a security guard Shri Mohammad, but they hired labourers as needed. He further stated that Shri Nawaz Khan Chaudhary oversaw the clearance of imported/exported goods and that M/s. Varsur Impex Pvt. Ltd. had dealt with the warehousing of Dry dates and Arecanut/Supari for the last three months.

**103.** He further stated that Account and stock management was overseen by Shri Mohan Naidu, who directed him to load goods for clearance on a specific vehicle after getting directions from Shri Nawaz Khan Chaudhary. He wasn't familiar with the importer or buyer details nor M/s. Global Enterprises. Shri Mohan Naidu handled document-related work. Shri Nawaz Khan Chaudhary informed him that 02 persons would visit for inspection of Supari/Arecanut for clearance from warehouse of M/s. Varsur Impex Pvt. Ltd. Shri Nawaz Khan Chaudhary also informed him that these 02 persons were staying at the 'Hotel Neemaaya' in Gandhidham. Shri Nawaz Khan Chaudhary also directed him to pick up those 02 persons from Hotel Neemaaya and to arrange their visit to the premises of M/s. Varsur Impex Pvt. Ltd. Accordingly, he picked up Shri Vijay by his motorcycle. The other person available with him also reached with them in a hired car. Accordingly, on 08.10.2022 both persons visited the warehouse of M/s. Varsur Impex Pvt. Ltd. and inspected the goods. However, they inspected the goods for only about 10 minutes. Thereafter, both persons left the premises on the same day.

**104.** I find that the statement of **Shri Mattaparthi Shiva Rammurthy** led to 2 persons including one Mr. Vijay (Mob. No. 9176886611), who visited M/s Varsur Impex Pvt. Ltd., were staying at Hotel Neemaaya, Gandhidham. A team of DRI Officer reached Hotel Neemaaya, Gandhidham and found that Shri Vijay, Authorised Signatory of the importer M/s Global Enterprises and Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping were staying in the hotel. Summons were issued to both the persons and their preliminary voluntary statements were recorded on 15.10.2022.

**105. Shri Vijay Kathirvelu**, Authorised Signatory of the importer M/s Global Enterprises in his statement dated 15.10.2022(**RUD-15**), interalia stated that he used to work in a CHA firm M/s Sea India Pvt. Ltd as clerk for around 10 years. After that he worked in Apollo tyres for around 6 years and left the job in 2019. After that due to covid outbreak, he was at home without any work. He further stated that he met Shri D. Suresh in May-June 2021 who offered him clearance work in his CHA firm M/s Mercury Shipping on salary of Rs. 25,000/-, where he then started looking after the

Customs Clearance, Inspection, Examination work etc. Later on, he got an IEC in the month of October 2021 in the name of M/s Royal Enterprises. When Shri D. Suresh asked to use the said IEC (AHHPV1311P), he lent the same to him in lieu of Rs. 10000 to 20000 per consignment. He also stated that, around May-June 2022, he started a firm in the name of his younger brother Shri Jayavelu Kathirvelu, with the name of M/s Global Enterprise, No. 1-472, Anna Street East, Lakshmi Nagar, Mudichur, Chennai, Kanchipuram, Tamilnadu-60048, and registered under the GSTIN-33ALDPJ1632J1ZH. Since his brother Shri Jayavelu Kathirvelu was suffering from multiple heart and liver ailments of severe nature, all the business activities of M/s Global Enterprises were done by Shri Vijay himself. On being asked, he stated that Areca Nut vide Bill of Entry No. 1013613 dated 31.08.2022 and 2010974 dated 20.09.2022 were imported by M/s Global Enterprises and warehoused at M/s Varsur Impex Pvt. Ltd. Bill of Entries in respect of the same were filed by M/s Varsur Impex Pvt. Ltd. The goods were loaded in truck bearing no. HR 55 S 5421. **He did not know about the transporter as the same is booked by Shri Devendra or Davandaran (+27718774872) and Shri Reddy and were being handled by Shri Gullu (8929534762) on behalf of the said persons.** On being asked, he further stated, Shri Mohan (8072461759) of Mercury Shipping forwarded the details of Shri Gullu (8929534762) a location of "Kheda Kala, Om dharma kata" where the goods were to be unloaded. Shri Mohan forwarded the voice message of one Shri Sattar confirmed the place "Kheda Kala, Om dharma kata" where Shri Gullu was present to unload the goods. Shri Mohan further instructed him to follow the instructions given by Gullu and informed that he had already given instructions to the drivers. ***The trucks were further destined for Nagpur, for which Shri Sattar had asked for invoice.***

- 106.** Shri Vijay Kathirvelu, in his statement recorded on 16.10.2022 (**RUD-19**), inter alia stated that he imported 3 consignments through M/s Global Enterprise, through SEZ Bill of Entry no. 1013163 dated 31.08.2022, 1012510 and 1012509, both dated 13.08.2022 and the same were

warehoused at M/s Varsur Impex Pvt. Ltd., KASEZ. **He further stated that the Areca Nut imported through SEZ Bill of Entry no. 1012510 and 1012509, both dated 13.08.2022 was to be unloaded at Delhi by Shri Gullu (8929534762).** Shri Mohan (8072461759) of M/s Mercury Shipping had forwarded him the name and number of Shri Gullu and the location i.e. "Kheda Kala, Om Dharam Kanta" where the goods were to be unloaded. **Shri Devendra also prepared e-way bills for shipping address 101A, Plot No. 29, APRA Plaza, Rani Bagh, Shakurpur Basti, New Delhi-110034.** That the consignment under Bill of entry no. 1013163 dated 31.08.2022 was not prepared by Shri Devendra. On being shown the letter addressed to the Deputy Commissioner of Customs/Authorised Officer, SEZ Entity-Varsur Impex Pvt. Ltd., KASEZ, Gandhidham requesting removal of goods in Customs bonded warehouse for SEZ Bill of entry no. 1012510 and 10125099 **(RUD-20)**, both dated 13.08.2022, he stated that the said letter was not written by him or his brother and that the signature in the letter was fake. That he did not know who made those signature and submitted to the above authorities. On being shown two Consignment bonds dated 29.08.2022 **(RUD-21)**, given by M/s Global Enterprises under sub section (1) of Section 59 of the Customs Act, 1962 for the purpose of warehousing of goods imported by them, he stated that the said bonds were signed by him in the office of Shri D. Suresh of M/s Mercury Shipping. Shri D. Suresh asked him to sign the consignment bonds in place of his brother. He also signed as a witness in the bond. He further stated that along with the bond, Shri D. Suresh had taken his signature on 10 blank stamped letters of M/s Global Enterprise, cancelled cheques, signed invoices, packing lists and Bills of Lading. Shri D. Suresh then asked to courier the above documents to some Delhi address, details of which he did not remember, however, he remembered that the said documents were sent to Shri Nawaz Khan Chaudhary. **On being asked if he had written any letter to the Bond Section of the office of the Commissioner of Customs (Export), New Customs House, Near IGI Airport, New Delhi to keep the imported goods vide Bill of entry no. 1012510 and 1012509, both dated 13.08.2022 in CWC Warehouse**

**Okhla-II, he stated that he did not know about any such letter. On being shown the Space Availability Certificate dated 31.08.2022 issued by CWC, Okhla-II, New Delhi(RUD-22) and being asked where the goods were going since the validity of the said certificate was upto 27.09.2022, he stated that he did not know whether the goods were going to the CWC Warehouse or to 101A, Plot No. 29, APRA Plaza, Rani Bagh, Shakurpur Basti, New Delhi-110034.** He further stated that however, Shri Mohan of Mercury Shipping had forwarded the voice message of on Shri Sattar confirming the delivery place of the goods as “Kheda Kala, Om Dharma Kanta” and also that Shri Gullu was present there to unload the goods. He further asked to follow the instruction of Gullu, which were already given to the truck drivers. **He also stated that the goods were destined for Nagpur for which Shri Sattar had asked for invoice.** On being shown the FSSAI certificates dated 08.09.2022(RUD-23), he stated that the FSSAI issued two certificates bearing no. NCC202200085427 and NCC202200085428 both dated 08.09.2022 having title “Rejection Report of Food Import”, stating:

*“This office is not in a position to issue NOC of the product(s) mentioned above as a result(s) of the inspection/analysis shows that the samples do not conform to the specification(s) under the FSS Act, 2006 and rules and regulations thereunder.”*

He further stated that the FSSAI also remarked that the Bill of Entry has been DTA Bill of Entry (SEZ TO Bonded Warehouse), also the Bill of entry is intended for 100% export/re-export, for which Form-8 was submitted to them. **On being shown the transactions dated 10.08.2022, 17.08.2022, 17.08.2022, and 18.08.2022 wherein Rs. 5 Lakh, 30 Lakh, 30 Lakh and 25 Lakh respectively were received, in the bank statement of M/s Global Enterprise (Acc. No. 10091620207), he stated that the said amounts were deposited from the account of M/s JB Traders by Shri Sattar, as told to him by Shri D. Suresh.** The amount was deposited in their account for further payment to Shri Devendra and Shri Nawaz for



clearance. Shri Devendra used to receive payments in the account of M/s Volg Exim India and Knitfab Creation Exim.

**107.** Shri Vijay Kathirvelu, in his statement recorded on 18.10.2022(**RUD-29**), on being shown the panchnamas dated 14/15.10.2022 drawn at premises of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, statements dated 15.10.2022 of the drivers of the 4 trucks carrying the goods to Delhi, statements dated 14.10.2022 and 15.10.2022 of Shri Ranveer Singh Sandhu, Director and Authorised Person of M/s Volg Exim India Pvt. Ltd., statement dated 15.10.2022 of Shri Kapil Sharma, Manager of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, Seizure memo dated 15.10.2022 issued by IO DRI Gandhidham along with Supratnama dated 15.10.2022 issued to Shri Kapil Sharma, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd. in respect of seizure of Areca Nut weighing 73520 Kgs and Panchnama dated 18.10.2022 drawn at M/s Varsur Impex Pvt. Ltd. Industrial Shed No. 168, Special CIB Type, Phase-I, Sector-II, KASEZ wherein total 301 bags of bonded Areca Nut weighing 16,820 MT was found, along with Seizure memo and Supratnama in respect of the Areca Nut found during the said panchnama dated 18.10.2022, he stated that after clearance of goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111 and 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, **the goods were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, as per directions of Shri Devendra Yadav, instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II, B-13, 14, 15, Industrial Area, New Delhi-20. He further stated that the fifth truck bearing no. HR 55 S 5421 containing goods covered under SEZ to Bonded W/H B/E No. 2010974 dated 20.09.2022 was also to be diverted in same manner as were done in respect of aforesaid 04 vehicles**, however, it became late due to pending documentation and after clearance from KASEZ. It could not reach

Delhi and was intercepted by the DRI officers outside KASEZ. He further stated that being authorised signatory of M/s Global Enterprises, He will discuss with Shri D. Suresh, Jayavelu and Dhanraj for effecting payment of applicable Customs Duty since the goods had been diverted to DTA.

**108.** Shri Vijayakumar Kathirvelu, Authorised Signatory of M/s Global Enterprises in his statement dated 19.10.2022(**RUD-30**), interalia stated that he was the Director of M/s Global Enterprises, Chennai which was owned by his younger brother Sh. Jayavelu, in existence since 02.06.2022 and trading in readymade garments, fabric and wooden furniture, both import and export. He was also proprietor of M/s Royal Enterprises, Chennai in existence since the previous year, which was also engaged in trading of same items. That he was associated with Shri D. Suresh of CHA firm, M/s Mercury Shipping Chennai since last 27 years, and used to work with him in a CHA firm M/s Sea Air Care Agency since 1994 and had been associated with him being good friends for any work outside Chennai related to his firms. They used to travel together, and he used to look after the clearance work of his firms. He had wide circle due to his association with Customs related work since the previous 27 years and had commenced M/s Mercury Shipping since previous fourteen years. That he did not know Gullu, as he was Sattar's staff and had never met him. That he knew Devendra Yadav as owner of M/s House of Traders, Delhi since previous one year as well as managing M/s Volg Exim, Delhi. He met him during a meeting of Shri DDN Reddy (Dwarkanath Reddy), AC Customs Mumbai along with Shri D. Suresh, where he was helping as a translator for Shri D. Suresh, who had known Shri DDN Reddy since previous twenty years. Shri Reddy had been transferred to Mumbai since the previous year. That he did not know Sattar of Kerala and had never met him, but had known that he was associated with Shri D. Suresh, being an importer of furniture and his old client. **That he did not know Nawaz Khan Chaudhary personally, and had talked to him on phone two three times two months earlier, after which Shri Devendra Yadav had asked Shri D. Suresh to not to talk to Shri Nawaz Khan ever, and all the details related to Areca Nut would be available only through him**

**as he was the owner of M/s Varsur Impex Pvt. Ltd.** On being shown the statement of Shri Shiva Rammurthy Mattaparthi dated 14/15.10.2022, he stated that he had visited the warehouse of M/s Varsur Impex Pvt. Ltd. on 08.10.2022 alongwith Shri D. Suresh, Partner of M/s Mercury Shipping, Chennai for inspection of their goods, the imported Areca Nut, as they had doubt if the goods were actually at the warehouse. **They had talked with Shri Nawaz Khan Chaudhary who informed that one container was there and the other 4 containers had already left the warehouse. As Shri Devendra Yadav had asked them not to talk much to Shri Nawaz regarding the goods, and only to check the goods, they did not enquire Shri Nawaz more about the whereabouts of the goods.** He further stated that they were pressurized by Shri Kunjilla Kutty of Kerala who had purchased these goods from M/s Global Enterprise to check what had happened to the goods they had imported since last 2 months. They had visited Gandhidham earlier for examining the said goods, however they were scolded by Shri Devendra and were not allowed to check the goods, hence they left the next day. Shri Devendra Yadav had been delaying the goods on basis of various excuses like Plant Quarantine or FSSAI or other examinations. Shri Sattar reminded them about the goods position; hence they visited the warehouse. On being asked if he received any payment from Kunjilla Kutty of Kerala, he stated that he did not receive any payment from him. On being asked further, how he was pressurizing him to check “his” goods lying at M/s Varsur, when the goods were not owned by him, he stated that payment to the Indonesian Seller was to be made after 60 days of delivery. The consignment was imported on the credit of M/s Global Enterprises since August 2022. They used to receive payment after OOC on clearance and the same used to remain with them for 60 days, before the same was transferred to the seller. As Kutty was the buyer and was concerned about his goods lying at M/s Varsur since last two months, he wanted them to see the quality and position of the goods. On being asked about the 4 containers of Areca Nut of M/s Global Enterprises which had already been cleared from KASEZ when they visited M/s Varsur, he stated that Shri Sattar had purchased the said 4 containers and paid an

amount of around Rs. 1 Crores in five-six instalments during August-2022 to October-2022 and on orders of Shri Devendra Yadva, those goods were cleared to Delhi on bond-to-bond transfer. On being shown statement dated 15.10.2022 of shri Abid Khan, driver of truck bearing no. HR 55 S5421 and sets of documents produced by him related to bond-to-bond transfer of the consignment under Bill of Entry no. 1013613 dated 31.08.2022 of M/s Global Enterprises, and to identify the signature and photograph on the bond, he stated that the photograph on the bond was of his brother Jayavelu, but that the signature on the bond was not of his brother. He confirmed that although the IEC of their firm M/s Global Enterprises was there with the letterhead, the address of Shakurpur Basti of Global Enterprises were not theirs. The signatures were not of his brother Jayavelu, neither they had any branch outside of Chennai. He stated that the said documents might have been forged by Shri Devendra by misusing his brother's photograph and the letter head of their company. On being shown the bond-to-bond transfer documents in respect of M/s Global Enterprises for Bills of Entry NO. 1012509 and 1012510 both dated 13.08.2022, found at M/s Varsur, KASEZ, he stated that he had not seen such documents earlier and that those signatures were not of his brother Shri Jayavelu, proprietor of M/s Global enterprises Chennai. On being shown photo of him and Shri Murali Krishnan of Chengalpattu on the third pages of the said bonds as witnesses, he stated that the signatures shown as his were fake and someone had tried to copy it. On being asked that how much was his profit and how did he earn and settle for such transactions of duty-free goods, he stated that Shri Devendra would ask them to deposit amounts in the accounts provided by him for the various charges related to clearance of the said goods, through hawala transactions. For clearance they used to receive instructions from their clients like Sattar and Kunjilla Kutty. **They would earn commission of around Rs. 10/Kg. for Areca nut, per person for the four person, he himself, Shri D. Suresh, Dhanraj and Altaf, all of whom would receive around 7.5 Lakhs for the first 3 consignments of M/s Global enterprises, as confirmed by M/s JB Traders of Sattar.** On being asked

how Shri Sattar or Kutty were the owner of the goods when they had not made any kind of payment, he stated that Shri Sattar and Kutty used to purchase the Areca Nut from Indonesia. They used his firm to move those goods in the name of his firm and asked him to prepare the invoice for bond-to-bond transfer. Hence the original buyer of the consignment would be the buyer himself, which did not appear on documents, but utilizing his IEC for documents related to import and clearance.

**109.** Shri Vijay Karthivelu, in his statement dated 21.10.2022(**RUD-34**), interalia stated that on being asked that how were the obligations required against the duty foregone imported goods at KASEZ were planned to be fulfilled, he stated that the time limit for furnishing the BRC was liberal and sufficient time was granted which was of sixty days and may be extended further by the SEZ as per law. For their consignments, the movement as well as documentation part was handled by Shri Devendra Yadav of Delhi as he had assured, hence they had no idea as to how he was going to manage the documents for warehousing or clearances for export. On being asked if he knew Ashok Gupta, Kapil Sharma or Ranveer Singh Sandhu/Luthra or Gullu, he stated that he did not know any of those persons. On being asked if he had seen the Letter of Authorisation issued by KASEZ to M/s Varsur Impex Pvt. Ltd., for what purpose the Areca Nut was imported by him and whether any value addition or process were initiated to be carried out on the stock, he stated that **he had not seen the LoA issued by KASEZ to M/s Varsur** and in his understanding they were only trading the import goods and not carrying out any process on the imported stock. On being asked if he found any anomalies in the stated facts of Shri D. Suresh in his statements, he stated that being associated with the Customs Procedure and known with the other associates since long, Shri D. Suresh knew better about the dealings and all transactions carried out in the matter and that he did not find any anomalies in the facts stated by Shri D. Suresh. He further stated that He had issued DDs as listed in the statement dated 21.10.2022 of Shri D. Suresh, against the diversion of the subject goods from KASEZ to DTA for

payment of Customs Duty and assured that he will deposit the further dues whenever the demand was raised.

**110.** Shri Vijay Kathirvelu, in his statement dated 03.11.2022(**RUD-39**), interalia stated that:

- i. On being asked that what was the address of Shri Kunjilla Kutty, he stated that after 21.10.2022, he had tried to contact Shri Kunjilla Kutty but he did not respond to my telephonic call and the address of Shri Kunjilla Kutty could not be traced out, however, his efforts were continued in this regard. On being further asked about address of Shri Devendra Yadav and Shri Ashok Gupta, he stated that the same were also not available with him.
- ii. On being asked regarding payment of remaining amount of Customs Duty in respect of consignments covered under B/E No. 2010413 and 2010414 both dated 08.09.2022 and 2010974 dated 20.09.2022, he stated that they were facing financial hardship after voluntarily depositing Rs. 2.61 Crore against Duty liability of M/s. Global Enterprise in respect of aforesaid consignments diverted to DTA from KASEZ, However, he will try to make payment of remaining amount of Duty as soon as possible.
- iii. On being shown the printouts of the e-mails/letters dated 15.10.2022, 17.10.2022 and 29.10.2022 of KASEZ warehousing unit M/s Varsur Impex Pvt. Ltd., and asked to comment on the same, he stated that they were making conversations and even payment to M/s. Varsur Impex Pvt. Ltd. through/as per directions of Shri Devendra Yadav and hence he was not aware about the terms and conditions between Shri Devendra Yadav and M/s. Varsur Impex Pvt. Ltd. as initially Shri Devendra Yadav had told that M/s. Varsur Impex Pvt. Ltd. is his own company. He was also not aware who were the actual key persons of M/s. Varsur Impex Pvt. Ltd. and what was their role in the diversion of subject consignments from KASEZ to private godowns at Sanjay Gandhi Transport Nagar, Delhi. He stated that most of the facts mentioned in these emails/letters of M/s. Varsur Impex Pvt. Ltd. regarding him, his

firms and the subject consignments were not correct as per following illustrative facts: -

- His brother Mr. Jayavelu Kathirvelu (name written wrongly in email as Mr. VeluyerKathriru) had not discussed with Shri N.K. Choudhary of M/s. Varsur Impex Pvt. Ltd. as he did not know how to speak Hindi or English, neither Shri N.K. Choudhary made it clear to his brother or him that the subject consignment was to be removed from his KASEZ warehouse to CWC, New Delhi.
  - Guna Sundari never visited KASEZ.
  - They, the importer, did not insist to use their own transporter. The transportation was arranged by Shri Devendra Yadav or Shri DDN Reddy.
  - He did not come to Gandhidham on 12<sup>th</sup> or 13<sup>th</sup> of Oct., 2022, neither Shri N.K. Choudhary called his brother regarding processing of 5<sup>th</sup> container only if he was present in Gandhidham.
  - The diversion of subject consignments from KASEZ to private godowns at Delhi other than the declared destination of customs bonded warehouse of CWC, Delhi, was done as per pre planning and the goods were further to be delivered in Nagpur. Hence the version and claim of Shri N.K. Choudhary regarding diversion of the subject consignment as per directions of transporter or DRI officers, is false.
- iv. On being asked to provide his personal bank account no. at Axis Bank he stated that he forgot to provide the same and that he would submit the same within 03 days.
- v. On being asked that whether Shri Sattar had approached him for the amount of around Rs. 1.08 Crore invested by him in connection with the subject consignments, he stated that since they had already paid Customs Duty of Rs. 2.61 Crore, which was much more than the amount invested by Shri Sattar, though he discussed the matter telephonically with Shri D. Suresh, he did not approach for his amount.

**111. Shri D. Suresh**, Partner of Customs Broker M/s Mercury Shipping, in his statement dated 15.10.2022(**RUD-16**), interalia stated that he was a partner in M/s. Mercury Shipping, which was involved in customs

clearance work and held Customs Broker License No. R.388/2016. This company had three employees: Shri Mohan Raj, Shri Suresh Kumar, and Shri Chandran. He was also a director in M/s. Future Log India Pvt. Ltd. His wife was a partner in M/s. Mercury Shipping, and Shri Dhanraj and Shri Altaf were the other directors in M/s. Future Log India Pvt. Ltd. Regarding his involvement with consignments of goods imported by M/s Global Enterprise and cleared from M/s. Varsur Impex Pvt. Ltd., he recalled an encounter with Shri Devendra (+918447606660, 9345862543 and +27 71 8774872), 5-6 months earlier through a common friend Mr. DDN Reddy (Dwarkanath Reddy). Shri Devendra had proposed an investment opportunity related to the import of Areca Nuts from Indonesia and that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and he had to only invest money for purchasing cost of goods and all other misc. expenses. The consignment had been warehoused at M/s. Varsur Impex Pvt. Ltd., and Shri Devendra had already collected more than Rs. One Crore for various charges. On being asked about M/s. Global Enterprise, he stated that M/s. Global Enterprise was headed by Shri Jayavelu Kathirvelu, the brother of Shri Vijaykumar Kathirvelu, who managed the operations. They had previously cleared items like garments and fabrics from Chennai Port. Shri Devendra had recommended importing goods through KASEZ, assuring him of smooth clearance. On the pricing discrepancy of Areca Nuts, he confirmed that the actual price was USD 2500 PMT, but due to tariff value, the invoice showed a higher value of USD 7150 PMT.

- 112.** During his statement recorded on 16.10.2022 **(RUD-24)**, Shri D. Suresh interalia stated that on being asked about the actual buyer and destination of the goods he stated that after clearance of goods from KASEZ, **the aforesaid imported areca nuts were to be handed over to Satar at Nagpur.** Satar had already deposited approx. 90 Lakhs in the bank account of M/s. Global Enterprise. After deduction of their margin of Rs. 40/- per KG, the balance amount had been transferred to Devendra's account. That after clearance from KASEZ, the Areca Nut was to be



unloaded at “kheda kala, om dharma kata”. He informed Shri Mohan Raj on whatsapp that “after crossing Manesar toll plaza just 700 meter towards Delhi move vehicle at service road”. Mr. Gullu (Mobile 8929534762) was there to unload the imported goods. The trucks were further destined to Nagpur. **On being asked he stated that Shri DDN Reddy had conveyed the address on whatsapp for unloading of the goods.** He further stated that M/s Global Enterprise had not paid any amount to the foreign supplier and the same was to be paid after 6 months of delivery. He further stated that he had already paid approx. 1 crore to Shri Devendra for clearing, warehousing etc. That he did not pay any amount to Shri Vijay Kathirvelu, however as instructed by Shri Devendra, **he had paid 8 lakhs to M/s Varsur Impex Pvt. Ltd.** he further stated that no duty was paid on the clearance of the goods by M/s Global Enterprise, Chennai or any other person. **On being asked he stated that Shri DDN Reddy had given his number to Shri Devendra, who met him at Chennai Airport.** He knew that Devendra was residing at Delhi and apart from his mobile number, he did not know anything about Shri Devendra. **He further stated that he had cleared two containers of Areca Nut at Chennai for Shri Devendra, in lieu of Rs. 1,50,000/- for each container for IEC holder M/s House N Traders, however Shri Devendra only paid Rs. 1,25,000/- for each container citing shortage in the quantity of goods and that AIFTA benefit was claimed in the both consignments.** On being asked about Dhanraj, he stated that Dhanraj was one of partner in M/s. Future Long India Pvt. Limited with him and he was residing at Poonammalli, High Road, Behind Egg Talkies, Chennai. **On being asked as to why he contacted Shri Devendra again, he stated that Shri DDN Reddy asked him to do business again with Shri Devendra saying he was a good person and that transporter had done mischief in earlier consignments resulting in shortage.**

113. Shri D. Suresh in his statement recorded on 17.10.2022(RUD-25), interalia stated that, on being asked, if he knew that one container No. KCSU290808 of Areca Nut was lying at KASEZ, he stated that he was aware that the goods were unloaded and re-stuffed in the truck no. HR 55 S 5421

and the truck was gated out from KASEZ, but the same was stopped and brought back to KASEZ. **He further stated that the goods belonged to Shri Kunjilla Kutty and as per his directions, the goods were to be delivered to Nagpur via Delhi.** On being asked further, he stated that they were selling the Areca Nut at Rs. 200/- to 450/- per Kg. in local market depending on the quality of the Areca Nut. On being shown photocopy of Cheque no. 000011 dated 17.08.2022 issued by M/s JB Traders, he stated that M/s JB Traders had bought the Areca Nut imported by M/s Global Enterprise and the cheque amount was sent to M/s Global Enterprise for clearance of Areca Nut. On being shown Chat with Kochi Sathar dated 06.10.2022, he stated that two months had already passed and goods were not cleared, hence Shri Sathar was repeatedly asking for clearance of the goods. He sent the video of loading of Areca Nut at KASEZ, when the loading started, to Sathar. **On being asked, he stated that they had paid 20 Lakhs in the name of M/s Varsur Impex Pvt. Ltd. to Shri Devendra by bank transfer. However, Devendra sent back the amount asking to deposit the same in another account. Then they transferred the 20 lakhs to the account of M/s Volg Exim.** On being shown chat between him and Dhanraj, he stated that Dhanraj was his partner in M/s Future Log India Pvt. Ltd. who introduced him to DDN Sir. In the said chat, on being shown chat dated 17.08.2022 wherein he had received forwarded message of Rs. 10 note photo and contact details of Basha (8610931802/9176412831), he stated that his employee Shri Basha had sent Rs. 3,00,000/- in cash by Havala to Shri Devendra for misc. charges of clearance, warehousing charges. On being shown chats 12.10.2022 between him and Dev Dubai New (+27 718774872), wherein he had forwarded the details of bank transactions as following:

11.08.2022	Bank transfer to Varsur	200000
17.08.2022	Cash deposit	300000
18.08.2022	Bank transfer to Varsur	200000
25.08.2022	Bank transfer to Varsur	225000
01.09.2022	Bank transfer to Volgexim	25000
01.09.2022	Bank transfer to Volgexim	1975000
05.09.2022	Bank transfer to Varsur	250000
09.09.2022	Bank transfer to Knitfab Creation	25000

10.09.2022	Bank transfer to Knitfab Creation	2475000
	Volg exim	2000000
	Insurance	19539
	Insurance	19539
10.09.2022	Bank Transfer to Yes supply chain	250000
10.10.2022	Cash paid	2500000
12.10.2022	Bank Transfer to Yes supply chain	138000

**He stated that said amount was deposited by Shri Sathar through account of M/s JB Traders for further payment to Devendra and Nawaj for clearance and that he was instructed by Shri DDN Reddy and Shri Devendra for the same.** On being shown chat dated 10.10.2022 between Facetime DDN Reddy (Mob. 8590890716) and him wherein he had received location viz. Village-Khedkidhola, Near Bewrhaa Chowk, Gurgaon-Haryana, Landmark-Sonu Dharam Kanta, Godown Address” from Face Time Ddn Ready, he stated that it was the location where the goods were to be delivered. On being shown forwarded message that read “lkanot 09a 872449 m9717687296 prem” and “Chandni chok”, he stated that Shri Devendra had sent message via Ddn Ready for cash payment of Rs.25,00,000/- at Delhi to one Prem (Mobile 9717687296), failing which he could not deliver the goods. The amount shown was as given in above chart. On being shown chat dated 26.07.2022 between Dhanraj Future Log and him wherein copy Bill of Lading of Pt. Bumi IndoyaGemilang, Surabaya 60227, Indonesia No. LL250803MUN09 and LL250803MUN10 both dated 20.07.2022 issued for Whole Areca Nuts shipped from Jambi port, Indonesia to Mundra, India per vessel MV Stephanie V.2203W and Invoice No. INV-GLB008 and INV-GLB009 dated 14.07.2022 were forwarded and being asked that from the above invoice wherein price for whole Areca Nut was \$2500 PMT, Whereas in earlier statement he had stated that the Devendra has informed the price was US\$ 2500 PMT, he stated that he did not remember the actual conversation with Devendra at at Hotel Rang Sharatha at Bandra, Mumbai regarding price of Whole Areca Nuts.

However, as per above invoices the correct price was US\$ 2000 PMT. On being shown the Space availability certificate dated 31.08.2022 issued by Central Warehousing Corporation, Okhla-II, New Delhi and being asked as to what was the validity date for storage of goods covered under Bill of Entry No. 1012509 & 1012510 both dated 13.08.2022, he stated that the space reserved at the CWC Okhla-II was valid upto 27.09.2022. On being shown the FSSAI Certificates dated 08.09.2022, he stated that the FSSAI issued two certificates bearing no. NCC202200085427 and NCC202200085428 both dated 08.09.2022 having title "Rejection Report of Food Import", stating:

*"This office is not in a position to issue NOC of the product(s) mentioned above as a result(s) of the inspection/analysis shows that the samples do not conform to the specification(s) under the FSS Act, 2006 and rules and regulations thereunder."*

On being asked as where the goods imported by him were going, he stated the "Whole Areca Nut" imported vide Bill of Entry No. 1012510 and 1012509 both dated 13.08.2022 were unloaded at a godown location in Delhi by Shri Gullu (Mobile 8929534762). Shri Mohan Raj (Mobile 8072461759) had forwarded the location of the place i.e. "kheda kala, om dharma kata" where the goods were to be unloaded. Shri Devendra had also prepared E-Ways bills from login of M/s Global Enterprises. The consignment under Bill of Entry No. 1013163 dated 31.08.2022 was not prepared by Shri Devendra and that their intention was to divert the imported Areca Nuts without payment of duty.

**114. Shri D. Suresh** in his statement recorded on 18.10.2022(**RUD-26**), allowed the DRI officers to take printouts of the chats found on his WhatsApp with persons concerned with the subject consignments and on being shown the panchnamas dated 14/15.10.2022 drawn at premises of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, statements dated 15.10.2022 of the drivers of the 4 trucks carrying the goods to Delhi, statements dated 14.10.2022 and 15.10.2022 of Shri Ranveer Singh Sandhu, Director and Authorised Person of M/s Volg Exim India Pvt. Ltd.,

statement dated 15.10.2022 of Shri Kapil Sharma, Manager of M/s Yes Supply Chain Supply Solutions Pvt. Ltd, and Seizure memo dated 15.10.2022 issued by IO DRI Gandhidham along with Supratnama dated 15.10.2022 issued to Shri Kapil Sharma, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd. in respect of seizure of Areca Nut weighing 73520 Kgs, he stated that after clearance of goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111 and 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, **the goods were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, as per directions of Shri Devendra instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II, B-13, 14, 15, Industrial Area, New Delhi-20. He further stated that the fifth truck bearing no. HR 55 S 5421 containing goods covered under SEZ to Bonded W/H B/E No. 2010974 dated 20.09.2022 was also to be diverted in same manner as were done in respect of aforesaid 04 vehicles, however, it became late due to pending documentation and after clearance from KASEZ.** It could not reach Delhi and was intercepted by the DRI officers outside KASEZ. He further stated that he will discuss the matter with Shri Vijaykumar Kathirvelu, Authorized Signatory of M/s. Global Enterprise and pay up the applicable Customs Duty as the subject goods covered under all above mentioned consignments were diverted from SEZ to DTA. On being asked about why split Areca Nut were recovered during the panchnama dated 14/15.10.2022 while they had declared the goods as Whole Areca Nut, he stated that he was not aware as to why split Areca Nut was recovered from the consignment, as in all documents, the description of the goods was mentioned as Whole Areca Nut. However, there was no difference of duty between Whole Areca Nut and Split Areca Nut. On being asked the complete whereabouts of Mr. Kunjilla Kutty, he stated that his mobile no. was 9946231000 and his residential & official address were not known to him. He had visited KASEZ warehouse of M/s.

Varsur Impex Pvt. Ltd. on 08.10.2022 with them and after being satisfied with the goods condition, he had left the premises. He was not aware about when he came to Gandhidham and with whom. On being shown message sent by him with Bank Details of M/s Global Enterprises (account no. 10091620207 of IDFC Bank Parrys Corner Branch), he stated that he shared details of the importer firm in respect of the subject consignments of Areca Nut. On being shown message sent by Kochi Sathar on 08.08.2022 and 16.08.2022 respectively that read "Delivery", and "Billing Address", **he stated that through these messages Sattar informed him that the delivery of the aforesaid consignments of Areca Nut would be Nagpur as Nagpur is a big mandi (platform to sale-purchase) for areca nuts. Sattar provided him billing address of JB Traders (Prop. Mohammad Muzammil Sheikh Ibrahim), Near Risaldar Akhada, House No. 207 A, Ploe Not. HR 56, Timki Road, Mominpura, Nagpur for supply of aforesaid import consignments of Areca nuts.** On being shown message sent by him on 17.08.2022 that read "Still not received payment" and "Just now received 30+30", he stated that he asked for advance payment and thereafter he informed that he had received Rs. 60 Lakh. Further Kochi Sattar informed him that he had sent total payment of 90 Lakhs, and then he confirmed the same to Sattar through message that read "received sir". On being shown message sent by Kochi Sathar that read "Halo update delivery pls", "Today pls give good news", "What is there position?" dated 03.10.2022, 06.10.2022 and 07.10.2022 respectively, he stated that Sattar was asking for the status of the goods through these messages. He further stated that he sent a document "VIJAYAKUMAR\_KATHIRVELU.pdf" on 08.10.2022 to Kochi Sathar, to convince Sattar for clearance of subject goods, he sent him flight tickets of him and Vijay for Chennai to Ahmedabad journey. On being shown chat dated 12.10.2022/13.10.2022, wherein Kochi Sathar had sent messages that read "khedakala,omdharam kata", "Pls you tell to driver call gullu and go gullu place", "Pls tell to all drivers", "Kheda kalan om dharam kata k pas aana hai", "Ye msg bheja golu bhai ne", "9599893938, Ranveer bh", he stated the through these chats, Sattar had shared the location of the

godown to unload the Areca Nut and the other related information alongwith contact details of one Ranveer. On being shown message dated 14.10.2022 of Kochi Sathar that read "From 4 day waiting three trucks After this truck will go. Then not get truck for loading. Deevali busy all transporter. So please as soon as possible", he stated the Sattar was worried about the delivery of the subject consignments. **On being asked why he had mentioned ship to address as 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi in the e-way bills, he stated that he was not aware whether there was any office of M/s. Global Enterprises at 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi as this address was entered in the e-way bills by Shri Devendra Yadav.** On being shown chats between him and Shri Mohan Raj between 10.10.2022 to 12.10.2022, he stated that he had shared the location where the goods were to be unloaded and details of Shri Gullu, as per the conversation with Shri Sattar. On being shown chat dated Dhanraj Future log, dated 07.10.2022, wherein he had received messages that read "if cargo moves on morning it will take 48 hour to reach delhi", "delivery is in gurgaon sharing you address", "Also 50000/- in this account from global account", and "KOTAK MAHINDRA YES SUPPLY CHEQUE COPY .pdf", he did not make any comments. On being shown chats dated 10.10.2022 to 12.10.2022, between him and Shri Vijay MGR Nagar Paddapai, wherein he had sent messages that read "<attached: 00001536-1 Satywan 9896529086.vcf>" and "<attached: 00001537-2 Nagendra 73400 01183.vcf>", he stated that he had shared driver nos. through these messages. He further stated the through the messages that he received from Shri Vijay MGR Nagar Paddapai that read "Your A/C XXXXX620207 has been debited by Rs. 2,50,000.00 on 10/10/22. Info RTGS/ IDFBR52022101000651316 /YES SUPPLY CHAIN SOLUTIONS PVT LTD. New balance is Rs. 21,62,247.00. Team IDFC FIRST Bank" and "Delhi contact person Mr .Gullu8929534762", Vijay shared the details which were related to an amount of Rs. 2.5 lakh paid to Shri Devendra in the account of M/s Yash Supply Chain Solutions Pvt. Ltd. towards clearance charges and contact details of one Gullu, who was to look after unloading of the

goods in private godown. On being shown the statement dated 15.10.2022 and 16.10.2022 of Shri Vijay Kathirvelu, he stated that the facts stated by Shri Vijay in the said statements were correct and that he himself had taken his signature on blank letter head of M/s. Global Enterprises and on being asked how did he use the blank letter heads of M/s. Global Enterprises, he stated that the blank letters heads duly signed by Shri Vijaykumar Kathirvelu were sent by him to Shri Nawaj Khan Choudhary of M/s. Varsur Impex Pvt. Ltd. as desired by him. These were used in preparing Consignment Bonds, making correspondence with Customs and others as if such documents were issued by M/s. Global Enterprises. On being asked about the rejection report of FSSAI for the subject consignments and the validity of the space certificate issued to M/s Global Enterprises, he stated that it was true that the cargo was lying warehoused since long and FSSAI authorities issued rejection report for the same. He stated that they were not aware about rejection of FSSAI as the report was not shared to him by Shri Devendra or any other person. He further stated that it was true that the Space License issued by CWC was expired but the cargo was imported to be diverted to DTA in guise of supply to CWC bonded warehouse and hence the expiry date of validity of space certificate was not seen seriously. On being asked whether any overseas buyers were contacted for export/re-export of the said consignments after clearance from KASEZ, he stated that no such buyer was contacted as the goods were to be sold in domestic market. On being asked who were the other buyers of the subject consignments and what were the payment particulars of the amount received from them, he stated that he was not aware of the same. On being asked about an importer firm by the name of M/s House of Trades N Exports, New Delhi, he stated that the firm was owned by Shri Devendra Yadav but Shri Alok Mishra and Shri Ashok Kumar Gupta had been declared as partners in the said firm. He had cleared two consignments of Whole Areca Nut for the said firm at Chennai port on payment of Customs Duty and at the time, there were 6 consignments of M/s House of Trades N



Exports lying at Mundra SEZ. That he was fully aware of the provisions of SEZ Act, 2005 and Rules framed thereunder that diversion of goods to DTA from SEZ attracts payments of Customs Duty in terms of Section 30 of SEZ Act, 2005 and hence the diversion of goods cleared from SEZ to bonded warehouse and evasion of Customs Duty was in his knowledge.

**115. Shri D. Suresh**, in his statement recorded on 19.10.2022 (**RUD-31**), interalia stated that on being shown the chat with Shri DDN Reddy (Full Name Dwarkanadha Reddy, working as AC, Customs Mumbai at the time), saved in his mobile phone with name "Face time Ddn Ready (Mob. 8591890716), 'Ddn Reddy (9600146707)', and 'Ddn Reddy New (7358428287)' he stated that most of the conversation were held with him with contact saved as Face time Ddn Ready (Mob. 8591890716). He explained the chats with the same no. as given below:-

Particulars of conversation	Body of Chat	Explanation/comments by Shri D. Suresh
[09/05/2022, 7:05:31 PM] Face Time Ddn Ready:	HOUSE OF TRADES 1.pdf	Shri DDN Reddy forwarded FSSAI certificate for a past consignment of Areca nuts imported from Myanmar in the name of importer firm M/s. House of Trades N Exports
[10/05/2022, 12:16:33 PM] Suresh D:	Required IEC copy pdf format, contact no & mail Id	I asked Shri DDN Reddy for IEC copy pdf format, contact no & mail Id of M/s. House of Trades N Exports which DDN Reddy shared the same day. This IEC was arranged by Shri DDN Reddy but it was owned/controlled by Shri Devendra Yadav though Shri Alok Mishra and Ashok Kumar Gupta have been shown Partners in this firm.
[10/05/2022, 7:15:00 PM] Face Time Ddn Ready:	Form1 take a print n upload in e Sanchita original comes by courier	Shri DDN Reddy suggests procedure for availing benefit of COO.
[24/06/2022, 8:19:57 PM]	176 Z LINE.pdf • 1 page <attached: 00000204-176 Z	Shri DDN Reddy forwarded BL No. CSSJEAMUN2022176 dated

Face Time Ddn Ready:	LINE.pdf>	23.06.2022 in respect of import of 53 MT Whole Areca Nuts in 02 containers by M/s. House of Trades N Exports (Consignee M/s. Empezer Logistics Pvt. Ltd., SEZ). On being asked why did Shri Reddy send the image of BL to me, I state that Shri DDN Reddy offered to import Whole areca nuts in the IEC of House of Trades N Exports but this IEC was pertaining to Shri Devendra, so I requested to make import in the IEC of M/s. Global Enterprises. On being asked whether the consignment mentioned in the said BL or any other import consignment of M/s. House of Trades N Exports is pending clearance, I state that I am not aware about it.
[17/07/2022, 6:19:04 PM] Face Time Ddn Ready:	<attached: 00000244- PHOTO-2022-07-17-18-19- 04.jpg>	Shri DDN Reddy forwarded photo of the main gate of warehouse of M/s. Varsur Impex (P) Ltd., KASEZ where the imported goods were to be warehoused as per the plan.
[22/07/2022, 5:28:24 PM] Face Time Ddn Ready:	Varsur.impex21@gmail.com	Shri DDN Reddy forwarded email Id of M/s. Varsur Impex (P) Ltd. and asked to send email of Invoice, BL and KYC documents urgently.
[22/07/2022, 5:28:25 PM] Face Time Ddn Ready:	Ask ur person send Invoices and BL copy and KYC documents on email	
[22/07/2022, 5:28:25 PM] Face Time Ddn Ready:	Urgent	
[27/07/2022, 5:44:08 PM]	TGSJKTMUN0730.pdf • 1 page <attached: 00000275-	I shared all 03 Bills of Lading with respect to import of Areca nuts

<p>Suresh D: [26/07/2022, 3:04:21 PM]</p> <p>Suresh D: [26/07/2022, 3:04:21 PM]</p> <p>Suresh D:</p>	<p>TGSJKTMUN0730.pdf&gt; Original Global_009.pdf &lt;attached: 00000272- Original Global_009.pdf&gt;  Original Global_008.pdf &lt;attached: 00000273- Original Global_008.pdf&gt;</p>	<p>made by M/s. Global Enterprises showing name of consignee as M/s. Varsur Impex (P) Ltd..</p>
<p>[31/07/2022, 8:46:29 PM] Face Time Ddn Ready:</p> <p>[01/08/2022, 10:28:46 AM] Face Time Ddn Ready:</p>	<p>&lt;attached: 00000279- PHOTO-2022-07-31-20-46- 29.jpg&gt;  AAGCV7466C</p>	<p>Shri DDN Reddy again forwarded photo of warehouse of M/s. Varsur Impex Pvt. Ltd. On being asked by me, he also shared PAN of this KASEZ Unit.</p>
<p>[17/08/2022, 1:03:06 PM] Suresh D:</p>	<p>4 container arrived at port Lines destination charges Transportation Handling charges Warehouse &amp; labour Warehouse destuffing charges or line .. Therefore Apx Rs.5L figure give u then timely container pick up from port to zone</p>	<p>I forwarded message from Devendra Yadav to Shri Reddy about arrival of 04 containers of M/s. Global Enterprise at Mundra port and misc. charges to be paid.</p>
<p>[17/08/2022, 6:39:07 PM] Face Time Ddn Ready:</p> <p>[17/08/2022, 6:39:07 PM] Face Time Ddn Ready:</p>	<p>REVISED STL (008).pdf • 4 pages &lt;attached: 00000325- REVISED STL (008).pdf&gt;  REVISED STL (009).pdf • 4 pages &lt;attached: 00000326- REVISED STL (009).pdf&gt;</p>	<p>Shri DDN Reddy forwarded revised invoices issued by overseas supplier M/s. PT. KARYA ESA ABADI, Jakarta in respect of change of Invoice Value from USD 2000 MT to USD 7150/MT. This change was made to synchronize Tariff Value fixed by Indian Customs for valuation of Areca nuts import. On being asked who has suggested to do so, I am not aware but it appears that</p>

		Devendra had raised such query to Shri Reddy to change the invoice value nearby the fixed Tariff value, Shri Reddy sent me this message.
[17/08/2022, 6:42:40 PM] Face Time Ddn Ready:	Please find attached revised Invoices from supplier end... Earlier it has some Invoice value mistake ... This actual Invoice belong to our this cargo kindly Consider the same for furture submission	All these messages were forwarded by Shri DDN Reddy. We accordingly sent the email.
[17/08/2022, 6:43:50 PM] Face Time Ddn Ready:	Please Ask them to send a fresh email with Subject mention " Revised Invoices"	
[19/08/2022, 10:33:25 AM] Suresh D:	<attached: 00000334-AUDIO-2022-08-19-10-33-25.opus>	Sattar sent me audio messages asking to clear the consignment. I forwarded the audio messages to Shri Reddy.
[19/08/2022, 10:33:25 AM] Suresh D:	<attached: 00000335-AUDIO-2022-08-19-10-33-25.opus>	
[19/08/2022, 10:33:25 AM] Suresh D:	<attached: 00000336-AUDIO-2022-08-19-10-33-25.opus>	
[19/08/2022, 7:35:21 PM] Suresh D:	<attached: 00000342-PHOTO-2022-08-19-19-35-21.jpg>	I shared screenshot of email vide which Shri NK Choudhary of M/s. Varsur Impex Pvt. Ltd. asked for initial payments against rendering warehousing services
[09/09/2022, 11:37:59 AM] Suresh D:	<attached: 00000351-PHOTO-2022-09-09-11-37-59.jpg>	I shared details of payment made to M/s. Varsur Impex Pvt. Ltd. and M/s. Volg Exim, Insurance etc.
[09/09/2022, 11:55:59 AM] Suresh D:	<attached: 00000352-PHOTO-2022-09-09-11-55-59.jpg>	

[10/09/2022, 7:58:24 PM] Suresh D:	<attached: 00000354-PHOTO-2022-09-10-19-58-23.jpg>	I shared screenshot of total Rs. 25 lakh paid in the Account of M/s. Knitfab Creation Exim as suggested by Shri Devendra through Shri DDN Reddy.
[10/09/2022, 7:58:24 PM] Suresh D:	<attached: 00000355-PHOTO-2022-09-10-19-58-23.jpg>	
[30/09/2022, 11:34:03 AM] Suresh D:	*IEC User id and password* User Id: Globalenterprise2907@gmail.com Password: Global@1234	I shared User id and password of M/s. Global Enterprises.
[08/10/2022, 5:58:26 PM] Face Time Ddn Ready:	lorry are waiting for payments	Directions for generating e-way bills from Shri Devendra through Shri DDN Reddy.
[08/10/2022, 5:58:26 PM] Face Time Ddn Ready:	Ask them to generate e-way bill	
[08/10/2022, 8:02:59 PM] Suresh D:	E-Way Bill System (3).pdf • 1 page <attached: 00000401-E-Way Bill System (3).pdf>	As per directions from Shri Devendra through Shri DDN Reddy, I shared 02 e-way Bills images showing place of delivery Chengalpattu, Tamilnadu (as per address of IEC of M/s. Global Enterprises). These e-way bills were having no. 511419899409 and 561419908601 but Devendra asked that they would themselves generate e-way bills and directed to share User name and Password of M/s. Global Enterprises for generating e-way bill which I shared on 09.10.2022. Accordingly, Shri DDN Reddy forwarded me different set of 04 e-way bills bearing no. 511419998102, 571419997420, 501419996695, 501419995845 all
[08/10/2022, 8:32:09 PM] Suresh D:	E-Way Bill System (4).pdf • 1 page <attached: 00000402-E-Way Bill System (4).pdf>	
[08/10/2022, 8:58:56 PM] Suresh D:	E-Way Bill System (3).pdf • 1 page <attached: 00000403-E-Way Bill System (3).pdf>	
[08/10/2022, 8:58:56 PM] Suresh D:	E-Way Bill System (4).pdf • 1 page <attached: 00000404-E-Way Bill System (4).pdf>	
[09/10/2022, 12:04:24 PM] Suresh D:	User Name - KGGLOBAL Pass word - kglobal@123	

[09/10/2022, 6:36:54 PM] Suresh D:	Globalenterprise2907@gmail.com	dated 09.10.2022. In all these e-way bills, the place of delivery was mentioned as 101 A, PLOT NO. 29, APRA plaza bagh, New Delhi-34 and the dispatch was shown from Road No. 11/B, Sector 11, Mundra to avoid surveillance and interception of the consignments through e-way bills, by any enforcement agency.
[09/10/2022, 6:36:54 PM] Suresh D:	Jayavelu@290779	
[10/10/2022, 10:27:20 AM] Face Time Ddn Ready:	1kanot 09a 872449 m 9717687296 prem  Chandni chowk	Shri DDN Reddy forwarded no. of one rupee note to make cash payment of Rs. 25 lakh to Devendra through Hawala which we had done.
[10/10/2022, 10:27:20 AM] Face Time Ddn Ready:		
[10/10/2022, 6:33:14 PM] Face Time Ddn Ready:	Village-Khedkidhola Near Bewrhaa Chowk Gurgaon- Haryana	<i>Shri DDN Reddy forwarded address/location of Godown where the goods cleared from KASEZ and being transported in 4 trucks were to be unloaded. He asked driver</i>
[10/10/2022, 6:33:14 PM] Face Time Ddn Ready:	Landmark- Sonu Dharam Kanta	<i>no. also. I was not aware about the location of actual godown where the goods were to be delivered.</i>
[10/10/2022, 6:33:15 PM] Face Time Ddn Ready:	*“Godown Address “*	
[10/10/2022, 6:38:33 PM] Face Time Ddn Ready:	After Crossing Manesar toll plaza Just 700 MTR towards Delhi move vehicle at service road	
[10/10/2022, 6:39:11 PM] Face Time	Send driver no	

Ddn Ready:		
[12/10/2022, 3:26:31 PM] Suresh D:	<attached: 00000425-PHOTO-2022-10-12-15-26-31.jpg>	I forwarded payment details of amount paid by me to Shri Devendra in various firms such as Volgexim, Varsur, Knitfab creation, Yes supply chain and cash payments made through Hawala in connection with subject import, warehousing, clearance, transportation of subject goods.
[12/10/2022, 7:31:22 PM] Suresh D:	Delhi contact person 8929534762 Gullu	I shared contact no. of Gullu who was sent by Shri Sattar as per directions of Shri Reddy to unload the goods in a warehouse other than the declared Bonded warehouse of CWC, Okhla.
[14/10/2022, 1:38:35 PM] Face Time Ddn Ready:	5th Container	<i>Shri DDN Reddy forwarded images of 5<sup>th</sup> truck, videos of loading informing that work regarding clearance of goods in all five containers finished.</i>
[14/10/2022, 1:38:35 PM] Face Time Ddn Ready:	All finished	
[14/10/2022, 1:44:11 PM] Suresh D:	Please e way bill	I asked for e-way bill of 5 <sup>th</sup> truck.
[14/10/2022, 3:51:31 PM] Face Time Ddn Ready:	E-Way Bill System.pdf • 1 page <attached: 00000439-E-Way Bill System.pdf>	Shri DDN Reddy shared eway bill bearing no. 531421979331 for transportation of subject goods in 5 <sup>th</sup> truck in same manner. This eway bill was also containing same dispatch address and delivery address as was for four trucks.

- i. On being asked as to whose messages were being forwarded by Shri DDN Reddy in chat at (i) above, **he stated that most of the texts/audio/video messages, documents, images forwarded by Shri DDN Reddy in the said**

**conversations as mentioned above and others were originating from Shri Devendra Yadav.**

- ii. On being asked as to what was the DDN Reddy in respect of the subject consignments and his other business affairs, he stated that **Shri DDN Reddy (Dwarkanadha Reddy) introduced him to Shri Devendra Yadav and during their meeting in a Hotel Rang Sharatha at Bandra, Mumbai, Shri Devendra had offered a proposal for investing money in Areca Nuts from Indonesia.** Shri DDN Reddy had suggested that clearance of cargo was easier from KASEZ, Gandhidham. **Shri Devendra Yadav had stated that he was having warehouse in Kandla SEZ.** As suggested by Shri DDN Reddy and Shri Devendra, the imported goods Areca Nut were stored at the warehouse of M/s Varsur Impex Pvt. Ltd., KASEZ, Kandla. Shri DDN Reddy had forwarded a photo of the warehouse of M/s Varsur Impex Pvt. Ltd, KASEZ on 31.07.2022. He further stated that he also used to share all the details viz. payment to M/s Varsur Impex Pvt. Ltd., Bill of Lading for supply of Whole Areca Nut to India with Shri DDN Reddy. **Shri DDN Reddy had also forwarded copy of e-way bills for transfer of goods from KASEZ to Delhi on 10.10.2022 and had further shared that “1kanot 09a 872449 m9717687296 prem” and “Chandni Chok”.** He further stated that it was a hawala transaction to Devendra for 25 Lakhs and it was done through Shri DDN Reddy because Shri Devendra had warned him that if the money was not paid the goods would not be delivered. Hence, they had paid Rs. 25,00,000/- in cash at Delhi through Hawala. Also, Shri DDN Reddy had forwarded details of Godown address- Village – Khedkidhola, Near Bewrhaa Chowk, Gurgaon – Haryana, Land mark – Sonu Dharam Kanta, after crossing Manesar toll plaza just 700 MTR towards Delhi move vehicle



at service road. Shri DDN Reddy had given directions to Shri Gullu (the person of Sattar) for unloading of goods from trucks to godown other than CWC Okhla. He further stated that he had forwarded details of payments to Shri DDN Reddy, made from M/s Global Enterprises to Devendra as mentioned below:

11.08.2022	Bank transfer to Varsur	200000
17.08.2022	Cash deposit	300000
18.08.2022	Bank transfer to Varsur	200000
25.08.2022	Bank transfer to Varsur	225000
01.09.2022	Bank transfer to Volgexim	25000
01.09.2022	Bank transfer to Volgexim	1975000
05.09.2022	Bank transfer to Varsur	250000
09.09.2022	Bank transfer to Knitfab Creation	25000
10.09.2022	Bank transfer to Knitfab Creation	2475000
	Volgexim	2000000
	Insurance	19539
	Insurance	19539
10.09.2022	Bank Transfer to Yes supply chain	250000
10.10.2022	Cash paid	2500000
12.10.2022	Bank Transfer to Yes supply chain	138000

Apart from above, he had also paid Rs. 60,000/- to Shri Devendra on 14.10.2022 from the account of M/s Global Enterprises.

- iii.** On further asked as to why was Shri DDN Reddy doing such things and what was the benefit of Shri DDN Reddy in lieu of being involved in this case, **he stated that Shri DDN Reddy was his friend since previous 20 years, and he personally did not fix or made any payment to Shri DDN Reddy.** He was not aware if there was any deal between Shri Devendra and Shri DDN Reddy, as Shri DDN Reddy had suggested to clear the import consignments through Shri Devendra. **Shri DDN Reddy was a medium for making conversations with Shri Devendra as and when Devendra did not receive calls or his phone was not connected.**

- iv. On being asked whether Shri DDN Reddy used to play similar role in attending other consignments or otherwise, he stated that in the past, Shri DDN Reddy had managed clearance of 02 consignments of Areca Nuts at Chennai Port through Devendra in an IEC of M/s House of Trades N Export. Like Shri Devendra, one more associate of Shri DDN Reddy was Shri Pappu through whom, he was dealing with consignments of garments, fabrics, watches etc., which had been cleared through his firm M/s Mercury Shipping.
- v. On being asked as to who were the IEC holder and key persons in M/s House of Trades N Export, he stated that the partners of M/s House of Trades N Export were Shri Alok Mishra and Shri Ashok Kumar Gupta but Shri Devendra was the actual controller of the IEC. He further stated that he had not met or neither he had any business dealing with Shri Alok Mishra or Shri Ashok Kumar Gupta.

**116.** Shri D. Suresh in his statement dated 20.10.2022 (**RUD-33**), interalia, stated that in his previous statement dated 15.10.2022, he had stated that Shri Devendra offered him a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham. He further stated that Shri Devendra told that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and he had to only pay money for purchasing cost of goods and all other misc. expenses; that the rates of purchase of Areca Nuts were fixed at USD 2500/-MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per KG. He had also stated that Shri Devendra had collected amount of around Rs. 1.08 Crore from him towards purchasing cost of goods, warehousing charges, clearance charges etc. Similarly, in another statement dated 15.10.2022, he had stated that Shri Devendra advised you for clearance of goods from KASEZ. **On being asked if the said facts as stated by him were correct, he stated that all the said facts were correct.** He stated that he wanted to clarify that

initially Shri DDN Reddy had suggested that it was easier to clear goods from Kandla SEZ and during the same meeting while offering the business opportunities of importing Areca Nuts, Shri Devendra had mentioned to do clearance of goods from Kandla SEZ, Gandhidham. Shri Devendra had assured that whoever invested money at the rate of USD 2500/MT in connection with import in Areca Nut, would get profit of Rs. 450/- per Kg. The profit of Rs. 450/- per Kg. was available for the investor who had to pay money for importing/purchasing of Areca Nuts from the overseas supplier. The amount of Rs. 1.08. Crore, which was paid by him through M/s Global Enterprises to Shri Devendra was part of Rs. 1.16 Crore received by him in M/s Global Enterprises from Shri Sattar. On being asked as to when did Sattar and Kunjila Kutty came into picture for investing money to import Areca Nut, he stated that he had known Shri DDN Reddy and Shri Sattar since long, but they were not familiar to each other. **He had introduced Shri DDN Reddy to Shri Sattar in connection of proposal of importing Areca Nuts from Shri Devendra as Devendra and DDN Reddy were close to each other.** Around three months earlier, Shri Kunjilla Kutty had come to him with reference from his friend circle and he wanted to invest money to purchase/import Areca Nut. Shri Kunjilla Kutty had assured that he would pay up the amount after clearance/delivery of the goods. On being asked whether Shri Devendra Yadav placed orders for purchase/import of Areca Nut from overseas suppliers, he stated that as far as he knew, Devendra Yadav did not place orders for purchase/import of Areca Nut from overseas suppliers. Shri Sattar was the one who had done it. On being asked who was the contact person from the overseas supplier side, he stated that he was not aware of the same. Shri Sattar and Shri Kunjilla Kutty could reply to that. On being asked as what was the role of him and Shri Vijay Kathirvelu in the entire episode, he stated **that Shri Vijay Kathirvelu had arranged IEC for importer firm in the case i.e., M/s. Global Enterprises** which was in the name of his brother Shri Jayavelu Kathirvelu who was a patient of heart & liver diseases and cannot walk. Hence, entire affairs of M/s. Global Enterprises including documentation, billing, accounting, payments

etc. were looked after by Shri Vijay Kathirvelu. Since the instant import was made in M/s. Global Enterprises, all related activities were done by Shri Vijay Kathirvelu. He allowed IEC of M/s. Global Enterprises to be used for import and clearance of areca nuts. He was having good and old relations with Shri DDN Reddy and Shri Sattar. So, he coordinated among Shri DDN Reddy, Shri Sattar, Shri Devendra and other related persons. He received money from Sattar and paid to Shri Devendra towards purchase of subject goods, transportation, clearance, storage, insurance etc. On being asked that what was his benefit in the subject case and whether he had received any amount from this import/deal, he stated that **he, Shri Vijay Kathirvelu, Shri Altaf and Shri Dhanraj were to get total margin money @ Rs. 40/- Kg. (around 8.80 lakh each @ Rs. 10 /- per Kg. each) after clearance of the consignment.** Since the consignment was not delivered to the final destination in Nagpur and was intercepted warehoused in Delhi godown at AG 56, Sanjay Gandhi Transport Nagar, he had not received any money except they had deducted towards misc. expenses from the said 1.16 Cr. (the amount which was paid by Shri Sattar from account of M/s JB Traders to them for onward payment to Shri Devendra). On being asked that in his previous statement he had stated that he had deducted his margin of Rs. 40/- per Kg. and the balance amount was transferred to Devendra's account, he stated that he had received Rs. 1.16 Crore from Shri Sattar through M/s JB Traders, out of which total 1.08 Crores were paid by him to Shri Devendra in the bank accounts of different firms as told by Shri Devendra and Shri Reddy. **On being asked whether he was aware of the bank details of Shri Devendra, he stated that Shri Devendra directed him to deposit in the bank account of M/s Volg Exim and M/s Knitfab Creation.** He stated that the details of the said bank accounts were not available with him. On being asked about his Whatsapp Chat conversations between with Shri Mohan Raj, which he explained in his statement dated 18.10.2022 that on 10.10.2022, 6.35.55 PM, he had provided location of godown where the subject goods were to be diverted as "Village-Khedkidhola, Near Bewrrha Chowk, Gurgaon, Haryana, Landmark-Sonu Dharm Kanta'.

Whereas, there was a message from Shri Mohan Raj on 12.10.2022, 9.27.41 PM which he explained in his statement dated 18.10.2022 that Mohanraj told him another address “khedakala,omdharam kata” where the goods were to be unloaded. Whereas the goods were actually unloaded from the four trucks at godown at AG 56, Sanjay Gandhi Transport Nagar, Delhi. On being asked that what was the reason for such variation in locations shared on WhatsApp and location at which the goods were actually unloaded, he stated that the location of unloading of subject goods cleared from KASEZ vide B/E No. 2010413 and 2010414 both dated 08.09.2022 was decided by Shri Devendra and Shri Sattar. It was possible that they both decided different locations as per their convenience and shared the same to concerned persons which created communication gap. The goods were finally unloaded at godown no. AG 56, Sanjay Gandhi Transport Nagar, Delhi.

- 117.** Shri D. Suresh, in his statement dated 21.10.2022(**RUD-35**), on being asked the role of Shri Ashok Gupta in the instant case, he stated that he did not know the said person and his role in the instant case. Further, on being asked as to whether he or Shri Vijaykumar Kathirvelu had applied for supply to Bonded Warehouse of CWC, at Okhla, Delhi with respect to goods cleared from KASEZ vide B/E No. 2010413 and 2010414 both dated 08.09.2022, he stated that neither he, nor Shri Vijaykumar Kathirvelu had done so. It was Devendra Yadav who had planned to clear the goods from KASEZ to DTA in guise of supply to Bonded Warehouse. The goods were imported in the name of IEC of M/s. Global Enterprises he was allowed by Shri Vijaykumar Kathirvelu, Authorised Signatory of this importer firm to import and deal with goods in this firm. Since the goods covered under B/E No. 2010413 and 2010414 both dated 08.09.2022 and 2010974 dated 20.09.2022 were cleared from SEZ to DTA and /or intended to be cleared from SEZ to DTA in guise of supply to Bonded Warehouse, there was instance of Duty liability against such supply in terms of Section 30 of SEZ Act, 2005 read with provisions of Customs Act, 1962. Hence, M/s. Global Enterprises had paid Customs Duty as mentioned below towards its Duty liability arising out of such supply from SEZ to DTA.

S.No.	B/E No. and Date	Challan No. and Date	Duty Paid (Rs.)
1	2010413 dated 08.09.2022	311 dated 21.10.2022	10560993
2	2010414 dated 08.09.2022	312 dated 21.10.2022	10560993
3	2010974 dated 20.09.202	311 dated 21.10.2022	4961484
		Total	26083470

He provided the copy of Demand Drafts and Duty payment Challans duly signed by him and Shri Vijay Kathirvelu. He assured that they will pay up rest of Duty liability, if any against the above supply and will provide the payment particulars within 15 days. Further, on being asked how could they make payment of Duty considering the diversion as supply to DTA when no Ex-bond bill of entry was filed and the goods were having rejection report of FSSAI and PPQ compliance was also required, He stated that the payment of Duty had been made voluntarily and they will get the goods re-tested from FSSAI before DTA clearance after getting provisional release of the same as per provisions of Customs Act, 1962. The PPQ compliance was already made in this regard and they file Ex Bond Bill of Entry at the time of final clearance.

- 118.** Shri D. Suresh, in his statement dated 03.11.2022 (**RUD-38**), interalia stated that on being asked about the bank account details of his wife, he stated that he forgot to provide the bank details of his wife along with bank statements of his 4 accounts. On being asked to provide the bank account nos. of M/s Volg Exim and M/s Knitfab Creation as assured by him in his statement dated 20.10.2022, he stated that he would provide the same within 3 days. On being asked regarding payment of remaining amount of Customs Duty in respect of consignments covered under B/E No. 2010413 and 2010414 both dated 08.09.2022 and 2010974 dated 20.09.2022 he stated that he would try to make payment of the same at the earliest. On being asked about the address of Shri Kunjilla Kutty, Shri Devendra Yadav and Shri Ashok Gupta, he stated the same could not be traced out by him despite making efforts in this regard. On being shown the printouts of the e-mails/letters dated 15.10.2022, 17.10.2022 and 29.10.2022 of KASEZ

warehousing unit M/s Varsur Impex Pvt. Ltd., he stated that most of the facts mentioned in the said emails/letters of M/s. Varsur Impex Pvt. Ltd. regarding him, his firms and the subject consignments were not correct that Guna Sundari never visited KASEZ; that they did not insist to use our own transporter and the transportation was arranged by Shri Devendra Yadav or Shri DDN Reddy; that he and Shri Vijaykumar came to Gandhidham on 08.10.2022 and not on 12th or 13th Oct, 2022; that the diversion of subject consignments from KASEZ to private godowns at Delhi other than the declared destination of customs bonded warehouse of CWC , Delhi , was done as per pre-planning by Shri Devendra Yadav and others and the goods were further to be delivered in Nagpur. Hence the claim of Shri N.K. Choudhary regarding diversion of the subject consignment as per directions of transporter or DRI officers, was not correct

**119. Shri Abid Khan**, driver of the truck bearing no. HR 55 S 5421 in his statement recorded on 15.10.2022(**RUD-17**), deposed that he was working in M/s RCI Logistics as driver. He bought the truck bearing no. HR 55 S 5421 around 2 months earlier. He used to receive instructions from Shri Poonia of M/s RCI Logistics. He further stated that Shri Poonia asked him to take the truck to Gandhidham and there he received a call from Mobile no. 73593233033, and he was instructed to take the truck to 'LAL GATE' of KASEZ. There one person met him and did all the formalities for entry of the truck inside KASEZ and instructed him to take the truck to the warehouse of M/s Varsur Impex Pvt. Ltd, KASEZ. Thereafter, Shri Shiva of M/s Varsur Impex Pvt. Ltd. arranged for loading of the bags of Areca Nut in his truck bearing no. HR 55 S 5421. He further stated that he was aware that the goods loaded in his truck was Areca Nut and that he was informed that the goods were to be taken to Okhla, Delhi from KASEZ and from there, the goods were to be taken to some other place. However, he did not have any information related to the supplier, importer or buyer of the subject goods.

**120. Shri Nawaz Khan Chaudhary**, Authorised Signatory of M/s Varsur Impex Pvt. Ltd., KASEZ vide e-mail dated 17.10.2022(**RUD-36**), submitted the following facts: -

- i. That being the authorized signatory of the Varsur Impex Pvt Ltd he was responsible for all kind of operations of the company at KASEZ and he was aware about his obligations as a unit holder and he had ensured TO COMPLY WITH THE SAME IN LETTER AND SPIRIT. As a matter of normal practice, he dealt with all his clients on mail and after satisfying himself on the basis of KYCs documents etc, he used to enter into a proper agreement with the Indian or foreign clients.
- ii. That with M/s Global Enterprises also, after due diligence, he entered into an agreement for warehousing their imported consignment consisting of 5 containers of areca nuts and rendering allied services such as customs clearance, dealing with shipping line, PQ, FSSAI, loading and unloading etc. After entering into an agreement with M/s Global Enterprises, they raised the invoice for Advance Security deposit and processing fees for TP, DO etc and only after transfer of funds into our account against invoices they proceeded with the clearance part.
- iii. Since warehousing was of sensitive items, he took all necessary precautions with regard to submission of all KYCs and other related documents with Customs Authorities at KASEZ. After receipt of letters dt 05.09.22 and 08.09.22 issued by the Office of Air Cargo Custom Export , New Customs House, New Delhi for removal of goods covered under bill of entry no. 1012510 dt 13.08.22 and 1012509 dt 13.08.22 and 1013613 dt 31.08.22 of M/s Global enterprises from our warehouse at KASEZ to CWC warehousing, at New Delhi, **He called the officers in the Bond Section of Air Cargo Export New Delhi at their landline Number and enquired about the subject letters and only after verbal confirmation from the officer, he**



**submitted these letters along with other documents to the Customs Authorities at KASEZ for processing.**

- iv. Original letters were sent to him by the importer through his delivery boy Mr Ashok Kumar whose mobile no. was 9625810275. Their security staff also made his video for record. As a matter of precaution, he made it clear to the importer Mr Veluyer Kathriru Mobile No 8220032169, that he will submit the request with the Customs Authorities at KASEZ for removal of their consignment from our warehouse at KASEZ to CWC, New Delhi only either he or his authorized persons visit Gandhidham and on his insistence, Mr Vijaya Kumar Mobile No 9176886611, Guna Sundri Mobile No 9791164322 and one more person visited their warehouse in KASEZ. Only after taking due precautions as mentioned above, they submitted the request with the Customs authorities seeking orders for removal of the goods to CWC Warehouse in Delhi with regard to 5 containers.
- v. Though in case of zone to Bond removal, the consignments were in custody of Customs and customs property, yet initially he booked trucks through his own transporter so that he can ensure safe delivery of consignments at CWC Warehouse, New Delhi, but importer insisted that he will use his own transporters, so he had to cancel the trucks booked by him for which the transporter had raised the bill on Varsur Impex.
- vi. Since he wanted to ensure the safe passage and delivery of the consignments at CWC New Delhi, he informed the local representative of the transport company, Mr Surendra Choudhary Mobile No 9828873697 that the consignments on 4 trucks provided by his company are destined for CWC Warehouse, B13 to 15, Okhala Industrial Area, Phase 1, New Delhi only through WhatsApp message and call also. Since he did not receive confirmation about the delivery of

consignment of 4 trucks at CWC New Delhi, his staff member followed up with the truck drivers and with Mr Kapil, so called owner of transport company on 13.10.22 and every one gave different versions.

- vii. Since they were concerned about safe delivery of consignments at CWC New Delhi, he called Mr Velu and asked him that he will process the 5th container if only his person is available in Gandhidham. Then Mr Vijay came to Gandhidham around 12-13th and he ensured that he remained here by the time he got confirmation about delivery of 4 trucks at CWC, New Delhi and release of 5th container.
- viii. Since He did not get the confirmation either from trucks owner, or CWC about delivery of 4 trucks left from our warehouse on 6th, he intentionally delayed the process of clearance of 5th containers despite constant pressure from the importer for early clearance. He regularly enquired from importer also about status of 4 trucks. They also insisted through Mails that they will clear the 5th consignments till their all invoices were paid. Since, balance amount of Rs 3.95 lacs was unpaid, and confirmation was not received, they did not hand over the customs clearance documents to the truck driver.
- ix. Meanwhile DRI put the truck no HR55S5421 on hold so their security supervisor Mr Shiva handed over customs documents to the DRI Officers on the spot. Mr shiva further assisted the DRI officers to locate Mr Vijaya and his associate at Hotel Neemaya, Gandhidham, identify them and hand over to DRI on 15th night itself without any loss of time.

**121.** Shri Abdul Sathara M, Proprietor of M/s Al Shabib Trading Co, Ayyappa Arcade, 11/808 (New 21/451), Wadakkanchery, Trichur in his statement recorded on 16.10.2022(**RUD-43**), stated that-

- i. He was the proprietor of AL Shabib Trading Co., having GSTIN 32AHPPA4337G1ZN and IEC 1005009376 and was doing import, export and trading of building material, furniture and food items. He used to import furniture items, mobile accessories and tools from China prior to COVID 19. Apart from aforementioned goods, he also traded in local products such as export of rice, de-husked coconut, jaggery to Dubai prior to COVID 19. He also used to undertake commission sales for export and import inquiries he used to received, however for the past two years there were no business activity in the firm.
- ii. On being asked who were Global Enterprises and how did he get in touch with them, he stated that CHA used to give them information about importers and the goods they imported. He came to know about Global Enterprises through CHA M/s Mercury Shipping. Shri Suresh and Shri Mohan had contacted him. The mobile no. of Mohan was 8072461759 and that of Suresh was 9600052393. M/s Global enterprises was also known as Varsur Impex (GST NO. 24AAGCV7466C3Z7) as per the details provided by the CHA and as per his understanding.
- iii. On being asked what was his business/other transactions with Global Enterprises having GSTIN 33ALDPJ1623J1ZH, he stated that he had no business transactions with Global Enterprises. However, he knew that they were dealing with the import of Areca Nut. He used to get advance information of the import from them and he used to canvass customers for sale of their goods. However, he was not successful in getting any business for them till date.
- iv. On being asked about copy of Bill of lading No. LL250803MUN10 dated 20.07.2022 belonging to M/s Global Enterprises, recovered from his records, he stated that he had received the said copy from Shri Mohan, the CHA of Global Enterprises. The bill was received for canvassing customers.
- v. On being shown the copy of 4 e-way bills belonging to Global Enterprises with place of delivery in Delhi, recovered from his records, he stated that

the said e-way bills were sent to him as proof of having possession of the Areca Nut by the importer and subsequent transfer to their warehouse in Delhi. In the instant case, he was acting as an agent canvassing clients for Global Enterprises. The said e-way bills were sent to him to show the prospective buyers as proof of possession.

- vi. On being asked if he had any monetary investment or interest in Global Enterprises, he stated that he did not have any monetary interest or investment in their business. It was his first attempt for getting business after the COVID. However, the same was yet to materialise.
- vii. On being asked about the details of the bank accounts of him or his firm, he submitted the bank statement of ICICI Bank account no. 261505000105 in the name of AL Shabib Trading Company for the F.Y. 01.04.2021 to 31.03.2022 and stated that he will submit the rest at a later time.
- viii. On being shown a chat with Shri Suresh on his mobile phone that read "Please give good news" and asked to explain the same, he stated that the chat was relating to delivery of goods pertaining to Global Enterprises, to JB Traders, a prospective client. If the sale was confirmed he was expecting a profit of Rs. 1,00,000/- from the said transaction.

**122.** Statement of Shri Anis Juned KacchiChamadiya, the beneficial owner of M/s JB Traders, Nagpur was recorded on 09.11.2022 (**RUD-44**), during which he interalia stated that:

- i. He owned two proprietorship firms on his PAN-FFCPK3155N, namely M/s A.M. Trading (GSTIN:27FFCPK3155N2Z2) and M/s Lucky Fabrics (GSTIN:27FFCPK3155N2Z3). He was dealing in trading of spices, Black Pepper and Areca Nut.
- ii. On being asked how he made and received payment from his buyers, he stated that the payment was done through RTGS majorly through his Axis Bank account no. 922020004023147, HDFC Bank Account no. 59208421582034, and Kotak bank Account No. 2046289791.
- iii. On being asked how he knew M/s JB Traders (GSTIN:27ANUPI8536L1AZ4) or its proprietor -Muhammad Muzamil

Sheikh Ibrahim, he stated that he was the beneficial owner of M/s JB Traders and it was operated by him in the name of his staff Shri Muhammad Muzamil Sheikh Ibrahim. Muhammad Muzamil Sheikh Ibrahim was residing at his locality for 8 years. His family had developed cordial relations with his family. Muhammad Muzamil Sheikh Ibrahim alias was working for him as a support staff/helper for 7 years and he paid him remuneration of Rs. 9,000/- in cash on monthly basis.

- iv. On being asked that if he knew M/s Global Enterprises Chennai, he stated that Mr. Mohan and Suresh Kumar approached him on his mobile no. 9307886673 (watsapp calling) through their mobile no. 9600052392, 9600044393 on behalf of M/s Global Enterprises and after knowing the terms of the deal, he found the price suitable to him. He had ordered telephonically for 62 Tons of Areca Nut @ Rs. 450 per Kg approx. to Mr. Suresh Kumar. Further, he had made token amount of Rs. 5,00,000/- RTGS in the account of M/s Global Enterprises as provided by Mr. Mohan, dated 05.08.2022 and after that Mr. Mohan requested the rest of the amount in advance, then he had made RTGS of Rs. 30 Lakhs on 17.08.2022, again Rs. 30 Lakhs on 17.08.2022, Rs. 25 Lakhs on 18.08.2022, Rs. 12 Lakhs on 05.09.2022, Rs. 8 Lakhs on 06.09.2022 and Rs. 8,65,000/- on 06.09.2022.
- v. On being asked if it was his own money or provided by someone else, which he paid as answered in previous question, and what was the deal, he stated that it was borrowed from his 6 vendors to whom he was going to sell the Areca Nut, namely Vanita Grah Udyog, Brahmpuri, Chandrpur; Bhusan Dalal, Maskasath, Nagpur; Raju Dalal, Maskasath, Nagpur; Vinod Bhai (Kerla wale); Sohail Bhai, Itwari; and Prateek Bhai, Karkhana wale, Gittikhadan, Nagpur.
- vi. On being asked as how was the money received from the vendors, he stated that he had received the amount in cash from his vendors.
- vii. On being asked if he had received Areca Nut from Global Enterprises for the said payment, he stated that he had not received the Areca Nut against the said payment.

- viii. On being asked that how he was going to get the money back, he stated that he was going to lodge a police complaint against M/s Global Enterprises.
- ix. On being asked that whether the said payment of only for Areca Nut, he stated that the money was for Areca Nut only.
- x. On being asked if he knew Shri Abdul Sattar or M/s AL-Shabib Trading Co. Kerala, he stated that he knew Shri Abdul Sattar or M/s AL-Shabib Trading Co. due to their business of Areca Nuts. He was introduced to Mr. Mohan by Shri Abdul Sattar and he gave his mobile nos. to Shri Mohan.
- xi. On being asked that from whom they used to purchase Areca Nut through JB Traders, he stated that he purchased Areca Nut from Tango Traders, Tamilnadu, Premio Company, Nagpur and Milan Gruh Udyog, Nagpur etc.
- xii. On being asked that to whom he used to sell the Areca Nut, he stated that he used to sell the Areca Nut to Supari processing karkhana, Pan shops, Kirana Shops, and the major buyers were Shravan Mali, Gujarat; Abrar Gujrat; Lalaji Traders, Nagpur; A.M. Trading, Nagpur; and Lucky Fabrics, Nagpur.

**123.** Shri DDN Reddy, Assistant Commissioner, Nhava sheva, Mumbai Zone-II, R/o- 5, 89th Street, 13th Sector, K.K. Nagar, Chennai-600078, in his statement recorded on 15.02.2023(**RUD-45**), interalia stated that:

- i. On being asked, he stated that he joined in Customs in the year 1992 at Vishakhapatnam Customs House. Subsequently, in 1993, he joined Customs House Chennai. He was promoted to Appraiser in the year 2002 and as Assistant Commissioner in the year 2020. He was working at Nhava sheva, Mumbai Zone-II since June, 2021 and looking after charges of Centralized Legal Cell, Adjudication and Centralized Review Cell at the time.
- ii. On being asked, he stated that he was currently using mobile no. 9444446800 and 9600146707. On being asked about Shri D. Suresh, Shri Vijaykumar Kathirvelu and Shri Devendra Yadav, he stated that he

only knew Shri D. Suresh who was a Customs Broker of Chennai but he did not know about names of his firms and his clients. Since he had worked in Chennai Customs for a period of almost 30 years, Shri D. Suresh who used to come to him to seek clarifications on some interpretation issues, changes in the customs law and procedure etc. Sometimes, he used to call me on phone and also used to send him messages to get clarifications on Customs related issues. He did not know Shri Vijaykumar Kathirvelu and never met with him but in the month of Oct., 2022, one day Shri D. Suresh told me that his mobile phone was going to discharge due to low battery and he would call from mobile phone of his friend Vijay (full name not known to him). Thus, Shri D. Suresh told him about that Vijay. He did not know who was Devendra Yadav.

- iii. On being asked whether he was aware about M/s. Global Enterprise, Chennai, M/s. Varsur Impex Pvt. Ltd., Kandla SEZ, he stated that he did not have any idea about M/s. Global Enterprise, Chennai and M/s. Varsur Impex Pvt. Ltd., Kandla SEZ and he had not dealt with any consignment or any kind of other work relating to these two firms/companies.
- iv. On being asked whether he was asked by Shri D. Suresh or any other person regarding clearance of any consignment of Areca Nuts /Betel Nuts from Kandla SEZ, he stated that in Oct., 2022, he was in Delhi in connection with a case at Supreme Court and that time one staff of Shri D. Suresh called him and inquired about Shri D. Suresh. Thus, I tried to contact with Shri D. Suresh on his mobile number which was found switched off. So, I called friend of Shri D. Suresh viz. Shri Vijay who told him that there was DRI problem against Shri D. Suresh and himself. Immediately, he advised Shri Vijay to surrender both of them before DRI and cooperate in the investigation and to pay up the Duty, interest, penalty as pointed out by DRI. Later on, after few days Shri D. Suresh called him telephonically and informed that DRI, Mundra booked a case against him and his friend and he asked him what to do. He advised him

to pay up the Duty, interest, penalty as pointed out by DRI and to cooperate fully in the DRI investigation.

- v. On being asked whether he was concerned with respect to making/collecting payment in connection with consignment pertaining to Shri D. Suresh, he stated that sometimes he used to help Shri D. Suresh in translating conversations telephonically (Hindi to Tamil) with the concerned persons who were known to Shri D. Suresh and not known to him.
- vi. On being asked whether he was knowing persons viz. Shri Abdul Sathara, Shri Kunjilla Kutty, Shri Ranveer Singh Sandhu/Luthra, Shri Ashok Gupta and Shri Gullu he states that he did not know any person having name Shri Abdul Sathara, Shri Kunjilla Kutty, Shri Ranveer Singh Sandhu/Luthra, Shri Ashok Gupta and Shri Gullu and he had nothing to do anything with any of these persons.
- vii. On being shown copy of the following statements of Shri D. Suresh, he stated as under: -

(a) **Two Statements both dated 15.10.2022 of Shri D. Suresh:** - The facts stated by Shri D. Suresh about him were not correct as he never met Shri Devendra Yadav, Shri D. Suresh and Shri Vijay at the said Hotel at Mumbai. Shri Suresh called him 2-3 times stating that he came to Mumbai and wanted to meet him but he was busy with his personal work and did not meet him. He was also not aware about other facts /discussion if held among them. He also never advised them to do business in Mundra. All of sudden, he called him one day and asked him what was the tariff rate of Betel Nut. He told him the tariff rates prevailing at that time. He was also not aware what was the case of M/s. Varsur Impex Pvt. Ltd. As he had already stated that he was not knowing any person having name Sattar/Sathar.

(b) **Statement dated 16.10.2022 of Shri D. Suresh:-**He did not give contact no. of Shri D. Suresh to any Devendra Yadav as he was not knowing him. As regards past consignments of Areca Nuts imported by him at Chennai, he only provided him clarifications relating to Duty calculation and specifically directed him to follow the proper procedure as per law.



- (c) **Statement dated 17.10.2022 of Shri D. Suresh:-**he did not give any instruction for making payment to anyone. he only translated conversations in Hindi and Tamil. Shri D. Suresh sent him a one rupee note number to which he asked him telephonically why he was sending the same to him and he directed him to delete the same as it was not related to him in any manner. He did not know any Dhanraj and did not have any conversations with him.
- (d) **Statement dated 18.10.2022 of Shri D. Suresh:-**No facts relating to him was there in the statement and hence no comments were offered.
- (e) **(Statement dated 19.10.2022 of Shri D. Suresh:-**that the contact no. 7358428287 was not his number and he did not use facetime. He was also shown printouts of Chat conversations and related documents/images/printouts and the audio/video files were played before him on the computer system. In this regard, he stated that Shri D. Suresh used to send him audio/video files which were not relating to him and he did not listen /watch the same but deleted. He was not aware and related about the content of these audio/video files/images/printouts/documents etc. However, he put his dated signature on these printouts shown to him in token of only been seen and perused the same. he stated that the facts stated by Shri D. Suresh explaining the Chat content etc. in this statement about him, were not correct.
- (f) **Statement dated 20.10.2022 of Shri D. Suresh:-**He never gave any advice to Shri D. Suresh to do business at Kandla SEZ or Mundra. He did not know who are Sattar/Sathar and Kunjilla Kutty and was not concerned with them in any manner. He had no idea about payment of Rs. 1.08 Crore mentioned in the statement and he was not concerned with such payment in any manner.
- (g) **Statement dated 21.10.2022 of Shri D. Suresh:-**No facts relating to him was there in this statement and hence no comments were offered. On being shown copy of the following statements of Shri Vijaykumar Kathirvelu, he stated as under: -
- (h) **Two Statements both dated 15.10.2022 of Shri Vijaykumar Kathirvelu:-** The facts stated by Shri Vijaykumar Kathirvelu about him were not correct as he was not knowing him prior to booking of present DRI case against him. He did not meet him anywhere and did not know any transporter discussed by Shri Vijaykumar Kathirvelu in

his statement. He did not book any consignment through anybody and did not know who is Gullu.

- (i) **Statements dated 16.10.2022 and 18.10.2022 of Shri Vijaykumar Kathirvelu:-**No comments were offered.
- (j) **Statement dated 20.10.2022 of Shri Vijaykumar Kathirvelu:-** Since he was not knowing who was Devendra, the facts stated by Shri Vijaykumar Kathirvelu that he had given good reference of Devendra Yadav to Shri D. Suresh, are not correct.
- (k) **Statement dated 21.10.2022 of Shri Vijaykumar Kathirvelu:-**No comments are offered as Shri Vijaykumar Kathirvelu did not mention any fact about him.

**124.** Statement of Shri Nawaz Khan Chaudhary, Authorised Signatory of M/s Varsur Impex Pvt. Ltd., was recorded on 12.07.2023 (**RUD-46**), where he interalia stated that:

- i. On being asked, he stated that he had been working in the freight forwarding field relating to import/export consignments at Delhi since last 18 years. He came to Gandhidham (Kutch) in the year August, 2021, as per suggestion of one Shri Varun Tondon who posed himself as Director of M/s. Varsur Impex Pvt. Ltd., Lajpat Nagar, 424,A, 3<sup>rd</sup> Floor, Sant Nagar, East of Kailash-I, Delhi-65. Shri Varun Tondon resides in Delhi and he met him in India International Club (IIC), Khan Market, Delhi. Shri Varun Tondon offered me to supervise his warehouse activities at Kandla Special Economic Zone, Gandhidham and for exploring business development for the said warehouse. He was offered a remuneration of Rs. 40,000/- per month for which he agreed. That at the time, he was connected with following firms/companies: -

S. No.	Name of the firm/company	Designation/role in the firm/company	Business activities of the firm/company	Other Directors/Partners/Prop. of the firm/company and their Mb. No.
1	M/s. Varsur Impex Pvt. Ltd. (GSTIN	Authorised Signatory	Warehousing in KASEZ	Shri Varun Tondon, Shri Gaur Hari Maiti, Shri Rajwanshi

	24AAGCV7466C3Z 7, IEC- AAGCV7466C)			Chauhan. Their mobile nos. and residential addresses are not readily available with me. I will provide the same within 03 days' time.
2	M/s. N.K. International (GSTIN –Not readily available, I will provide the same within 03 days. IEC-AHDPC3242L)	Proprietor	Trading of food commodities	Myself

No other firm/company owned/controlled/operated by him as owner/director/prop./Partner.

- ii. On being asked, he stated that his Bank Accounts were at HDFC Chawdi Bazar Branch, Delhi, Bank Account of M/s. N.K. International was at Yes Bank Dariyaganj Branch, Delhi and the Bank Account of M/s. Varsur Impex Pvt. Ltd. was at SBI KASEZ, Gandhidham, however details were not available with him.
- iii. On being asked, he stated that M/s. Varsur Impex Pvt. Ltd. obtained LOA bearing no. 01/2021-22 dated 30.04.2021 from office of the Development Commissioner, KASEZ, Gandhidham for establishing SEZ unit for undertaking authorized operation i.e., warehousing. He was authorized by the Director of M/s. Varsur Impex Pvt. Ltd. to sign /file documents, to open Bank Accounts, to issue Cheques, to represent M/s. Varsur Impex Pvt. Ltd. before any Department/agency and his statement is binding upon the company and its Directors. He used to discuss with their clients, negotiates rate and finalize deals at his own but report all business activities of M/s. Varsur Impex Pvt. Ltd. to Shri Varun Tondon. They were allotted Unit as Shed No. 168, Special CIB type, Phase-I, Sector-II, KASEZ, Gandhidham for which they are paying annual lease rent of around Rs. 18 Lakh per annum to the KASEZ authorities. He

stated that there were four Guards and one Supervisor viz. Sh. Mattaparthi Shiva Rammurthy in M/s. Varsur Impex Pvt. Ltd.

- iv. On being asked, he stated that as regards warehousing activities in M/s. Varsur Impex Pvt. Ltd., that this company was carrying out warehousing of mainly Dry Dates, Areca Nuts/Betel Nuts etc. Their main clients include overseas companies viz. M/s. Al Noor Trading, Dubai, M/s. Inter Globe Resources FZC, Dubai, UAE and local clients viz. M/s. Venus Trading, M/s. Quick Traders, M/s. Global Enterprise, M/s. Kairana Enterprises, M/s. Arise Enterprises, M/s. Shanti Impex, M/s. House N Trades for Export, etc. They charged Rs. 30,000/- per month per 40 Feet container and Rs. 20,000/- per month per 20 Feet container as warehousing charges from local clients and USD 350 to USD 400 per month per container from overseas clients. In case, any client avails warehousing services for less than one month, then full charges for full month are collected by them. On being asked, he stated that M/s. Varsur Impex Pvt. Ltd. do not have any other warehouse than that of in KASEZ.
- v. On being asked to provide the details of consignments warehoused and payment collected from M/s. Global Enterprise, Chennai, he stated that they had warehoused total 05 containers of imported Whole Areca Nuts pertaining to M/s. Global Enterprise during the period from August, 2022 to Oct., 2022. They had filed following Warehousing Bills of Entry for these consignments: -

S. No.	Bill of Lading No.	Container No.	Qty. of Goods	Warehousing Bill of Entry No. & Date
1	TGSJKTMUN0730 dated 30.07.2022	KCSU2900808	18.06 MT (actually found 16.7 MT)	1013613 dated 31.08.2022
2	LL250803MUN10 dated 20.07.2022	GESU1456514 & SEGU2127190	36 MT	1012510 dated 13.08.2022

3	LL250803MUN09 dated 20.07.2022	CXDU1934482, BEAU2343808	36 MT	1012509 dated 13.08.2022
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- vi. On being asked to provide the copy of Bond furnished by M/s. Varsur Impex Pvt. Ltd. to KASEZ authorities at the time of applying for LOA, he stated that the copy of Bond was not available with him and he would check his record and furnish the same if available.
- vii. On being asked that when M/s. Varsur Impex Pvt. Ltd. was charging warehousing charges at the rate of Rs. 30,000/- per month per container the total warehouse charges payable should be around Rs. 3,00,000/- then why a sum of Rs. 8,75,000/- was received by them from M/s. Global Enterprises in three instances in August, 2022, he stated that apart from warehousing charges, his company also collected other charges such as loading/unloading, Labour charges, FSSAI charges, import handling charges, insurance, security charges etc. Hence a lump sum amount was received at that point of time and the final amount was to be settled at later stage which could not be done due to case booked by DRI in respect of said consignments.
- viii. On being asked to brief the entire incidents happened in respect of aforementioned consignments of M/s. Global Enterprise, he stated that in the month of July, 2022, one person who posed himself as Shri Vijaykumar Kathirvelu, Authorised Signatory of M/s. Global Enterprise, Chennai made a telephonic call to him and requested to warehouse Areca Nuts to be imported by them in the next month and he inquired about the charges. He informed him the charges and finalized the deal. Shri Vijaykumar Kathirvelu sent him KYC documents through email and also through courier.
- ix. On being asked how and by whom the agreement for warehousing was signed in respect of M/s. Global Enterprise, he stated that he sent a format of agreement through email to Shri Vijaykumar Kathirvelu who sent him the same printed on stamp paper and duly signed by his brother Shri Jayavelu Kathirvelu, Proprietor of M/s. Global Enterprises through courier and he signed the agreement on receipt of the courier.

He further stated that in the last week of July, 2022, Shri Vijaykumar Kathirvelu telephonically informed him that 05 containers of Areca Nuts imported by M/s. Global Enterprises were scheduled to arrive at Mundra port in the month of August, 2022 and thereafter the shipping lines started communicating with them. They collected the advance charges from M/s. Global Enterprises and the warehousing Bills of Entry were filed JOINTLY in the name of M/s. Varsur Impex Pvt. Ltd. and M/s. Global Enterprises with help of one Shri Ganesh Naidu of M/s. Cross Trade Links using their Login Id showing it as SELF filed Bills of Entry.

- x. On being asked, he stated that in the first week of September, 2022, Shri Vijaykumar Kathirvelu informed him telephonically that the warehoused goods were to be cleared from their KASEZ warehouse to Customs Bonded Warehouse of CWC, Okhla, Delhi and on being asked by him, he sent the concerned documents through email. On being further asked what were the documents, he stated that these documents included Bond issued by M/s. Global Enterprise, Bond Acceptance Letters issued by Deputy Commissioner of Customs (Bond), NCH, IGI Air Port, New Delhi, Space Availability Certificate issued by CWC, Okhla, New Delhi, Insurance documents etc. They also obtained Declaration & undertaking for FSSAI inspection in Form 8 from M/s. Global Enterprise and arranged FSSAI inspection, PPQ Release Order and filed following Bills of Entry (with help of Shri Ganesh Naidu) showing clearance/transfer of subject goods from KASEZ to Customs Bonded Warehouse of CWC, Okhla, New Delhi:-

S.N o.	Bill of Entry No. & Date (SEZ to Customs Bonded W/H )	Description of goods	Qty. of Goods in KASEZ B/E	Vehicle No.
1	2010974 dated 20.09.2022	Whole Areca Nuts	16.7 MT	RJ 14 GL 9477 RJ 10 GB 4727 HR 55 S 4111 RJ 14 GG 4183 HR 55 S 5421
2	2010413 dated 08.09.2022	Whole Areca Nuts	36 MT	
3	2010414 dated 08.09.2022	Whole Areca Nuts	36 MT	

- xi. On being shown the FSSAI inspection report which contained the heading 'REJECTION REPORT OF FOOD IMPORT' and also reported as under: -

*"This office is not in a position to issue NOC of the product(s) mentioned above as the result(s) of the inspection / analysis shows that the sample(s) do not conform to the specification (s) under the FSS Act 2006, and rules and regulations made thereunder".*

On being asked in this regard that whether the samples of subject goods inspected/analysed by FSSAI officers failed with respect to FSSAI NOC, he stated that as per the documents produced before the FSSAI officers, the subject goods were meant for deemed export and thus they did not specify their report assuming that the subject goods were not to be cleared to DTA. In the same report, there was a remark which further explained the matter clarifying that in case the goods were to be cleared to DTA from Customs Bonded Warehouse, then the Customs Authorities should grant OOC to the consignment only after taking NOC from the FSSAI authorized officers.

- xii. On being shown the Space Availability Certificate issued by CWC, Okhla, New Delhi pertaining to the said consignments, and being asked to comment, he stated that the clearance of the subject goods were started from their warehouse on 07.10.2022. In this regard, he had been apprised that as per the aforesaid Space Availability Certificate issued by CWC, Okhla, New Delhi, these Certificates were valid till 02.09.2022 and 27.09.2022, 27.09.2022 and 02.10.2022 only. **On being asked why the subject goods were cleared from their SEZ warehouse on the basis of the said Space Availability Certificate which were not valid at the time of clearance of subject goods from KASEZ, he stated that he would inquire further from CWC, Okhla, New Delhi as to whether the said Certificates were renewed.** He will revert back within a week time. On being further asked whether the subject goods were cleared from KASEZ on the basis of these Space Availability

Certificate of CWC, Okhla, New Delhi, he stated that it was true that the subject goods were cleared on the basis of these Certificates only.

- xiii. On being asked to provide the names of persons who approached him directly or indirectly in connection with inspection, sale/purchase or for any purpose relating to subject goods, he stated that no other person than Shri Vijaykumar Kathirvelu contacted him in this regard.
- xiv. On being asked whether Shri Vijaykumar Kathirvelu informed him the final destination of subject goods subsequent to the Customs Bonded Warehouse in Delhi and whether he had provided any other documents for this purpose, he stated that Shri Vijaykumar Kathirvelu neither informed him the final destination of the subject goods, nor he provided any documents in this regard. On being asked why did he not ask Shri Vijaykumar Kathirvelu about final destination of subject goods, he stated that he relied on the documents provided by him showing destination of subject goods as *Customs Bonded Warehouse in Delhi* and hence, he did not inquire about final destination of the subject goods subsequent to the Customs Bonded Warehouse in Delhi.
- xv. On being shown the following documents and asked to comment on the same:
  - (p) Panchnama dated 14/15.10.2022 drawn at the premises of M/s. Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42
  - (q) Panchnama dated 14.10.2022 and 15.10.2022 drawn at the warehouse of M/s. Varsur Impex Pvt. Ltd., KASEZ, Gandhidham
  - (r) Panchnama dated 15.10.2022 drawn at my residence premises
  - (s) Statement dated 15.10.2022 of Shri Mohammad Nadeem, Driver of Vehicle No. RJ 14 GL 9477
  - (t) Statement dated 15.10.2022 of Shri Mohammad Salman, Driver of Vehicle No. RJ 14 GG 4183
  - (u) Statement dated 15.10.2022 of Shri Satyavan, Driver of Vehicle No. HR 55 S 4111



- (v) Statement dated 15.10.2022 of Shri Navrang Singh, Driver of Vehicle No. RJ 10 GB 4727
- (w) Statement dated 15.10.2022 of Shri Kapil Sharma, Manager of M/s. Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42
- (x) Statements dated 14.10.2022 and 15.10.2022 of Shri Ranveer Singh Sandhu, Director & Authorised Person of M/s. Volg Exim India Pvt. Ltd.
- (y) Statements dated 15.10.2022, 15.10.2022, 16.10.2022, 17.10.2022, 18.10.2022, 19.10.2022, 20.10.2022, 21.10.2022, 03.11.2022 of Shri D. Suresh, Partner of M/s. Mercury Shipping, Chennai-600001
- (z) Statements dated 15.10.2022, 15.10.2022, 16.10.2022, 18.10.2022, 19.10.2022, 20.10.2022, 21.10.2022, 03.11.2022 of Shri Vijayakumar Khatirvelu Authorized Person of M/s Global Enterprises, Chennai
- (aa) Statement of Sh. Mattaparthi Shiva Rammurthy recorded on 14/15.10.2022
- (bb) Statement dated 15.10.2022 of Shri Aabid Khan, Driver of vehicle bearing no. HR 55 S 5421
- (cc) Seizure Memo dated 15.10.2022 alongwith Supratnama dated 15.10.2022
- (dd) Seizure Memo dated 18.10.2022 alongwith Supratnama dated 18.10.2022

He stated that facts mentioned in the said documents as above, were true to the best of his knowledge. He further stated that after the clearance of the goods covered under from their warehouse at KASEZ, Gandhidham, the goods were diverted to private warehouse of M/s. Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42 instead of declared destination i.e. Bonded Warehouse of CWC, Okhla 2, B-13,14,15, Industrial Area, New Delhi-20.

S. No.	KASEZ Bill of Entry No. & Date (SEZ to Bonded W/H )	Description of goods	Vehicle No.	Qty. of Goods
1	2010413 dated 08.09.2022	Whole Areca Nuts	RJ 14 GG 4183 and HR 55 S 4111	36 MT
2	2010414 dated 08.09.2022	Whole Areca Nuts	RJ 10 GB 4727 and RJ 14 GL 9477	36 MT

He further stated that the subject goods loaded in fifth truck bearing no. HR 55 S 5421 were also to be diverted to DTA but it could not reach Delhi as they halted the same on account of non-receipt of payment of our various charges from M/s. Global Enterprises.

- xvi. On being shown copy/printouts of some e-way bills dated 08/10/2022, 09.10.2022 and 14.10.2022 shown to be generated by M/s. Global Enterprises and appear to be pertaining to the said consignments having some of the vehicle numbers same as discussed above, and being asked whether as per these e-way bills, the subject goods were to be shipped to M/s. Global Enterprises, 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi or Chengalpattu, Tamilnadu, he stated that he was not aware whether there was any office of M/s. Global Enterprises at 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi. He was also not aware who had prepared these e-way bills. On being asked whether a SEZ warehouse did not have any access/connection to the e-way bills while giving delivery of the subject goods at the time of clearance of consignments from warehouse, he stated that they being warehouse had access to e-way bills when they arranged transportation. In the instant case, they did not arrange transportation and he was not aware who had arranged the transportation for subject goods from KASEZ to Delhi.
- xvii. On being asked that why did they mis-declare the subject consignment in the Bills of Entry filed by them with respect to the destination of the subject goods as Customs Bonded Warehouse, CWC, Okhla, Delhi whereas as per the conspiracy it was already decided that the goods were

to be cleared to the private godown/ warehouse in DTA which resulted in the evasion of Customs Duty and violation of law, **he stated that he was not informed by anyone that the goods were to be diverted to DTA and he relied on the documents/declarations furnished by their client M/s. Global Enterprises as per which the goods were to be dispatched to Customs Bonded Warehouse , CWC, Okhla , Delhi** and they filed the Bills of Entry accordingly.

- xviii. On being apprised that as per version of Shri D. Suresh in his statement dated 18.10.2022, he used to call for blank letters heads of M/s. Global Enterprises duly signed by Shri Vijaykumar Kathirvelu ; that these were used in preparing Consignment Bonds, making correspondence with Customs and others as if such documents were issued by M/s. Global Enterprises and being asked to comment, he stated that it was done by him as per general practice to save time as after getting telephonic approval of the content printed on such letter heads from Shri Vijaykumar Kathirvelu, he submitted/used such letters with concerned authorities.
- xix. On being shown printouts of emails dated 15.10.2022 (07.13 PM), 15.10.2022 (07.30 PM), 17.10.2022(02.23 PM), 29.10.2022 (07.14 PM), attachment 29.10.2022 etc. vide which certain letters, audio clips, documents etc were sent by him through emails, he stated that he had sent the said emails to DRI etc. to ensure security of the subject goods loaded in fifth/last truck, and to claim that they were not involved in the diversion of subject goods and thereby evasion of Customs Duty. Thus, on the basis of overheard facts, he sent these emails in hurry without verifying the facts and hence various facts mentioned in these emails are not correct. And that he was withdrawing the submissions made by him vide the said emails and attachments thereof without any fear, threat, greed or coercion.
- xx. On being asked to provide whereabouts of S/Shri Kunjilla Kutty, Shri Devendra Yadav, Shri Ashok Kumar Gupta and Shri Gullu, he stated that he did not have contact no. or address of these persons. However, as far as he recalled, Shri Ashok Kumar Gupta was concerned with their

client M/s. House of Trades N Exports and that he will inquire in this regard and will revert back within a week time.

## **SECTION -G**

### **FINDINGS FROM DISCUSSION OF EVIDENCES**

#### ***FINDINGS ON THE ALLEGATION THAT GOODS ARE DIVERTED INTO DOMESTIC TARIFF AREA:***

**125.** The evidence relied upon in SCN to make the charge of diversion is in the form of documents, Chats from mobile devices and statements recorded under Section 108 of Custom Act 1962, further to evidence in the form of the fact that goods were found unloaded at M/s. Yes Supply Chain Solutions Pvt. Ltd, which is a place not specified for bonding as per declaration filed at KASEZ.

#### **126. DETAILS OF GOODS FOUND BEING DIVERTED**

**126.1 CASE OF FOUR TRUCKS THAT UNLOADED GOODS AT M/S. YES SUPPLY CHAIN SOLUTIONS PVT. LTD AFTER BREAKING CUSTOMS SEAL:**

I find that, as per the plan, the goods contained in all 05 containers cleared from KASEZ were to be diverted and unloaded at “kheda kala, om dharma kata” near Gurgaon/Delhi border. However, due to internal dispute between various players in charge of the diversion, when Ashok Gupta, Shri Ranveer Luthra and Shri Gullu claimed that the goods belonged to them, and due to which the drivers had to call police upon which these persons fled the spot. Accordingly, as per instructions of Shri Ashok Gupta and Shri Devendra Yadav, the goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111 and covered under BE No. 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-

42, instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II and unloaded there when DRI intercepted them.

I find that, DRI officers intercepted four trucks bearing registration no. RJ 14 GL 9477, RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727 at the warehouse of M/s Yash Supply Chain Solutions Pvt. Ltd. The DRI team noticed that the goods i.e. Areca Nut were being unloaded from the truck bearing no. RJ14 GL 9477 at the godown of M/s Yash Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, Delhi-110042. Accordingly, the officers carried out search at the premises of the godown of M/s Yash Supply Chain Solutions Pvt. Ltd. located at AG-56, Sanjay Gandhi Transport Nagar under Panchnama dated 14/15th October, 2022. During the search proceedings, Shri Kapil Sharma, Manager, of M/s Yash Supply Chain Solutions Pvt. Ltd., confirmed that the customs seals were broken and the goods de-stuffed from the remaining 3 trucks viz. RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727 were already lying in the basement of their godown and the destuffing of goods from truck bearing no. RJ14 GL 9477 was in progress.

**126.2. CASE OF ONE TRUCK THAT ATTEMPTED TO DIVERT THE GOODS INTO DTA BUT INTERCEPTED BY DRI OUTSIDE KASEZ:**

Incase of the fifth truck bearing no. HR 55 S 5421 containing goods covered under SEZ to Bonded W/H B/E No. 2010974 dated 20.09.2022, an attempt to divert the goods in same manner, as were done in respect of aforesaid 04 vehicles, was made is evident from the statements of Shri Vijay Kathirvelu and Shri D.Suresh as discussed above. However, it became late due to pending documentation and after clearance from KASEZ, it could not reach Delhi and was intercepted by the DRI officers outside KASEZ, and the truck was taken back into the premises of M/sVarsur, KASEZ from where goods originated. The nature of attempt to divert the goods into DTA became more evident from further evidence of Chats and other evidences as discussed below.

**127. THE DOCUMENTARY EVIDENCE REGARDING DIVERSION:**

127.1. I find that M/s. Varsur Impex filed Bills of Entry for transfer of goods i.e. Whole Arecanuts from SEZ to Bonded Warehouse i.e. Central Warehousing Corporation of India, Okhla Industrial Area, Delhi [as per Rule 46(13) of SEZ Rules, 2006] on behalf of the client (Indian) M/s. Global Enterprise.

On going through the consignment note having Docket No. 5218 dated 10.10.2022 issued by Yash Supply Chain Solutions Pvt. Ltd, it is noticed that the goods i.e. 18 MTs Whole Arecanuts in 300 bags were meant to be transported to Global Enterprises, Delhi and the same has E-Way Bill No. as 561420023258. Further, on going through the said E-Way Bill, it is seen that the same has been generated on 09.10.2022 by M/s. Global Enterprises having GSTIN- 33ALDPJ1623J1ZH and the goods were to be shipped to 101A, Plot No. 29, Apra Plaza Rani Bagh Shakurpur Basti, New Delhi-110034 instead of their destined place i.e. Central Warehousing Corporation of India, Okhla Industrial Area, Delhi.

It is admitted by Shri Vijay Kathirvel of M/s Global Impex in his statement dated 19.10.2022 that they did not have any place outside Chennai. **(RUD-30)**

127.2. The goods were taken out from the KASEZ in the month of October 2022 against a Space availability certificate dated 31.08.2022 issued by Central Warehousing Corporation, Okhla-II, New Delhi valid upto 27.09.2022.

127.3. Bank statement of M/s Global Enterprise (Acc. No. 10091620207), show receipt of amounts from the account of M/s JB Traders (being the billing address) for delivery of these goods at Nagpur, as further confirmed by evidence recorded under Section 108 of Shri D.Suresh, Shri Vijay Kathirvelu and of Shri Anis Juned KacchiChamadiya, the beneficial owner of M/s JB Traders, Nagpur.

127.4. Various Chat Messages relied upon in SCN show details of bank transactions, location of addresses where goods were sought to be diverted, and these chats were positively confirmed by noticees as discussed in the

subsequent paras. There have been various chats between different persons involved in the diversion of the subject goods:-

- a. Chats between D.Suresh and Dev Dubai
  - b. Chats between D.Suresh and Kochi Satthar
  - c. Chats between D.Suresh and Dhanraj
  - d. Chats between D.Suresh and Facetime Ddn Ready
  - e. Chats between D.Suresh and Mohan Raj
  - f. Chats between D.Suresh and Vijay MGR nagar Paddapai
- All the above chats were retrieved from the Mobile phone of Shri D.Suresh

- g. Chats between Abdul Sathar and D.Suresh retrieved from mobile phone of Shri Abdul Satthar

Further, I find that the noticees have admitted to their chats involving exchange of messages related to diversion of goods except Shri DDN Reddy, who has not agreed to the chats.

Details of these documents are already discussed above and are again discussed in the context of recording findings w r t oral evidence recorded under Section 108 below.

**FINDINGS ON ALLEGATIONS IN SCN REGARDING INTENT AND DESIGN TO DIVERT THE BONDED GOODS INTO DTA FOR SALE WITHOUT PAYMENT OF APPLICABLE DUTIES:**

**128.** I find that various confession statements, documents (e way Bill, space availability Certificate, Bank Transactions, etc ) discussed above and evidence from Chats bear out the intent and design to divert the goods into DTA, in the guise of transferring under Bond, for sale without payment of applicable duties and to share profits made on organizing such fraudulent activity.

I find that confession statements of various noticees, further to supporting the evidence available from documents relied upon by the SCN to allege diversion, also confirm the diversion and bear out the design and motive to divert the goods by the importer and various beneficiaries associated with the import as discussed below.

**FINDINGS ON EVIDENCE FROM STATEMENTS OF NOTICEES RECORDED UNDER SECTION 108 OF THE CUSTOMS ACT, 1962 SUPPORTING THE FACT OF DIVERSION OF THE GOODS EVIDENT FROM DOCUMENTS DISCUSSED ABOVE:**

**129.** I find from the content of statements recorded under Section 108 Customs Act, 1962, and as discussed in previous sections that the evidence compiled in the SCN confirms the fact of diversion of goods into DTA. These statements recorded under Section 108, Custom Act 1962 are found not retracted subsequently, and the evidence there in is admissible to the extent it has been not been contested or not rebutted as per the law settled on the subject. I record my findings in this regard as below:-

129.1. As per the statements of Shri Kapil Sharma (RUD 6), that Shri Pandey from Mundra informed that goods were destined for CWC Okhla but he left the trucks at Jaipur, and a dispute erupted between R S Sandhu/Gupta and Gullu regarding ownership of goods once the trucks reached Manesar; and he was paid by Shri Ashok Gupta and was receiving instruction from him regarding storage of goods at M/s Yes Supply chain Solutions Pvt. Ltd., all of which support the allegation that the goods brought to M/s. Yes Supply chain solutions were meant for diversion.

129.2. The content of Shri Kapil Sharma statement was found to be consistent with the statements of Drivers who brought goods from KASEZ to the premises of M/s Yes Supply chain Solutions Pvt. Ltd. (RUD 7 to 10).

129.3. The statement dt 21.10.22 of Shri D Suresh (RUD-35) states that goods were to be diverted at "Village-Khedkidhola, Near Bewrrha Chowk, Gurgaon, Haryana, Landmark-Sonu Dharm Kanta'. Whereas the goods were actually unloaded from the four trucks at godown at AG 56, Sanjay Gandhi Transport Nagar, Delhi. On being asked that what was the reason for such variation in locations shared on WhatsApp and location at which the goods were actually unloaded, he stated that the location of unloading of subject goods cleared from KASEZ vide B/E No. 2010413 and 2010414 both dated 08.09.2022 was decided by Shri Devendra and Shri Sattar. It was possible that they both



decided different locations as per their convenience and shared the same to concerned persons which created communication gap. The goods were finally unloaded at godown no. AG 56, Sanjay Gandhi Transport Nagar, Delhi. This refers to their intention not to take goods to specified place of CWC Okhla but to divert the goods to the place where unloading took place.

129.4. Statements dated 16.10.2022 (RUD-19) of Shri Vijay Kathirvelu of the importing firm M/s Global Impex states that he was not aware whether goods were going to CWC Okhla and that the e way Bill, for SEZ Bill of Entry no. 1012510 and 1012509, both dated 13.08.2022, in the address of Ranibagh, Delhi was prepared by Shri Devendra.

129.5. Statements dated 15.10.2022(RUD-15) of Shri Vijay Kathirvelu of the importing firm M/s Global Impex confirms the fact that the ultimate destination of the goods was Nagpur for sale to prospective buyers through Shri Sattar and Shri Kunjil Kutty.

129.6. I find from Statements dated 18.10.2022(RUD-29) of Shri Vijay Kathirvelu that the goods were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, as per directions of Shri Devendra Yadav, instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II, B-13, 14, 15, Industrial Area, New Delhi-20; Further, he stated that the fifth truck bearing no. HR 55 S 5421 containing goods covered under SEZ to Bonded W/H B/E No. 2010974 dated 20.09.2022 was also to be diverted in same manner as were done in respect of aforesaid 04 vehicles, however, it became late due to pending documentation and after clearance from KASEZ. It could not reach Delhi and was intercepted by the DRI officers outside KASEZ.

**STATEMENTS OF NOTICEES UNDER SECTION 108 CA 1962 - EVIDENCE REGARDING INTENT AND DESIGN/PLANNING TO DIVERT THE GOODS:**

**130.** Based on oral evidence, supporting the above referred documentary evidence, following findings are recorded to state that the importer and other

beneficiaries of such diversion had the intent and design to divert the goods into DTA without payment of applicable duties for sale in the domestic market.

130.1. As per Statements dated 15.10.2022 (RUD-16) and dated 20.10.2022 (RUD-33) of Shri D.Suresh, Shri Devendra offered him a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham; that Shri Devendra told that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and he had to only pay money for purchasing cost of goods and all other misc. expenses; Shri Devendra who assured to return him profit at the rate of Rs. 450/- per KG. Shri Devendra had assured that whoever invested money at the rate of USD 2500/MT in connection with import in Areca Nut, would get profit of Rs. 450/- per Kg. The profit of Rs. 450/- per Kg. was available for the investor who had to pay money for importing/purchasing of Areca Nuts from the overseas supplier

130.2. It is seen from the said statements dated 15.10.2022 (RUD-16) and dated 20.10.2022 of Shri D Suresh that Shri Devendra had collected amount of around Rs. 1.08 Crore from him towards purchasing cost of goods, warehousing charges clearance charges etc. The amount of Rs. 1.08. Crore, which was paid by him through M/s Global Enterprises to Shri Devendra was part of Rs. 1.16 Crore received by him in M/s Global Enterprises from Shri Sattar.

130.3. It is seen from the said statements dated 15.10.2022 (RUD-16) & dated 16.10.2022 (RUD-24) of Shri D.Suresh that, the beneficial owner of M/s JB Traders had bought the Areca Nut imported by M/s Global Enterprise and the amount was sent to M/s Global Enterprise for clearance of Areca Nut.

As per statement dt 18.10.2022 (RUD-26) of Shri D. Suresh, Shri Sattar provided him billing address of JB Traders (Prop. Mohammad Muzammil Sheikh Ibrahim), Near Risaldar Akhada, House No. 207 A, Plot Not. HR 56, Timki Road, Mominpura, Nagpur for supply of aforesaid import consignments of Areca nuts; the aforesaid imported areca nuts were to be handed over to

Satar at Nagpur. Satar had already deposited approx. 90 Lakhs in the bank account of M/s. Global Enterprise for further payment to Devendra and Nawaj for clearance; After deduction of their margin of Rs. 40/- per KG, the balance amount had been transferred to account specified by Devendra.

As per statement dt 18.10.2022(RUD-26) of Shri D. Suresh, when when shown message sent by him on 17.08.2022 that read "Still not received payment" and "Just now received 30+30", he stated that he asked for advance payment and thereafter he informed Shri Sattar that he had received Rs. 60 Lakh. Further, Kochi Sattar informed him that he had sent total payment of 90 Lakhs, and then he confirmed the same to Sattar through message that read "received sir".

130.4. Similar evidence is made available from statement dt 17.10.2022(RUD-25) of Shri D. Suresh . This statement of Shri D Suresh is consistent with the statement 19.10.2022(RUD-30) of Shri Vijay Kathirvelu

130.5. As per Statements dated 16.10.2022(RUD-19) of Shri Vijay Kathirvelu, the importing firm M/s Global Impex received, as shown in the bank statement of M/s Global Enterprise (Acc. No. 10091620207) - amounts deposited from the account of M/s JB Traders specified by Shri Sattar in relation to such diversion.

130.6. Further to evidence of transferring of amounts in relation to diversion of goods into domestic market, evidence in the form of Chat with Shri Sathar also confirm the nature of said transaction. As per statement dt 16.10.2022(RUD-24) of Shri D. Suresh, Chat with Kochi Sathar dated 06.210.2022, he stated that two months had already passed and goods were not cleared, hence Shri Sathar was repeatedly asking for clearance of the goods

As per statement dt 18.10.2022(RUD-26) of Shri D. Suresh, Sattar was asking for the status of the goods through these messages. He further stated that he sent a document "VIJAYAKUMAR\_KATHIRVELU.pdf" on 08.10.2022 to Kochi Sathar, to convince Sattar for clearance of subject goods, he sent him flight tickets of him and Vijay for Chennai to Ahmedabad journey.

130.7. I find from the statement of Shri Anis Juned KacchiChamadiya, the beneficial owner of M/s JB Traders, Nagpur recorded on 09.11.2022(RUD-44), that, M/s Global Enterprises approached and after knowing the terms of the deal, he found the price suitable to him. He had ordered telephonically for 62 Tons of Areca Nut @ Rs. 450 per Kg approx. and had made token amount of Rs. 5,00,000/- RTGS in the account of M/s Global Enterprises and then he had made RTGS of Rs. 30 Lakhs on 17.08.2022, again Rs. 30 Lakhs on 17.08.2022, Rs. 25 Lakhs on 18.08.2022, Rs. 12 Lakhs on 05.09.2022, Rs. 8 Lakhs on 06.09.2022 and Rs. 8,65,000/- on 06.09.2022. He borrowed from his 6 vendors in cash from his vendors. These activities are consistent with evidence recorded by Shri D.Suresh, Shri Vijay kathirvelu.

130.8. I find from the statement dated 15.10.2022(RUD-16) of Shri D. Suresh, the consignment had been warehoused at M/s. Varsur Impex Pvt. Ltd., and Shri Devendra had already collected more than Rs. One Crore for various charges. Since the above said imported goods have not cleared for two months, Shri Sattar worried about his money and therefore, he came to Gandhidham on 08.10.2022 with his business associate Shri Vijaykumar Kathirvelu (Mobile 9677027636 / 9176886611).

130.9. In his statement dated 20.10.2022(RUD-33), Shri D. Suresh has stated that Shri Vijay Kathirvelu had arranged IEC for importer firm in the case i.e., M/s. Global Enterprises which was in the name of his brother Shri Jayavelu Kathirvelu. The entire affairs of M/s. Global Enterprises including documentation, billing, accounting, payments etc. including present goods were looked after by Shri Vijay Kathirvelu. He allowed IEC of M/s. Global Enterprises to be used for import and clearance of areca nuts. He received money from Sattar and paid to Shri Devendra towards purchase of subject goods, transportation, clearance, storage, insurance etc.

130.10. On being asked that what was their benefit in the subject case and whether they had received any amount from this import/deal, Shri D.Suresh and Shri Viijay Kathirvelu confirmed that they, Shri Altaf and Shri Dhanraj

were to get total margin money @ Rs. 40/- Kg. (around 8.80 lakh each @ Rs. 10 /- per Kg. each) after clearance of the consignment

Shri D.Suresh also confirmed that, as stated above, he had deducted his margin of Rs. 40/- per Kg, and the balance amount was transferred to Devendra's account, he stated that he had received Rs. 1.16 Crore from Shri Sattar through M/s JB Traders and transferred Rs. 1.08 Crore.

130.11. As per Statements dated 20.10.2022(RUD-32) of Shri Vijay Kathirvelu, the actual physical control of the goods was with Devendra Yadav and they were only the titular owner of the goods. As per Statements dated 19.10.2022(RUD-30) of Shri Vijay Kathirvelu, Shri Sattar and Shri Kutty used to purchase the Areca Nut from Indonesia, and they used his firm to move those goods in the name of his firm and asked him to prepare the invoice for bond-to-bond transfer. Hence the original buyer of the consignment would be the buyer himself, which did not appear on documents, but utilizing his IEC for documents related to import and clearance.

**131.** Thus, as per findings recorded in Paras 125 to 130 above, it is established that-

131.1 The goods laden on trucks (RJ 14 GL 9477, RJ 14 GG 4183, HR55 S 4111, RJ 10 GB 4727) under Bills of Entry 2010413 and 2010414 dated 08.09.2022 were found diverted to the premises of M/s. Yes Supply Chain Solutions Pvt. Ltd instead of specified premises of CWC Okhla (bonded warehouse) under the guise of transferring to Bond. The diversion is attested by the fact of Customs seals breaking, unloading at M/s.Yes Supply chain solutions, not reaching specified premises of CWC Okhla, preparing E-Way Bills with address of M/s Global Enterprises, 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi when Shri Vijay Kathirvelu confirmed that M/s. Global Enterprises doesnot have any office outside Chennai; the above facts being supported by oral evidence recorded under Section 108 of the Customs Act, 1962.

131.2 I also find that such diversion (in case of four trucks) and further attempt to divert (in case of one truck) was made as per design, preparation and intent to violate the provisions of SEZ Act, 2005 and rules made thereunder read with Customs Act, 1962 and rules made thereunder.

## **SECTION H- CONFISCATION OF GOODS-**

**132.** The show cause notice has proposed confiscation of goods under Section 111(h) and 111(o) of the Customs Act, 1962. Before, proceeding further, both the sections are reproduced here:-

### **“111. Confiscation of improperly imported goods, etc.**

.....  
(h) any dutiable or prohibited goods unloaded or attempted to be unloaded in contravention of the provisions of section 33 or section 34;

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

**133.** In the instant case, the duty free goods, which were rejected by FSSAI, therefore unfit for human consumption were unloaded at a place not defined under Section 8 of the Customs Act, 1962 in order to divert the goods and evade duties of Customs in contravention of the Section 33 or Section 44 of the Customs Act, 1962 which has rendered the goods liable for confiscation under Section 111(h) of the Customs Act, 1962.

**134.** Further, the goods were meant to be transferred to Bonded warehouse interms of Rule 46(13) of SEZ Rules, 2006 which mandates transfer of goods to Bonded warehouse without payment of duty. However, as per the Instruction No. 63 – No. C.3/21/2009-SEZ dated 10th August 2010, issued in respect of Procedure for Removal of Goods to Bonded Warehouse in SEZ under 46(13) of SEZ Rules, I find that the Customs officer in charge of the bonded warehouse on receiving the goods issues re-warehousing certificate for the goods received and if the SEZ unit fails to submit the re-warehousing certificate within 45 days from the date of clearance of the goods from the Zone, the SEZ Customs shall initiate appropriate action to realize duty and interest on the goods in

question. This shows that the goods removed from SEZ to Bonded warehouse can not be unloaded at a place other than Bonded warehouse and in the instant case customs seal was broken en-route in order to divert the goods in complete contravention of the SEZ Act, 2005 read with SEZ Rules, 2006 and Customs Act, 1962. Therefore, the subject goods were exempted from the duties of Customs subject to the condition that goods were transferred to Customs Bonded warehouse, however, in the instant case, the said condition has not been followed by the importer which has rendered the goods liable for confiscation under Section 111(o) of the Customs Act, 1962.

**135.** M/s. Global Enterprises in their submission dated 18.02.2025 argued that Section 111(h) and 111(o) are not invocable as the said provisions speak of imported goods which in term of Section 2(25) means goods brought from outside India and don't apply to goods which after import are moved against a bond within India as permitted under Customs Act, 1962. In this regard, it is pertinent to note that goods were imported into SEZ as per SEZ Act, 2005 and rules made thereunder. As per Section 2(o) of the SEZ Act, 2005 "import" means bringing goods by a Unit from a place outside India. Therefore, the goods bringing into SEZ amounts to import. Further, it is worth noting that the SEZ Act, 2005 doesn't define the word "imported goods" which is provided under Section 2(25) of the Customs Act, 1962. Section 2(25) states that imported goods means any goods brought into India from a place outside India but does not include goods which have been cleared for home consumption. Therefore, the goods which have been transferred from SEZ to a bonded warehouse, without payment of duty, are within the territories of Customs and fall under the category of "*imported goods*" since the same have not been cleared for home consumption. Further, as per the provisions of Customs Act, 1962 and provisions of SEZ Act, 2005, duties of customs are levied on clearance of goods for home consumption. Thus, the argument of the noticee is not sustainable.

### **SECTION I- REDEMPTION OF GOODS-**

**136.** I find that the importer i.e. M/s. Global Enterprises has requested for re-export of goods. Before proceeding further, it is pertinent to examine the

nature of goods. I find that the goods i.e. Areca Nuts were imported into SEZ for the purpose of transfer of goods to Bonded warehouse and the same were to be exported/re-exported eventually.

136.1 It is worth noting that FSSAI vide its report dated 08.09.2022 rejected the Areca nuts and stated in their report that the inspection/analysis showed that the sample did not conform to the specifications under the FSS Act 2006 and the Out of scope was given to the subject to the importer should export total consignment from the Custom Bonded area only no part of the consignment would be sold in local market.

136.2 Clearly, the goods were unfit for human consumption and in complete disregard to the FSS Act, 2006 and rules made thereunder, the importer diverted the goods in domestic market by breaking the seal and unloading the goods at a private warehouse of M/s. Yes Supply chain solution in order to make profit at the cost of human lives. They tried to sell the goods in domestic/local market by evading duties of customs.

136.3 Further, on perusal of the FSSAI report dated 08.09.2022, it is seen that the FSSAI authorities stated that if importer were to clear the consignment by filing DTA BOE for Domestic consumption through bonded warehouse then it is requested to Custom authority to share the BOE to the FSSAI local import clearance office and Out of Charge to be issued to the said consignment *only after taking NOC from the FSSAI authorized officer* or his representative which will be given only after sampling and testing of the consignment.

136.4 Accordingly, when goods were taken up for disposal during the pendency of case for adjudication, as advised above by FSSAI, samples were again taken by the FSSAI authorities concerned. Two reports were submitted by the FSSAI authorities as given below:-

- (a) With respect to the goods lying at the godown of M/s. Yash Supply Chain Solutions, FSSAI, NR vide report dated 05.03.2025 informed that the Areca nuts did not conform to the standards laid down under



Regulation No. 2.3.55 of Food & Safety Standards Regulation, 2011, therefore, the sample was held to be sub standard under section 3(1)(zx) and unsafe under Section 3(1)(zz)(ix)(x) of FSS Act, 2006.

- (b) With respect to the goods lying at the SEZ Unit, Kandla SEZ, the FSSAI Mundra vid report dated 28.02.2025 stated that the consignment was found NON-CONFIRMED and UNFIT FOR HUMAN CONSUMPTION as the same had been found unsafe as per Section 3(1)(zz)(ii) of FSS Act, 2006 as the consignment had been infested with insects. Further, the article violated Section 26 read with Section 25 of Food Safety and Standards Act, 2006 and Clause 6.1 of Food Safety and Standards (Import) Regulations, 2017.

Clearly, the goods have been smuggled into the domestic market in violation of FSSAI regulations. Relevant Legal Provisions are as given below:-

a. Section 2(25) – “Imported Goods”

Defined as any goods brought into India from a place outside India until such time as they are cleared for home consumption.

b. Section 2(39) – “Smuggled Goods”

Defined as goods that are imported or exported in contravention of the provisions of the Customs Act or any other law in force.

c. Section 2(33)- “Prohibited goods”

Defined as 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.

d. Section 74 – Drawback on Re-export

Provides for repayment of import duty where imported goods are re-exported within a prescribed time frame, subject to the goods being lawfully imported.

e. Section 69 – Export of Warehoused Goods

Allows for re-export of warehoused goods without payment of import duty, again contingent upon lawful import and proper warehousing.

The term “imported goods” in Sections 74 and 69 clearly refers to goods that have entered India through lawful means, and have corresponding documentary and procedural compliance.

Smuggled goods, by definition, are goods that entered the country unlawfully, without adherence to customs procedures, declaration, or payment of applicable duties. The judiciary has consistently interpreted the law to exclude smuggled goods from the ambit of “imported goods”, particularly when assessing eligibility for exemptions, re-export permissions, or drawbacks. In this regard, I rely upon the following judgements:-

**(c) Commissioner of Customs (Preventive) vs. M. Ambalal & Co. (2011) (SC)- 2010 (260) E.L.T. 487 (S.C.)**

The Hon’ble Supreme Court held that smuggled goods do not fall under the category of “imported goods” for the purposes of exemption notifications and statutory benefits under the Customs Act.

**(ii) Gopal Saha vs. Union of India (2016) (Calcutta HC)- 2016 (336) E.L.T. 230 (Cal.)-**

The Court, relying on the M. Ambalal judgment, reiterated that smuggled goods cannot be considered as “imported goods”.

Clearly, the subject goods which have been smuggled by way of diversion into the domestic market in contravention of the FSSAI regulations and without payment of duties of Customs in the guise of transfer to Bonded warehouse cannot be termed as “imported goods” and therefore can’t be allowed to be re-exported.

In this regard, reliance is also placed on decision of Customs, Excise and Gold Tribunal – Tamil Nadu, in the case of M.V.Marketing and Supplies vs. Commissioner of Customs (Import), 2004 (178) E.L.T. 1034 (Tri. – Chennai), throwing some light on the issue of re-export and demand of duty. The relevant observations are as under:-

*“In the present case, the records show that the appellants have not made payment to the supplier and the supplier has agreed to take back the goods as the title has not passed to the importer. We find force in the submission of the learned Counsel for the appellants, as could be seen from the various case laws cited above, the department itself has been permitting re-export of imported goods. The co-ordinate Benches of the Tribunal throughout the country have also been taking a view that permission to re-export the goods is not contrary to law. Therefore, relying on the various decisions rendered by the Tribunal, the High Courts, and the Hon'ble Supreme Court as noted above, we hold that the plea of the Revenue that re-export of the imported goods is not permitted by law, cannot be countenanced and we reject the same. We hold that the appellants are entitled to reexport the goods on payment of fine and penalty. While coming to this conclusion, we have also taken note of the long standing practice of the Deptt. in allowing re-export of imported goods throughout the country as also the consistent view being taken by the various Benches of the Tribunal in consonance with the law laid down by the High Courts and the Apex Court in allowing re-export. In a recent decision in the case of Ajanta Watch Ltd. vs. CCE, Ahmedabad, 2004 (171) ELT 350 (Tri-Mumbai) where wrong shipment was sent by the foreign supplier, re-export was allowed by the Commissioner on payment of redemption fine of Rs. 6 lakhs and penalty of Rs. 2.5 Lakhs. On appeal, the Tribunal while allowing re-export, reduced the redemption fine to a token level of Rs. 25,000 and penalty imposed was set aside. The plea of the Revenue that even if re-export is allowed, the importer has to pay duty, in addition to redemption fine and penalty, cannot be countenanced, because once duty is paid on the goods, it would tantamount to clearance of the goods for home consumption in terms of Section 47 of the Act and once it is cleared for home consumption, that goods get merged with the mass of the goods in the country. Re-export is permitted in a situation where the importer does not want to clear that the goods for home consumption for various reasons and when the goods are permitted to be re-exported, the question of clearance of the goods for home consumption on payment of duty does not arise. Therefore, we are of the considered opinion that duty can be demanded only when the goods are cleared for home consumption and not when they are permitted to be re-exported, on payment of fine and penalty.”*

The above decision has been referred and relied upon by the Hon'ble High Court of Gujarat in the matter of R/SPECIAL CIVIL APPLICATION NO. 20727 of 2018 in the matter of M/s. ED&F Man Commodities Pvt. Ltd Vs Union of India, 2022 (381) E.L.T. 644 (Guj.), wherein the Hon'ble Court while allowing re-export of goods-

**“48.....**There is one another reason for granting relief (of re-export) to the writ-applicant, and that is, that the goods stand secured in the customs frontier and have not yet entered the domestic market.”

In view of the above discussion and judicial pronouncements, it is clear that the diversion of goods amount to smuggling of goods and once they cross the customs frontier, they get merged with the mass of the goods thus losing the nature of “imported goods”. Therefore, the goods which have been diverted and currently lying seized in Delhi at the godown of M/s. Yes Supply Chain solution i.e. 73,520 Kgs of Areca nuts cannot be allowed to be re-exported. Since the goods have been cleared into domestic market, the said goods are leviable to Customs Duties interms of Section 12 of the Customs Act, 1962. I

also find that an amount of Rs. 2,60,83,470/- has already been paid towards their duty liability at the time of investigation as stated in the Show cause notice. Since the goods have been rejected by FSSAI, the said goods cannot be redeemed for clearance into the domestic market.

However, in view of the goods being unfit for human consumption and in public interest, the importer may be allowed to redeem the goods on payment of full duty, interest and Redemption fine for the purpose of exporting the subject goods seized at the premises of M/s. Yes Supply Chain solution i.e. 73,520 Kgs of Areca nuts.

With respect to the goods seized and lying in KASEZ, It is worth noting that though the goods fall in the category of prohibited nature for non-complying the standards as per FSS Act, 2006, and were subject of attempt to divert them into DTA as the goods did not cross the custom frontier as the goods were detained at the gate of KASEZ before the same could be diverted in domestic market, thus, the said goods can be redeemed on payment of Redemption fine for the purpose of re-export of goods.

#### **SECTION J- PENALTIES UPON VARIOUS NOTICEES DISCUSSING THEIR ROLE AND WRITTEN SUBMISSIONS-**

**137.        *Role played by M/s. Global Enterprises, Shri Vijaya Kathirvelu and Shri D.Suresh-***

**138.**        I find that **M/s Global Enterprises**, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram were the importer of Supari/Arecanut through SEZ warehouse Unit at Kandla Special Economic Zone imported vide Bill of Entry No. 1012509 dated 13.08.2022, 1012510 dated 13.08.2022 and 1013163 dated 31.08.2022. The Areca Nut imported as above was warehoused at the warehouse of M/s Varsur Impex Pvt. Ltd located at KASEZ. Out of the 3 import consignments the Areca Nut imported under 1012509 dated 13.08.2022 and 1012510 dated 13.08.2022 were cleared from KASEZ to Bonded warehouse, CWC Okhla by M/s Global Enterprises, under SEZ to Customs Bonded Warehouse Bill of Entry No. 2010413 and 2010414 both dated 08.09.2022, and the Areca Nut was to be shifted to CWC Warehouse, Okhla-II, Delhi for warehousing. However in the e-way bills

generated by M/s Global Enterprises in respect of the 4 trucks carrying the goods under SEZ to warehouse Bill of Entries as above, it was noticed that the goods were headed to M/s Global Enterprises, 101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi, instead of the Customs Bonded Warehouse as declared. The DRI officers intercepted one more truck outside KASEZ, Gandhidham, which was similarly intended to be diverted to DTA in guise of SEZ to Bonded warehouse transfer, and was brought back to KASEZ. Thus M/s Global Enterprises, being the actual importer of the said goods, was required to declare the intention to clear the said goods and pay the applicable Customs Duty required to be paid on removal of goods from SEZ to DTA. However, to evade the Customs duty applicable on such transfer, M/s Global Enterprises fraudulently claimed to transfer the subject goods from KASEZ to Bonded warehouse of CWC at Okhla-II, Delhi. Further, I find that the goods had already been rejected by the FSSAI, by testing/analysing the samples. As discussed in the foregoing paras, the said facts had been voluntarily accepted and agreed to by Shri Vijay Kathirvelu, Authorised Signatory of M/s Global Enterprises. Thus M/s Global Enterprises, in connivance of other conspirators, had attempted to clear the subject goods, from SEZ to DTA without payment of duty, by indulging themselves in various acts of wilful fraud, mis-statement and suppression of key facts from Customs/SEZ Authorities.

Any person, 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, is liable to penalty under Section 112(a) of Customs Act, 1962. Also, any person, 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 to, to penalty under Section 112(b) of Customs Act, 1962.

It is already observed that M/s. Global Enterprises by way of fraud, collusion, suppression of facts, wilful mis-statement had committed violations of Customs Act, 1962, Customs Tariff Act, 1975, CVR, 2007 etc. in respect of

imports; in respect of sale/purchase of offending goods in violation of Food Safety & Standards Act, 2006, Import policy of ITC (HS) for CTH 080280/08029000 of Customs Tariff Act, 1975, provisions relating to unloading of imported goods from conveyance without supervision of proper officer, etc.; thereby rendering the subject goods liable to confiscation under Section 111(h) and Section 111(o) of Customs Act, 1962. By their acts of said commission and omission, Global Enterprises have thus rendered themselves liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

Further, it is seen that for this fraud, they have submitted documents falsely evidencing the intention to warehouse the goods at CWC Okhla. They have submitted *space certificates which were already expired*. M/s. Global Enterprises have deliberately and fraudulently tried to divert the duty-free imported goods in DTA without making payment of applicable Customs Duty and tried to evade the duty and thereby rendered the goods liable for confiscation. Since the subject amount of duty was intended to be evaded by M/s. Global Enterprises by way of fraud, suppression of facts and wilful misstatement, M/s. Global Enterprises are also liable to penalty under Section 114A of the Customs Act, 1962. M/s. Global Enterprises also submitted expired space certificate of CWC and made **false declarations regarding transfer of goods to CWC Okhla**, and also presented bond thereof to Customs. By such acts/omissions, M/s. Global Enterprises has rendered itself liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

**Shri Vijay Kathirvelu, Authorised Signatory of M/s Global Enterprises:**

I find that Shri Vijay Kathirvelu was the Authorised Signatory of M/s Global Enterprises and one of the key persons in the fraudulent attempt to divert the Areca Nut from SEZ to DTA without payment of applicable duty. He along with Shri D. Suresh and Shri Devendra Yadav conspired to import Areca Nut duty-free in KASEZ, and divert the goods to DTA in guise of SEZ to Warehouse Transfer.

He co-ordinated with Shri D. Suresh, Shri Devendra Yadav and others, during the whole process of import, warehousing and transfer of the Areca Nut from KASEZ to the godown of M/s Yash Supply Chain Solution Pvt. Ltd. He also provided IEC of M/s Global Enterprises and other documents to Shri D. Suresh, and allowed them to be used as part of transfer of Areca Nuts into DTA.

In his various statements recorded between 15.10.2022 to 03.11.2022, he accepted that the Areca Nut imported by M/s Global Enterprises was originally intended to be diverted to DTA as per pre-planned strategy. The goods were never intended to be transferred to the Bonded Warehouse as declared by them. They had planned to unload the Areca Nut in private godowns near Delhi, from where it was to be further taken to Nagpur. He had also visited the warehouse of M/s Varsur Impex Pvt. Ltd., KASEZ for checking the quality and position of the goods to show the buyers as proof of possession.

It is clearly seen that he was to receive commission of Rs. 10/- per Kgs. for the Areca Nut delivered in Nagpur, and he had received around Rs. 1.16 Crores in the accounts of M/s Global Enterprises from Shri Abdul Sattar for the same, out of Rs. 1.08 Crore was transferred by him as further payments to Devendra Yadav towards various charges as directed by Shri D. Suresh and Shri Devendra Yadav.

Thus, by involving himself in the said acts of commission and omission, Shri Vijay Kathirvelu has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Vijay Kathirvelu had also deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. He also submitted expired space certificate of CWC, and made false declarations regarding transfer of goods to CWC Okhla, and also presented bond thereof to Customs. By such

acts/omissions, Shri Vijay Kathirvelu has rendered him liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

**Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping, Chennai and Director of M/s Future Logs India Pvt. Ltd.,:**

Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping, Chennai and Director of M/s Future Logs India Pvt. Ltd., is the main key person in the case. He used his knowledge as a custom broker to carry out a pre-planned fraud by diverting the Areca Nut which had been imported in India without payment of duty in SEZ, to DTA without paying any Customs duty on it. Shri D.Suresh confessed in his statement recorded under Section 108 of the Customs Act, 1962 that, Shri Devendra had offered him a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham. Shri Devendra had told that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments. He had to only pay money for purchasing cost of goods and all other misc. expenses and the rates of purchase of Areca Nuts were fixed at USD 2500 /MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per KG. He had agreed to the said proposal and proposed to use the IEC of M/s Global Enterprises for the said import. For the same, he got the consignment bonds dated 29.08.2022 signed by Shri Vijay Kathirvelu, in place of his brother, Shri Jayavelu Kathirvelu. As stated by Shri Vijay Kathirvelu in his statement dated 16.10.2022, Shri D. Suresh had also taken his signature on 10 blank stamped letters of M/s Global Enterprises, cancelled cheques, signed invoices, packing lists and Bills of Lading. He then asked Shri Vijay to courier the same to Shri Nawaz Khan Chaudhary in Delhi. He had also shared the credentials (Username/Password) for e-way bill portal of M/s Global Enterprises with Shri Devendra Yadav, through which the e-way bills bearing no. 511419998102, 571419997420, 501419996695, 501419995845 all dated 09.10.2022, in respect of the 4 trucks carrying the Areca Nut to Delhi, which showed place of delivery as 101 A, PLOT NO. 29, APRA plaza Rani bagh, New Delhi-34 and place of dispatch was mentioned as Road No. 11/B, Sector



11, Mundra, as stated by him in statement dated 19.10.2022. He had known Shri Abdul Sattar and Shri DDN Reddy for long. On being offered the proposal of importing Areca Nut from Indonesia through Kandla SEZ by Shri Devendra Yadav, he had introduced Shri Abdul Sattar in connection of the said proposal of importing Areca Nuts from Shri Devendra. He had contacted Shri Abdul Sattar for investment in the consignment of Areca Nut and received money from him through the accounts of M/s JB Traders, Nagpur, in the accounts of M/s Global Enterprises. The amount was deposited by Shri Sattar for further payment to Shri Devendra and Shri Nawaz for clearance, as stated by Shri Vijay Kathirvelu in the statement dated. The payments were made in the accounts of M/s Volg Exim India Pvt. Ltd. and Knitfab Creation Exim as directed by Shri Devendra Yadav. He had made a cash payment of Rs. 25 Lakhs, through Hawala to Shri Devendra Yadav in connection with the subject consignment. He had also made payment in connection with subject import, warehousing, clearance, transportation of subject goods, to Shri Devendra Yadav, in various firms such as Volg Exim, Varsur, Knitfab creation, all through hawala, and had shared the details to Shri Devendra through WhatsApp and he co-ordinated with all related persons. He had received money from Sattar and paid to Shri Devendra towards purchase of subject goods, transportation, clearance, storage, insurance etc. He had made a total payment of Rs. 1.08 Crores, to Shri Devendra Yadav in the different accounts as directed. He was aware of the change in the delivery place of the Areca Nuts in Delhi, as stated by him in his statement dated 20.10.2022. He had continuously updated the status of the consignments with Shri Abdul Sattar and Shri Kunjilla Kutty in respect to payment and delivery of the consignments and on being persuaded by them, he had visited the warehouse of M/s Varsur Impex Pvt. Ltd., KASEZ, Gandhidham on 08.10.2022 with his business associate Shri Vijaykumar Kathirvelu, to check the status of the goods, Shri Devendra had informed him that 4 containers had been cleared, and 1 would be cleared shortly. During his statement dated 16.10.2022, he accepted that the after clearance from KASEZ, the Areca Nut were to be handed over to Shri Sattar at Nagpur. For the same, Shri Sattar had already deposited Rs. 90 Lakhs in the accounts of M/s Global Enterprises. Out of the

said amount, he had deducted their margin of Rs. 40/- per Kg. and the rest was transferred to the accounts of Shri Devendra. Throughout the process of import and diversion of the Areca Nut, he had co-ordinated between the concerned persons. He, Shri Vijay, Altaf and Dhanraj, were to receive commission of Rs. 10/- per Kg. each for the Areca Nut delivered in Nagpur. Thus, by the said acts of commission and omission, Shri D. Suresh has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri D. Suresh has also deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. He also submitted expired space certificate of CWC, and made false declarations regarding transfer of goods to CWC Okhla, and also presented bond thereof to Customs. By such acts/omissions, Shri D. Suresh has rendered him liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

#### **DISCUSSION ON SUBMISSION OF THE ABOVE MENTIONED NOTICEES-**

**139. M/s. Global Enterprises, Shri D.Suresh and Shri Vijay Kathirvelu** vide their common submission dated 18.02.2025 received on 01.03.2025 argued that the allegations were made in the notice without taking note of the fact that the statements recorded from them as well as other co-noticees are the sole basis for the entire proceedings initiated against all of them without being aware of the settled legal position that such statement of the noticees and co-noticees are not admissible in evidence without being corroborated by bringing on record relevant facts or evidences as has been held by the Hon'ble CESTAT Mumbai Bench in the case of Rajiv Gandhi Versus Commissioner of Customs (Import), Mumbai and by the Hon'ble CESTAT Ahmedabad Bench in the case of Shri Vipul Joshi vs Commissioner of Customs, Ahmedabad respectively as well as other judicial pronouncements on account of which reason alone the impugned notice issued to him is not maintainable in law.

**140.** In this regard, it is already seen in the above discussion that the notice is not entirely based on the statements alone as argued by the noticees. Besides voluntary statements recorded under Section 108 of the Customs Act, 1962, there are other crucial evidences to corroborate the statements of the noticees. The other relevant evidences are reproduced below:-

- a. **E-way Bills** mentioning the destination of goods as 101A, Plot No. 29, Apra Plaza Rani Bagh Shakurpur Basti, New Delhi-110034 instead of their destined place i.e. Central Warehousing Corporation of India, Okhla Industrial Area, Delhi. In this regard, it is pertinent to note that in case goods are transferred to Bonded warehouse, such a movement of goods doesn't require any e-way bill. However, as and when the goods are cleared for home consumption, the same requires the generation of an e-way bill. Clearly, the intention of the noticees was to divert the goods in DTA instead of taking the goods to bonded warehouse.
- b. **Space availability certificate** dated 31.08.2022 issued by Central Warehousing Corporation, Okhla-II, New Delhi valid upto 27.09.2022. However, the goods were taken out from the KASEZ in the month of October 2022. They have admitted in their statements also that they disregarded the Space availability certificate as the goods were meant for diversion only.
- c. **Bank statement** of M/s Global Enterprise (Acc. No. 10091620207), showing the transactions dated 10.08.2022, 17.08.2022, 17.08.2022, and 18.08.2022 wherein Rs. 5 Lakh, 30 Lakh, 30 Lakh and 25 Lakh respectively were received from the account of M/s JB Traders by Shri Sattar. Shri Vijay Kathirvelu in his statement dated 16.10.2022 has admitted the receipt of such amounts. If the goods were meant for bonded warehouse in Delhi, receipt of such amounts for clearance of goods clearly establishes the fact of diversion.
- d. **Various Chat Messages** showing details of bank transactions, forwarding location of address where goods to be unloaded, forwarding of Indian currency for the purpose of Hawala etc. clearly highlighting the nexus of the diversion of the Areca nuts. Such chats

have been duly shown to the noticees and verified during the recording of statement under Section 108 of the Customs Act, 1962.

Clearly, the show cause notice is based on various documentary evidences which duly corroborate the statements recorded under Section 108 of the Customs Act, 1962. Further, many of these voluntary statements are consistent with each other, and are consistent with the documentary evidences.

**141.** Without prejudice to the above, it is a settled law that the statement recorded under Section 108 of the Customs Act, 1962 is a material piece of evidence and can be used as a substantive evidence. The statements recorded under Section 108 of the Customs Act, 1962 in this case are consistent as they have admitted the facts of diversion and payment from the ultimate buyers in Nagpur through Banking channels as well as Hawala Transactions in their respective statements. Further, the statements have never been retracted and were voluntary in nature.

**142.** In this regard, I rely on the following judgements wherein the courts have held the evidentiary value of statements recorded under Section 108 and effect of retraction of statements:-

- a. The Hon'ble Supreme Court in the judgement in the case of Bhana Khalpa Bhai Patel v. Asstt. Collector of Customs, Bulsar-1997 (96) E.L.T 211(S.C) has held as under:-

"7. An attempt was made to contest the admissibility of the said statements in evidence. **It is well settled that statements recorded under Section 108 of the Customs Act are admissible in evidence** vide Ramesh Chandra v. State of West Bengal, AIR 1970 SC 940 and K.I Pavunny v. Asstt. Collector (HQ), Central Excise Collectorate, Cochin, 1997 (90) E.L.T. 241 (S.C) = (1997) 3 SCC 721."

- b. The Hon'ble Supreme Court has observed in the case of Naresh J. Sukhwani Vs Union of India reported as 1996 (83) E.L.T 258 and held as under :-

***"4. It must be remembered that the statement made before the Customs officials is not a statement recorded under Section 161 of the Criminal Procedure Code, 1973. Therefore, it is a material piece of evidence collected by Customs official under Section 108 of the Customs Act, 1962.*** That material incriminates the petitioner inculpating him in contraventions of the provisions of the Customs Act. The material can certainly be used to connect the petitioner in the contravention as much as Mr. Dudani's statement clearly inculpates not only himself but also the petitioner. **It can, therefore, be used as substantive evidence connecting** the petitioner with the contravention by exporting foreign currency out of India. Therefore, we don't think that there is any illegality in the order of confiscation of foreign currency and imposition penalty. There is no ground warranting reduction of fine."

**143.** Further, I rely on the order passed by the Hon'ble CESTAT, Mumbai in the case of M/s. S.M. Steel Ropes reported as 2014 (304) E.L.T.591 (Tri. Mumbai), wherein the Hon'ble Tribunal, by referring to various judgements of Hon'ble Supreme court and High Courts, held that confirmation of duty demand on the basis of voluntary statements is sustainable in law. Relevant Para 5.1 is reproduced as under:-

*"5.1 As regards .....*

*..... The adjudicating authority has confirmed the demand only on the basis of figures given in the statements of Shri Balkrishna Agarwal. In the absence of delivery challans which were recovered and seized at the time of Panchanama proceedings, he has not taken the computation of demands based on such delivery challans as reflected in the annexure to the show cause notice. Therefore, the adjudicating authority has strictly proceeded based on*

*the evidences available which in the present case are the statements of Shri Balkrishna Agarwal. As to the question whether the demands can be confirmed on the strength of confessional statements, this position stands settled by the decision of the Hon'ble Apex Court in the case of K.I pavunny v. Asstt. Cotlector (HQ) Cervtral Excise Collectorate, Cochin- 1997 (90) E.L.T. 241 (S.C.) wherein it was held that confessional statements of accused, if found to be voluntary, can form the sole basis for conviction. Only if it is retracted, the Court is required to examine whether it was obtained by threat, duress or promise and whether the confession is truthful. In the present case, we find that there is no retraction of the confessional statement by Shri Balkrishna Agarwal. As regards the lack of corroborative evidence, it is a settled position of law that "admitted facts need not be proved" as held by the Hon'ble High Court of Madras in the case of Govindasamy Ragupathy- 1998 (98) E.L.T. 50 (Mad). In a recent decision in the case of Telestar Travels Pvt. Ltd. -2013 (289) E.L.T. 3 (S.C.), the Hon'ble Apex Court held that reliance can be placed on statement if they are based on consideration of relevant facts and circumstances and found to be voluntary. Similarly in the case of CCE, Mumbai vs. Kalvert Foods India Pvt. Ltd. -2011 (270) E.L.T. 643 (S.C.) the Hon'ble Apex Court held that if the statements of the concerned persons are out of their volition and there is no allegation of threat, force, coercion, duress or pressure, such statements can be accepted as a valid piece of evidence. **In the light of the above decisions, we are of the considered view that the confirmation of duty demand based on the voluntary statements of the Managing Partner of the appellant firm is sustainable in law. Consequently the interest and penal liabilities imposed on the appellants would also sustain.**"*

However, I reiterate here the findings that the allegation of diversion and intent to divert are based on documentary evidence supported by oral evidence regarding actual unloading of goods at M/s. Yes Supply Chain solution i.e. 73,520 Kgs of Areca nuts, a premises being other than the specified one.

**144.** M/s. Global Enterprises further argued that the reading of the notice show that he had only lent his IEC for the subject import on the request of Mr. D.Suresh meaning that he was not the beneficial owner of the goods whereas the DRI had collected the substantial amount of Rs. 2,633, 83,740/- by threat of arrest even while not determining the actual importer of the goods. In this regard, they have relied upon the decision of Kerala High Court in the case of Prop. Carmel Exports & Imports Vs. Commissioner of Customs.

In this regard, I dont find any merit in the argument of the noticee, that M/s. Global Enterprises had only lent their IEC to Mr. D.Suresh, for the following reasns-

(a) Shri Mattaparthi Shiva Rammurthy, M/s. Varsur Impex Pvt. Ltd, in his voluntary statement recorded on 14/15th October 2022(**RUD-14**), admitted that he picked up Shri Vijay by his motorcycle to enable him (Shri Vijay) to visit KASEZ for inspection of Supari/Arecanut for clearance from warehouse of M/s. Varsur Impex Pvt. Ltd. Accordingly, on 08.10.2022 he visited the warehouse of M/s. Varsur Impex Pvt. Ltd. and inspected the goods. He was staying at Hotel Neemaya, Gandhidham. A team of DRI Officer was sent to Hotel Neemaya, Gandhidham to serve summons upon them. During the visit it was found that Shri Vijay, Authorised Signatory of the importer M/s Global Enterprises and Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping were staying in the hotel.

- (b) Shri Vijayakumar Kathirvelu, in his statement dated 19.10.2022, on being shown the statement of Shri Shiva Rammurthy Mattaparthi dated 14/15.10.2022, stated that **he had visited the warehouse of M/s Varsur Impex Pvt. Ltd. on 08.10.2022 alongwith Shri D. Suresh, Partner of M/s Mercury Shipping, Chennai for inspection of their goods, the imported Areca Nut**, as they had doubt if the goods were actually at the warehouse. They had talked with Shri Nawaz Khan Chaudhary who informed that one container was there and the other 4 containers had already left the warehouse. **He further stated that they were pressurized by Shri Kunjilla Kutty of Kerala who had purchased these goods from M/s Global Enterprise to check what had happened to the goods they had imported since last 2 months.**
- (c) Shri D.Suresh in his statement dated 18.10.2022 admitted that to convince Mr. Sattar of the delivery of goods, he sent him a document "VIJAYAKUMAR\_KATHIRVELU.pdf" having flight tickets of him and Vijay for Chennai to Ahmedabad journey on 08.10.2022.
- (d) Further, Shri D.Suresh in his statement dated 18.10.2022, On being shown chats dated 10.10.2022 to 12.10.2022, between him and Shri Vijay MGR Nagar Paddapai, wherein he had sent messages that read "<attached: 00001536-1 Satywan 9896529086.vcf>" and "<attached: 00001537-2 Nagendra 73400 01183.vcf>", stated that *he had shared driver nos. through these messages*. He further stated the through the messages that he received from Shri Vijay MGR Nagar Paddapai that read "Your A/C XXXXX620207 has been debited by Rs. 2,50,000.00 on 10/10/22. Info RTGS/ IDFB52022101000651316 /YES SUPPLY CHAIN SOLUTIONS PVT LTD. New balance is Rs. 21,62,247.00. Team IDFC FIRST Bank" and "Delhi contact person Mr .Gullu8929534762", *Vijay shared the details which were related to an amount of Rs. 2.5 lakh paid to Shri Devendra in the account of M/s Yash Supply Chain Solutions Pvt. Ltd. towards clearance charges and contact details of one Gullu, who was to look after unloading of the goods in private godown.*
- (e) Shri Vijayakumar Kathirvelu, in his statement dated 19.10.2022, on being asked about the 4 containers of Areca Nut of M/s Global Enterprises which had already been cleared from KASEZ when they visited M/s Varsur, stated that Shri Sattar had purchased the said 4



containers and paid an amount of around Rs. 1 Crores in five-six instalments during August-2022 to October-2022 and on orders of Shri Devendra Yadva, those goods were cleared to Delhi on bond-to-bond transfer.

- (f) Shri Vijayakumar Kathirvelu, in his statement dated 19.10.2022 admitted that they would earn commission of around **Rs. 10/Kg. for Areca nut, per person for the four person, he himself**, Shri D. Suresh, Dhanraj and Altaf, all of whom would receive around 7.5 Lakhs for the first 3 consignments of M/s Global enterprises, as confirmed by M/s JB Traders of Sattar.
- (g) Shri D.Suresh in his statement dated 20.10.2022 admitted that entire affairs of M/s. Global Enterprises including documentation, billing, accounting, payments etc. were looked after by Shri Vijay Kathirvelu. Since the instant import was made in M/s. Global Enterprises, all related activities were done by Shri Vijay Kathirvelu. He allowed IEC of M/s. Global Enterprises to be used for import and clearance of areca nuts. He further admitted that he (Shri D.Suresh), Shri Vijay Kathirvelu, Shri Altaf and Shri Dhanraj were to get total margin money @ Rs. 40/- Kg. (around 8.80 lakh each @ Rs. 10 /- per Kg. each) after clearance of the consignment.
- (h) Shri Vijayakumar Kathirvelu, in his statement dated 19.10.2022 further admitted that Shri Sattar and Kutty used to purchase the Areca Nut from Indonesia. They used his firm to move those goods in the name of his firm and asked him to prepare the invoice for bond-to-bond transfer.

In view of the above, I find that Shri Vijayakumar Kathirvelu, authorised representative of M/s. Global Enterprises was actively involved in the diversion of areca nuts and was one of the conspirators in the diversion. Further, it is pertinent to note that had they been successful in diverting the goods, M/s. Global Enterprises would have enriched itself at Rs. 10/- Kg at the cost of exchequer.

**145.** They have further argued that M/s. Global Enterprises and its authorised signatories can not be treated as different legal identities, therefore proposal made against each for the imposition of the penalties under Sec 112 (a)/112(b) and 114AA of the Customs Act is not legally maintainable. In this regard, it is relevant to extract decision of the Hon'ble Tribunal Ahmedabad in the matter of COMMISSIONER OF CUSTOMS, SURAT Versus IQBAL JUSUB MEMON2012 (279) E.L.T. 157 (Tri. - Ahmd.) which decided the similar matter.

**“6.** On careful consideration of submission made by both sides and on perusal of records, we find that while setting aside the penalty on the respondent, who is undisputedly an employee of the firm, learned Commissioner (Appeals) has recorded following findings:-

“8.6 Now I take up the issue personal penalty of Rs. 1,00,000/- imposed on the authorised signatory (appellant No. 2) under Section 112(b) of Customs Act, 1962, when the firm has already been penalised under Section 114A of the Customs Act, 1962. In this connection I find that in the case of *Associated Plastics And Rayons v. Commissioner of Central Excise & Cus., Vapi* relied upon by the appellant No. 2, it was held that that no separate penalty is imposable on employee as he is carrying out instructions of employer. The relevant extract of the said judgment is reproduced below;

"7. Now, I come to the appeals filed by Shri Amin Chandrakant Bhailalbhai and Shri Gautam Upadhyay. These two persons are employees of M/s. Associated Plastics and Rayons. They were clerks in the employment of the EOU and they were carrying out the instructions of their employer. They are not autonomous individuals who have played any part on their own volition in the evasion of duty. No penalty was justified on them. According, their appeals are allowed."

**7. We find that in the decision of the Tribunal in the case of Carpenter Classic Exim Pvt. Limited, the co-ordinate bench has taken a view that personal penalty on the employee need not be imposed as he is acting under the direction of his employer. In the current case in hand, there is nothing on record to show that the employee was personally benefitted by the clandestine removal of the inputs which were found short during the visit of the officers. In the absence of any evidence indicating that the employee himself benefitted with such clandestine removal and proceedings thereof, we find that the case law cited by the learned counsel would be applicable in this case.**

8. Respectfully following the decisions, we find that Revenue's appeal is devoid of merits and the same is rejected."

It is clear from the above that the personal penalties on authorized signatories/employee should not be imposed when the said person acts under the direction of his employer and the said person doesn't get any personal benefit from the clandestine removal. However, in the instant case, it is evident that Shri Vijayakumar Kathirvelu, authorized signatory of M/s. Global Enterprise was actively involved in the diversion of the Areca nuts and he had an equal share of the profit of the nexus. As admitted in the statements, Shri Vijayakumar Kathirvelu was getting Rs. 10/- Kg once the goods are cleared and reached its destination in Nagpur. Further, the authorised signatory has confessed the offence in his statement recorded under Section 108 of the Customs Act, 1962. Further, Section 112(a) and/or 112(b) of the Customs Act, 1962 mandates the levy of penalty on the person. Therefore, the argument of the noticee that separate penalty on Shri Vijayakumar Kathirvelu can not be imposed is not sustainable. Shri Vijay is also liable for penal action under Section 114AA of the Customs Act, 1962 for submitting incorrect documents before the authorities of Customs.

Clearly, the act on part of M/s. Global enterprises have rendered them liable for penal action under Section 114A of the Customs Act, 1962 as there is evasion of duty by way of diverting the imported goods into DTA. Further, with regard to penalty under Section 112(a)/or 112(b), I find that once penalty under Section 114A is imposed, as per fifth proviso to Section 114A, penalty under Section 112 is not attracted.

Further, M/s. Global enterprises had indulged in submission of incorrect documents before the authorities of Customs, as discussed in the above paras, which has rendered them liable for penal action under Section 114AA of the Customs Act, 1962.

## **ROLE PLAYED BY SHRI DDN REDDY, HIS SUBMISSION AND DISCUSSION THEREON-**

### **146. Shri DDN (Dwarkanadha) Reddy, Assistant Commissioner, Nhava Sheva, Mumbai Zone-II-**

#### ***146.1 Allegations in the show cause notice-***

(a) ***As per the Show cause notice***, Shri DDN (Dwarkanadha) Reddy, Assistant Commissioner, Nhava Sheva, Mumbai Zone-II, was a friend of Shri D. Suresh since long and he was assisting him in clearance of consignments of Areca nuts, Garments, Fabrics, Watches etc.

(b) For present consignment too, Shri D. Dwarkanadha Reddy introduced one Shri Devendra Yadav to Shri D. Suresh and also suggested that clearance of cargo was easier from KASEZ. **Shri D. Dwarkanadha Reddy shared photo of KASEZ warehouse of M/s. Varsur Impex Pvt. Ltd. to Shri D. Suresh where the subject goods were to be stored before clearance.**

(c) When Shri Devendra Yadav asked for money towards misc. charges before delivery of goods, **a Hawala transaction of Rs. 25 lakh was made by Shri D. Suresh to Shri Devendra through Shri D. Dwarkanadha Reddy.**

(d) **Shri D. Dwarkanadha Reddy provided the address of godown for taking the delivery of the goods and as per his directions, Shri Sattar (actual investor/beneficiary owner) sent a person named Gullu to the godown in DTA for unloading of the subject goods from the trucks.**

(e) On being asked, “*what was the benefit of Shri D. Dwarkanadha Reddy in lieu of involving in this case and what was their deal with Shri D. Dwarkanadha Reddy*”, **Shri D. Suresh stated that being a friend, he did not fix or make any payment to Shri D. Dwarkanadha Reddy** but he was not aware if there was any deal between Shri D. Dwarkanadha Reddy and Shri Devendra Yadav; that Shri D. Dwarkanadha Reddy was a medium for making conversations with Shri Devendra as and when Devendra did not receive call or his phone was not connected.

(f) From the statements of the key persons recorded during the course of the subject investigation and the chats founds on the WhatsApp of the said persons during the statements, it appeared that Shri DDN Reddy was the person, who had brought together Shri Devendra Yadav and Shri D. Suresh, two persons who were the main role players in the instant case of fraud, with whom he had been friends for long, and suggested to import Areca Nut through

KASEZ, diverting it to DTA after clearing from KASEZ, without payment of any Customs Duty.

He had arranged for a meeting between Shri D. Suresh and Shri Devendra Yadav, during which Devendra Yadav offered Shri D. Suresh a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham; and that Shri Devendra had assured Shri D. Suresh that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import consignments and he had to only pay money for purchasing cost of goods and all other misc. expenses; that the rates of purchase of Areca Nuts were fixed at USD 2500 /MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per Kg.

(g) Shri DDN Reddy had acted as the main conspirator in the instant case, by working as a middleman for contact between D. Suresh and Shri Devendra Yadav. He used to receive messages/updates from Devendra Yadav, including demand of money related to various charges/expenses, and forward the same to Shri D. Suresh.

(h) In his statement, Shri Kapil Sharma, Manager of M/s Yash Supply Chain Solutions Pvt. Ltd, had stated in his statement dated 15.10.2022, that One person named Reddy having mobile no. 9745848100 had asked him the whereabouts of the trucks carrying the Areca Nut from KASEZ, as the drivers were not responding to him, to which he responded that the trucks were caught by Sales Tax. Shri Reddy had called the drivers claiming the ownership of the goods saying that Gullu was his man and to unload the trucks at Khera Kalan. Shri Kapil Sharma had also stated that Shri Ashok Gupta informed him that Reddy was known to him and that he will talk to him.

(i) Thus, it appeared that Shri DDN Reddy had actively managed the whole process of the instant case, from initial planning to final delivery of the goods to Nagpur. He sent Shri Gullu to the drivers of the trucks carrying Areca Nut to Delhi, and attempted to get the trucks unloaded at the place already decided by him, by claiming that he was the owner of the said goods. He was also

known to Shri Ashok Gupta, who had claimed the goods and had asked Shri Kapil Sharma to warehouse the goods at his company's godown at AG-56, Sanjay Gandhi Transport Nagar.

(j) Thus, by involving himself in the said acts of commission and omission, Shri DDN (Dwarkanadha Reddy) has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri DDN Reddy also had also deliberately suppressed and helped persons involving in suppression the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It appeared that he had made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri DDN Reddy is also liable to penalty under Section 114AA of the Customs Act, 1962.

#### **SUBMISSION OF SHRI DDN REDDY-**

**147.** Shri DDN Reddy, Assistant Commissioner, Nhavasheva, Mumbai Zone-II, R/o- 5, 89th Street, 13th Sector, K.K. Nagar, Chennai-6000784 **vide his submission dated 18.02.2025, interalia, submitted that-**

- a. The SCN has placed reliance on Whatsapp chats and statements obtained from the co-noticees to suit the needs of the DRI Investigators without any corroboration whatsoever brought on record by calling him as the main conspirator who had actively managed the whole process from initial planning to final delivery of goods to Nagpur even without bring aware that that no such delivery had taken place at Nagpur.
- b. Such statements of the co-noticees are not admissible in evidence without being aware of the settled legal position that such statements of the co-noticees are not admissible as evidence without being corroborated by other facts or evidences brought on record as has been held by the Hon'ble CESTAT, Ahmedabad in the case of Shri Vipul Joshi vs Commissioner of Customs.
- c. As far as Whatsapp Chats messages relied upon as evidences are concerned, the Hon'ble Supreme court has held in the case of Bharat Chaudhary Vs union of India that Whatsapp messages cannot be relied upon. In the said judgement passed by three member bench on 13.12.2021, the Hon'ble Supreme court has inter alia as under:

"Reliance on printouts of Whatsapp messages downloaded from the mobile phone and devices seized from the office premises of A-4 cannot be treated at this stage as sufficient material to establish a live link between him and A-1 to A-3, when even as per the prosecution, scientific reports in respect of the said devices is still awaited"

- d. The alleged off-loading of the impugned goods at the warehouse of M/s. Yes Supply Chain solutions Pvt Ltd., New Delhi carried out by the drivers of the vehicles in which the same were carried being admittedly at the instance of one Mr. Ashok Gupta not alleged to be at the instant of this noticee and the said person also did not give any statement implicating this noticee.

**148.** Before, proceeding further, it is relevant to examine the case law cited by the noticee. The noticee has relied upon BHARAT CHAUDHARY Versus UNION OF INDIA, 2022 (379) E.L.T. 34 (S.C.) wherein the Hon'ble Supreme Court has considered the bail application under NDPS Act. The relevant extracts are reproduced herein below:-

*10. After carefully examining the arguments advanced by Learned Counsel for the parties and having cursorily glanced at the records, we are of the opinion that the impugned order cancelling the bail granted in favour of Bharat Chaudhary [A-4], is not sustainable in view of the fact that the records sought to be relied upon by the prosecution show that one test report dated 6th December, 2019, two test reports dated 17th December, 2019 and one test report dated 21st December, 2019 in respect of the sample pills/tablets drawn and sent for testing by the prosecuting agency conclude with a note appended by the Assistant Commercial Examiner at the foot of the reports stating that "quantitative analysis of the samples could not be carried out for want of facilities". In the absence of any clarity so far on the quantitative analysis of the samples, the prosecution cannot be heard to state at this preliminary stage that the petitioners have been found to be in possession of commercial quantity of psychotropic substances as contemplated under the NDPS Act. Further, a large number of the tablets that have been seized by the DRI admittedly contain herbs/medicines meant to enhance male potency and they do not attract the provisions of the NDPS Act. Most importantly, none of the tablets were seized by the prosecution during the course of the search conducted, either at the office or at the residence of A-4 at Jaipur, on 16th March, 2020. **Reliance on printouts of Whatsapp messages downloaded from the mobile phone and devices seized from the office premises of A-4 cannot be treated at this stage as sufficient material to establish a live link between him and A-1 to A-3, when even as per the prosecution, scientific reports in respect of the said devices is still awaited.***

*11. In the absence of any psychotropic substance found in the conscious possession of A-4, we are of the opinion that mere reliance on the statement made by A-1 to A-3 under Section 67 of the NDPS Act is too tenuous a ground to sustain the impugned order dated 15th July, 2021. This is all the more so when such a reliance runs contrary to the ruling in Tofan Singh (supra). The impugned order qua A-4 is, accordingly, quashed and set aside and the order dated 2nd November, 2020 passed by the Learned Special Judge, EC & NDPS Cases, is restored. As for Raja*

*Chandrasekharan [A-1], since the charge sheet has already been filed and by now the said accused has remained in custody for over a period of two years, it is deemed appropriate to release him on bail, subject to the satisfaction of the Trial Court.*

*12. Before parting with the cases, it is clarified that the prima facie observations made hereinabove are limited to considering the relief of regular bail prayed for by the petitioners and **nothing expressed hereinabove shall be treated as an observation on the merits of the case, i.e., CC No. 0000037/2020, pending trial.** The petitions for special leave to appeal are disposed of in the above terms.*

On perusal of the Para 12 of the above decision, it is seen that the observations of the Apex court were limited to considering the relief of regular bail prayed for by the petitioner and the Apex court categorically held that such observations should not be treated as an observations on the merit of the case. Further, the Hon'ble Supreme Court of India in Para 10 had observed that print out of whatsapp chats could not be treated as sufficient material at that stage when scientific reports of the said devices were awaited. Clearly, the above mentioned decision doesn't state that print out of whatsapp chat cannot be relied upon as an evidence which is the argument of the noticee. It was not admissible at that stage (during the hearing of bail application) and specifically when the scientific reports of devices were not available.

However, in the instant case, the Joint Director, DRI Gandhidham vide letter dated 08.04.2025 informed the undersigned that the data extracted from the device was duly certified by the Cyber Forensic Laboratory, DRI, Mumbai.

**149.** Further, it is pertinent to note that while handling the the procedure laid down in Section 138C of the Customs Act, 1962 has been followed by the investigating agency. On perusal of the voluntary statement dated 19.10.2022 of Shri D.Suresh (RUD-31), I find that Shri D.Suresh was requested to show his whatsapp Chat conversations available in his phone. Considering the request of the officer, he voluntarily handed over his mobile phone by opening its screen lock with passcode 454545 and on being asked, he explained the whatsapp chat conversations held between him and one of his friends Shri DDN Reddy. Further, print outs of some of the images/documents pertaining to his whatsapp

conversations with Shri DDN Reddy had been taken on which he put his dated signature in token of having seen, perused and evidencing that the same had been taken out of his mobile phone and pertaining to him.

**150.** In this regard, it is important to note that the non-compliance of conditions contained in Section 138C of the Customs Act, 1962 has been carefully examined by the Hon'ble Tribunal, Delhi in the case of M/s Laxmi Enterprises Vs. Commissioner of Customs, New Delhi reported in 2018 (361) E.L.T. 1054 (Tri.-Del.) affirmed by the High Court of Delhi and the Apex Court.

**151.** In this regard, I refer to the judgement of **Hon'ble High Court of Gujarat in Principal Commissioner of Customs Versus Kishan Manjibhai Gadesriya**, wherein the judgement of M/s Laxmi Enterprises Vs. Commissioner of Customs, New Delhi, mentioned supra, has been referred and relied upon as given below:-

*"99. We do not find any merit in the above submission of Mr.Trivedi. The truth or the relevance of the documents has been admitted in no uncertain terms by the respondents in their statements recorded under [Section 108](#) of the Act 1962. In such circumstances, it is too much for the respondents to say that the electronic evidence could not have been taken into consideration. In fact, the electronic evidence on record fortifies what has been stated by the respondents in their statements recorded under [Section 108](#) of the Act.*

*100. In the aforesaid context, we may refer to one order passed by the CESTAT Principal Bench, New Delhi, in the case of [Laxmi Enterprises vs. Commissioner of Customs \(Prev.\)](#), New Delhi, reported in 2018 (361) E.L.T. 1054 (Tri.-Del.). We quote the relevant observations made by the Principal Bench of the Tribunal as under :*



"11. The appellant has raised objections to the admissibility of the documents recovered from the laptop. They have cited the provisions of [Section 138C](#) of the Customs Act. **We find such objections without basis in as much as the truth of the documents printed-out from the laptop has been admitted by Shri Sumit Chawla son of the proprietor in clear terms.**

Further, their clear admission by him that these invoices recovered, reflect the correct valuation at which the transaction was concluded with the valuation supplier. Further the appellant was given an opportunity to prove 2020(372) ELT A 33 (SC) the correct transaction value of the goods imported under 32 bills of entry by providing bank attested genuine invoices but Shri Sumit Chawla did not make same available. On the other hand, in his statement dated 19.01.2016, that the prices indicated in the invoices/commercial invoices could be taken for assessment of all past imports as the rate of product did not change much during period of imports. **We are of the view that there is no infirmity on the part of the adjudicating authority in re-determining the value of the past imported goods on the basis of such invoices. In the peculiar facts and circumstances of the present case, there is no need for the Revenue to collect evidence in the form of contemporaneous imports."** (Emphasis laid)

101. The aforesaid order passed by the Tribunal was challenged before the High Court of Delhi. The Delhi High Court dismissed the appeal vide order dated 6th August 2019. The order

*passed by the Delhi High Court was further challenged by the assessee before the Supreme Court. The Supreme Court dismissed the C/TAXAP/254/2021 JUDGMENT DATED: 14/02/2022 [SLP \[Laxmi Enterprises vs. Commissioner of Customs](#) - 2020 (372) E.L.T. A33 (S.C.)].*

**152.** Further, Hon'ble Tribunal, Delhi in the matter of M/s. T N Malhotra vs Principal Commissioner, Customs-New Delhi dated 4 June, 2024 (Customs Appeal No.50024 of 2022) has relied upon the above judgements as given below:-

*"20. On the admissibility of the computer printouts retrieved from the email and we-chat, the learned Counsel for the appellant has raised an objection that the condition of furnishing the requisite certificate of the investigating officer as specified in [Section 138C\(4\)](#) of the Act has not been complied with and in support thereof relied on the decisions in Gaurav Kushwaha Vs. Commissioner of Central Excise, Indore 17; M/s. [S.N. Agrotech Vs. Commissioner of Customs](#), New Delhi 18 and M/s. Agarvanshi Aluminium Ltd Vs. Commissioner of Customs (I), Nhava Sheva 19 . However, after the said decisions were rendered, the Gujarat High Court in [Principal Commissioner of Customs Vs. Kishan Manjibhai Gadesriya](#) (supra) affirmed the view taken by the Tribunal in M/s [Laxmi Enterprises](#) (supra) noting that the decision in M/s. Laxmi [Enterprises](#) (supra) was challenged before the Delhi High 1997(89) ELT 646(SC) 1996(83)ELT 258(SC) 2018(363)ELT*

859(Tri.-Del.) 2018(361)ELT 761(Tri.-Del.) 2014(299)ELT 83(Tri.-Mumbai) Court and the view of the Tribunal was upheld vide order dated 06.08.2019. Subsequently, the matter was taken up to Supreme Court and the special leave petition was dismissed as reported in M/s.Laxmi [Enterprises Vs. Commissioner of Customs](#)<sup>20</sup>. Rejecting the contention of the party that the computer printouts taken out from the computer cannot be considered as evidence unless certificate as required under subsection (2) of [section 138 C](#) of the Act is issued, the High Court of Gujarat

21. **We are of the view that in the facts and circumstances of this case, where the appellant had duly admitted the documents,** which he recovered from his own email and we-chat after getting the OTP on his own mobile phone, the decisions of the two High Courts is squarely applicable, which are otherwise binding on us and therefore, the objection raised by the appellant is unsustainable. The issue is answered, accordingly, against the appellant and in favour of the Revenue.”

**153.** Clearly the judgement of Hon’ble Tribunal in the matter of M/s Laxmi Enterprises Vs. Commissioner of Customs, New Delhi (affirmed in High Court of Delhi and Supreme Court), mentioned supra, referred and relied upon in (i) Hon’ble Tribunal, Delhi in the matter of M/s. T N Malhotra vs Principal Comissioner, Customs-New Delhi dated 4 June, 2024 and (ii) Hon’ble High Court of Gujarat in Principal Commissioner of Customs Versus Kishan Manjibhai Gadesriya, are applicable in the instant case as

the printouts of the whatsapp conversation had been admitted to be true by Shri D.Suresh in his statement as mentioned above.

**154.** Proceeding further, I find that Shri DDN Reddy in his statement dated 15.02.2023 has stated that he knew only D.Suresh and did not know about names of his friends and clients. Having worked in Customs Chennai fro a period of almost 30 years, Shri D.Suresh used to come to him for seeking clarifications on legal issues. In the month of Oct. 2022, one day Shri D.Suresh told him that his mobile phone was going to discharge due to low battery and and he would call from Mobile phone of his friend Vijay. However, he did not know anything about Shri Devendra Yadav. On being asked he (Shri DDN Reddy) stated that he did not have any idea about M/s. Global Enterprise, Chennai and M/s. Varsur Impex Pvt. Ltd, Kandla SEZ and he had not dealt with any consignment or any kind of other work relating to these two firms/companies.

In this regard, on perusal of the statement dated 19.10.2022 of Shri D.Suresh, I find that Shri D.Suresh stated that he had saved contact numbers of Shri Reddy in his mobile phone with name 'Face Time Ddn Ready (Mob. No. 8591890716), Ddn Reddy (Mb.No. 9600146707) and Ddn Reddy New (Mb. No. 7358428287), however, most of the conversations were held with him in contact no. 'Face Time Ddn Ready (Mob. No. 8591890716).

The extract of the chats are reproduced below:-

Particulars of conversation	Body of Chat	Explanation/comments by Shri D. Suresh
[09/05/2022 , 7:05:31 PM] Face Time Ddn Ready:	HOUSE OF TRADES 1.pdf	Shri DDN Reddy forwarded FSSAI certificate for a past consignment of Areca nuts imported from Myanmar in the name of importer firm M/s. House of Trades N Exports
[10/05/2022 , 12:16:33 PM] Suresh D:	Required IEC copy pdf format, contact no & mail Id	I asked Shri DDN Reddy for IEC copy pdf format, contact no & mail Id of M/s. House of Trades N Exports which

		DDN Reddy shared the same day. This IEC was arranged by Shri DDN Reddy but it was owned/controlled by Shri Devendra Yadav though Shri Alok Mishra and Ashok Kumar Gupta have been shown Partners in this firm.
[10/05/2022 , 7:15:00 PM] Face Time Ddn Ready:	Form1 take a print n upload in e Sanchita original comes by courier	Shri DDN Reddy suggests procedure for availing benefit of COO.
[24/06/2022 , 8:19:57 PM] Face Time Ddn Ready:	176 Z LINE.pdf • 1 page <attached: 00000204-176 Z LINE.pdf>	Shri DDN Reddy forwarded BL No. CSSJEAMUN2022176 dated 23.06.2022 in respect of import of 53 MT Whole Areca Nuts in 02 containers by M/s. House of Trades N Exports (Consignee M/s. Empezer Logistics Pvt. Ltd., SEZ). On being asked why did Shri Reddy send the image of BL to me, I state that Shri DDN Reddy offered to import Whole areca nuts in the IEC of House of Trades N Exports but this IEC was pertaining to Shri Devendra , so I requested to make import in the IEC of M/s. Global Enterprises. On being asked whether the consignment mentioned in the said BL or any other import consignment of M/s. House of Trades N Exports is pending clearance, I state that I am not aware about it.
[17/07/2022 , 6:19:04 PM] Face	<attached: 00000244-PHOTO- 2022-07-17-18-19-04.jpg>	Shri DDN Reddy forwarded photo of the main gate of warehouse of M/s. Varsur

Time Ddn Ready:		Impex (P) Ltd., KASEZ where the imported goods were to be warehoused as per the plan.
[22/07/2022 , 5:28:24 PM] Face Time Ddn Ready:	<a href="mailto:Varsur.impex21@gmail.com">Varsur.impex21@gmail.com</a>	Shri DDN Reddy forwarded email Id of M/s. Varsur Impex (P) Ltd. and asked to send email of Invoice, BL and KYC documents urgently.
[22/07/2022 , 5:28:25 PM] Face Time Ddn Ready:	Ask ur person send Invoices and BL copy and KYC documents on email  Urgent	
[22/07/2022 , 5:28:25 PM] Face Time Ddn Ready:		
[27/07/2022 , 5:44:08 PM] Suresh D: [26/07/2022 , 3:04:21 PM]  Suresh D: [26/07/2022 , 3:04:21 PM] Suresh D:	TGSJKTMUN0730.pdf • 1 page <attached: 00000275-TGSJKTMUN0730.pdf> Original Global_009.pdf <attached: 00000272-Original Global_009.pdf>  Original Global_008.pdf <attached: 00000273-Original Global_008.pdf>	I shared all 03 Bills of Lading with respect to import of Areca nuts made by M/s. Global Enterprises showing name of consignee as M/s. Varsur Impex (P) Ltd..
[31/07/2022 , 8:46:29 PM] Face Time Ddn Ready:  [01/08/2022 , 10:28:46	<attached: 00000279-PHOTO-2022-07-31-20-46-29.jpg>  AAGCV7466C	Shri DDN Reddy again forwarded photo of warehouse of M/s. Varsur Impex Pvt. Ltd. On being asked by me, he also shared PAN of this KASEZ Unit.

AM] Face Time Ddn Ready:		
[17/08/2022 , 1:03:06 PM] Suresh D:	4 container arrived at port Lines destination charges Transportation Handling charges Warehouse & labour Warehouse destuffing charges or line .. Therefore Apx Rs.5L figure give u then timely container pick up from port to zone	I forwarded message from Devendra Yadav to Shri Reddy about arrival of 04 containers of M/s. Global Enterprise at Mundra port and misc charges to be paid.
[17/08/2022 , 6:39:07 PM] Face Time Ddn Ready:  [17/08/2022 , 6:39:07 PM] Face Time Ddn Ready:	REVISED STL (008).pdf • 4 pages <attached: 00000325- REVISED STL (008).pdf>  REVISED STL (009).pdf • 4 pages <attached: 00000326- REVISED STL (009).pdf>	Shri DDN Reddy forwarded revised invoices issued by overseas supplier M/s. PT. KARYA ESA ABADI, Jakarta in respect of change of Invoice Value from USD 2000 MT to USD 7150/MT. This change was made to synchronize Tariff Value fixed by Indian Customs for valuation of Areca nuts import. On being asked who has suggested to do so, I am not aware but it appears that Devendra had raised such query to Shri Reddy to change the invoice value nearby the fixed Tariff value , Shri Reddy sent me this message.
[17/08/2022 , 6:42:40 PM] Face Time Ddn Ready:	Please find attached revised Invoices from supplier end... Earlier it has some Invoice value mistake ... This actual Invoice belong to our this cargo kindly Consider the same for furture submission	All these messages were forwarded by Shri DDN Reddy. We accordingly sent the email.
[17/08/2022	Please Ask them to send a fresh	

, 6:43:50 PM] Face Time Ddn Ready:	email with Subject mention " Revised Invoices"	
[19/08/2022 , 10:33:25 AM] Suresh D:  [19/08/2022 , 10:33:25 AM] Suresh D:  [19/08/2022 , 10:33:25 AM] Suresh D:	<attached: 00000334-AUDIO-2022-08-19-10-33-25.opus>  <attached: 00000335-AUDIO-2022-08-19-10-33-25.opus>  <attached: 00000336-AUDIO-2022-08-19-10-33-25.opus>	Sattar sent me audio messages asking to clear the consignment. I forwarded the audio messages to Shri Reddy.
[19/08/2022 , 7:35:21 PM] Suresh D:	<attached: 00000342-PHOTO-2022-08-19-19-35-21.jpg>	I shared screenshot of email vide which Shri NK Choudhary of M/s. Varsur Impex Pvt. Ltd. asked for initial payments against rendering warehousing services
[09/09/2022 , 11:37:59 AM] Suresh D:  [09/09/2022 , 11:55:59 AM] Suresh D:	<attached: 00000351-PHOTO-2022-09-09-11-37-59.jpg>  <attached: 00000352-PHOTO-2022-09-09-11-55-59.jpg>	I shared details of payment made to M/s. Varsur Impex Pvt. Ltd. and M/s. Volg Exim, Insurance etc.
[10/09/2022 , 7:58:24 PM] Suresh D:  [10/09/2022 , 7:58:24	<attached: 00000354-PHOTO-2022-09-10-19-58-23.jpg>  <attached: 00000355-PHOTO-2022-09-10-19-58-23.jpg>	I shared screenshot of total Rs. 25 lakh paid in the Account of M/s. Knitfab Creation Exim as suggested by Shri Devendra through Shri DDN Reddy.



PM] Suresh D:		
[30/09/2022 , 11:34:03 AM] Suresh D:	*IEC User id and password* User Id: Globalenterprise2907@gmail.co m Password: Global@1234	I shared User id and password of M/s. Global Enterprises.
[08/10/2022 , 5:58:26 PM] Face Time Ddn Ready:	lorry are waiting for payments	Directions for generating eway bills from Shri Devendra through Shri DDN Reddy.
[08/10/2022 , 5:58:26 PM] Face Time Ddn Ready:	Ask them to generate eway bill	
[08/10/2022 , 8:02:59 PM] Suresh D:	E-Way Bill System (3).pdf • 1 page <attached: 00000401-E- Way Bill System (3).pdf>	As per directions from Shri Devendra through Shri DDN Reddy, I shared 02 eway Bills images showing place of delivery Chengalpattu, Tamilnadu (as per address of IEC of M/s. Global Enterprises). These eway bills were having no. 511419899409 and 561419908601 but Devendra asked that they would themselves generate eway bills and directed to share User name and Password of M/s. Global Enterprises for generating e-way bill which I shared on 09.10.2022. Accordingly, Shri DDN Reddy forwarded me different set of 04 eway bills bearing no. 511419998102, 571419997420, 501419996695,5014199958
[08/10/2022 , 8:32:09 PM] Suresh D:	E-Way Bill System (4).pdf • 1 page <attached: 00000402-E- Way Bill System (4).pdf>	
[08/10/2022 , 8:58:56 PM] Suresh D:	E-Way Bill System (3).pdf • 1 page <attached: 00000403-E- Way Bill System (3).pdf>	
[08/10/2022 , 8:58:56 PM] Suresh D:	E-Way Bill System (4).pdf • 1 page <attached: 00000404-E- Way Bill System (4).pdf>	
[08/10/2022 , 8:58:56 PM] Suresh D:		
[09/10/2022 , 12:04:24 PM] Suresh D:	User Name - KGLOBAL Pass word - kglobal@123	

<p>[09/10/2022, 6:36:54 PM] Suresh D:</p> <p>[09/10/2022, 6:36:54 PM] Suresh D:</p>	<p>Globalenterprise2907@gmail.com</p> <p>Jayavelu@290779</p>	<p>45 all dated 09.10.2022. In all these away bills, the place of delivery was mentioned as 101 A, PLOT NO. 29, APRA plaza bagh, New Delhi-34 and the dispatch was shown from Road No. 11/B, Sector 11, Mundra to avoid surveillance and interception of the consignments through away bills, by any enforcement agency.</p>
<p>[10/10/2022, 10:27:20 AM] Face Time Ddn Ready:</p> <p>[10/10/2022, 10:27:20 AM] Face Time Ddn Ready:</p>	<p>1kanot 09a 872449 m 9717687296 prem</p> <p>Chandni chowk</p>	<p>Shri DDN Reddy forwarded no. of one rupee note to make cash payment of Rs. 25 lakh to Devendra through Hawala which we had done.</p>
<p>[10/10/2022, 6:33:14 PM] Face Time Ddn Ready:</p>	<p>Village-Khedkidhola Near Bewrhaa Chowk Gurgaon- Haryana</p>	<p>Shri DDN Reddy forwarded address/location of Godown where the goods cleared from KASEZ and being transported in 4 trucks were to be unloaded. He asked driver no. also. I was not aware about the location of actual godown where the goods were to be delivered.</p>
<p>[10/10/2022, 6:33:14 PM] Face Time Ddn Ready:</p>	<p>Landmark- Sonu Dharam Kanta</p>	
<p>[10/10/2022, 6:33:15 PM] Face Time Ddn Ready:</p> <p>[10/10/2022, 6:38:33</p>	<p>*"Godown Address "*  After Crossing Manesar toll plaza Just 700 MTR towards Delhi move vehicle at service road</p>	

PM] Face Time Ddn Ready:  [10/10/2022 , 6:39:11 PM] Face Time Ddn Ready:	Send driver no	
[12/10/2022 , 3:26:31 PM] Suresh D:	<attached: 00000425-PHOTO-2022-10-12-15-26-31.jpg>	I forwarded payment details of amount paid by me to Shri Devendra in various firms such as Volgexim, Varsur, Knitfab creation, Yes supply chain and cash payments made through Hawala in connection with subject import, warehousing, clearance, transportation of subject goods.
[12/10/2022 , 7:31:22 PM] Suresh D:	Delhi contact person 8929534762 Gullu	I shared contact no. of Gullu who was sent by Shri Sattar as per directions of Shri Reddy to unload the goods in a warehouse other than the declared Bonded warehouse of CWC, Okhla.
[14/10/2022 , 1:38:35 PM] Face Time Ddn Ready:  [14/10/2022 , 1:38:35 PM] Face Time Ddn Ready:	5th Container          All finished	Shri DDN Reddy forwarded images of 5 <sup>th</sup> truck, videos of loading informing that work regarding clearance of goods in all five containers finished.
[14/10/2022 , 1:44:11 PM] Suresh D:	Please e way bill	I asked for eway bill of 5 <sup>th</sup> truck.

[14/10/2022 , 3:51:31 PM] Face Time Ddn Ready:	E-Way Bill System.pdf • 1 page <attached: 00000439-E-Way Bill System.pdf>	Shri DDN Reddy shared away bill bearing no. 531421979331 for transportation of subject goods in 5 <sup>th</sup> truck in same manner. This away bill was also containing same dispatch address and delivery address as was for four trucks.
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On going through the above discussion and evidence before me, I record the following findings:-

- (a) Shri Reddy stated that he was using Mobile No. 9444446800 and 9600146707.
- (b) He further stated that Mobile No. 7358428287 was not his number and he did not use facetime.
- (c) Shri D.Suresh used to send him audio/video files not relating to him but he did not listen/watch the same but deleted. However, the said statement does not state the details of mobile number referred to.
- (d) Thus, Shri DDN Reddy categorically stated in his statement dated 15.02.2023 that (i) he doesn't use facetime, (ii) he did not acknowledge the proposition that the number 8590890716 saved in D.Suresh Mobile as "Face Time Ddn Ready" was his number.
- (e) I also do not find evidence on record suggesting that the Mobile Number 8590890716 was registered in the name of Shri DDN Reddy. Further to Reddy's statement as above, nor is there any rebuttal to the effect that said Mobile Number 8590890716 is registered in his name.
- (f) I find that, in absence of evidence that Mobile No. 8590890716 is registered in the name of Shri DDN Reddy, mere saving of the contact number "Face Time Ddn Ready" in the contact list of Shri D.Suresh as "Face Time Ddn Ready" doesn't establish the privity of Shri DDN Reddy to the chats made in the name of "Face Time Ddn Ready"

- (g) Accordingly, they do not prove the proposition of connivance of Shri DDN Reddy as the said chats were retrieved from the mobile phone of Shri D.Suresh and not Shri DDN Reddy.
- (h) Further, it is worth noting that neither of the messages display/mention the name of Shri DDN Reddy. What is available in the chats is "Face Time Ddn Ready" as saved in the contact list of Shri D.Suresh. All the messages have either the attachments or some directions/information. Thus, it is difficult to presume that, the name was registered as "Face Time Ddn Ready" with telcom operator for the purposes of admitting said evidence to examine the charges against Shri DDN Reddy.

Therefore, the above mentioned chats cannot be relied upon as evidence in order to establish the connivance of Shri DDN reddy in the conspiracy of diversion of Areca Nuts in the absence of confirmation from the respective telecommunication service provider that the said mobile number was registered in the name of Shri DDN Reddy.

- 155.** Further, it is very crucial to note that Shri D.Suresh in his statement admitted that Shri DDN Reddy was not to be paid any profit from such diversion.
- 156.** Further, I find that Shri D.Suresh in his statement dated 17.10.2022 while explaining the chats between him and Shri DDN Reddy stated that Shri DDN Reddy forwarded no. of one rupee note to make cash payment of Rs. 25 lakh to Devendra through Hawala which we had done. However, Shri DDN Reddy in his statement dated 15.02.2023 stated that Shri D.Suresh sent him a one rupee note number to which he (Shri DDN Reddy) asked him telephonically the reasons for sending the same to him and Shri DDN Reddy then asked him to delete the same as it was not related to him in any manner. Clearly the two statements are contradictory in nature. Further, it is not clear as to which number Shri Reddy was referring to in the said statement, wherein he did not acknowledge Mobile No. 8590890716 being his number.

**157.** In view of the above, though two co-noticees Shri D.Suresh and Shri Vijay Kathirvelu referred to the names of Shri DDN Reddy in their statements and that Shri DDN Reddy refuted the allegations based on said statements, I find that the evidences brought on record are not sufficient to hold the charge of “conniving” and “abetting” against Shri DDN Reddy for the purpose of imposing penalty under sections 112(a) and or 112(b) of the Customs Act, 1962. Positive evidence to the effect that he had knowledge of the diversion of goods is missing and the charge of abetting needs to be proved in positive manner. Abatement and connivance are done to financially benefit oneself. However, there is no evidence to suggest that Shri DDN Reddy was being financially benefitting from the diversion of Areca nuts. Rather there is admission of Shri Vijayakumar Kathirvelu, Authorised Signatory of M/s Global Enterprises in his statement that they would earn commission of around Rs. 10/Kg. for Areca nut, per person for the four person, he himself, Shri D. Suresh, Dhanraj and Altaf.

**158.** As regards proposal of penalties under Section 114AA of the Customs Act, 1962, I find no evidence on record which could establish that the noticee-officer had knowingly or intentionally used false and incorrect material, in the transaction of any business for the purposes of this Act, thus the penalties under Section 114AA of the Customs Act, 1962 are not attracted.

**159. ROLE OF SHRI DEVENDRA YADAV AND PENALTIES PROPOSED:**

I find that Shri Devendra Yadav did not join the investigation. I also find that he did not contest the allegations in the show cause notice. I find from the evidence placed on record that Shri Devendra Yadav was a beneficial owner of M/s House of Trade N Exports, M/s Volg Exim India Pvt. Ltd., and M/s Knitfab Creations, Delhi. He had proposed to Shri D. Suresh a plan for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham. Shri Devendra had assured Shri D. Suresh that he would manage placing orders with overseas suppliers, rate negotiations, Customs clearance and other formalities with respect to import

consignments and Shri D. Suresh had to only pay money for purchasing cost of goods and all other misc. expenses; that the rates of purchase of Areca Nuts were fixed at USD 2500 /MT with Shri Devendra who assured to return him profit at the rate of Rs. 450/- per Kg.

Shri Devendra Yadav asked for money towards misc charges before delivery of goods, and received the same through a Hawala transaction of Rs. 25 lakhs made by Shri D. Suresh. Shri Devendra Yadav provided the address of godown for taking the delivery of the goods and as per his directions, Shri Sattar (actual investor/beneficiary owner) sent a person named Gullu to the godown in DTA for unloading of the subject goods from the trucks.

It was Shri Devendra Yadav who had offered Shri D. Suresh a proposal for earning good profit in import of Areca Nuts from Indonesia and clearance thereof from Kandla Special Economic Zone, Gandhidham. All the key aspect ranging from filing of Bill of Entries, E-way bills, payment of dues to M/s Varsur Impex and other charges towards the import and clearance from KASEZ, was handled by Shri Devendra Yadav. He had asked Shri D. Suresh to not to talk to Shri Nawaz of M/s Varsur Impex Pvt. Ltd. related to any updates in the subject consignment of Areca Nut, which further confirms the fact that he was the actual mastermind behind the said fraudulent import of Areca Nut through KASEZ and diversion of the same to DTA in guise of SEZ to Warehouse Transfer.

All the payments made by Shri Global Enterprises in the process of import and clearance, were received by Shri Devendra Yadav. In total, an amount of Rs. 1.08 Crore were transferred to him by M/s Global Enterprises, in different accounts, some of which were of M/s Volg Exim and M/s Knitfab. He had also received Rs. 25 Lakhs through Hawala transaction. He used to communicate all his demands and confirmations to Shri D. Suresh.

Shri Devendra Yadav had arranged transportation of the goods to Delhi and he was managing the communications with the transporter, driver through Ashok Gupta/ Ranveer Singh Sandhu. Shri Devendra Yadav had asked Ranveer Singh Sandhu to handover Rs. 60,000/- for disbursing to the drivers of the

trucks of Areca Nut from KASEZ, Kandal to Kapil Sharma at godown located at Plot No. AG-56, Sanjay Gandhi Transport Nagar, Delhi-42 at around 7 O'clock in the evening when he was intercepted by DRI officers. The destination address in eway bills was mentioned as "101A, Plot No. 29, Apra Plaza, Rani Bagh, Shakurpur Basti, New Delhi" by Shri Devendra Yadav. Further after clearance of goods covered under SEZ to warehouse BEs no. 2010413 dated 08.09.2022 being transported in truck bearing no. RJ 14 GG 4183 and HR 55 S 4111 and 2010414 dated 08.09.2022 being transported in truck bearing no. RJ 10 GB 4727 and RJ 14 GL 9477 from KASEZ, Gandhidham, the goods were diverted to a private warehouse of M/s Yes Supply Chain Solutions Pvt. Ltd., AG-56, Sanjay Gandhi Transport Nagar, New Delhi-42, as per directions of Shri Devendra Yadav, instead of declared destination i.e. Bonded Warehouse of CWC, Okhla-II, B-13, 14, 15, Industrial Area, New Delhi-20.

Thus, it is evident that Shri Devendra Yadav had actively managed the whole process of the instant case, from initial planning to final delivery of the goods to Nagpur. Hence, by involving himself in the said acts of commission and omission, Shri Devendra Yadav has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Devendra Yadav has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. He also got submitted expired space certificate of CWC, and ensured submissions of false declarations regarding transfer of goods to CWC Okhla and also generated e-way bills for movement. By such acts/omissions, Shri Devendra Yadav has rendered him liable for penalty under the provisions of section 114 AA of the Customs Act, 1962.

**160. ROLE OF SHRI ASHOK GUPTA, PARTNER OF M/S HOUSE OF TRADE N EXPORTS & PENALTIES PROPOSED UPON HIM-**

I find that Shri Ashok Gupta did not join the investigation nor did he contest the allegations under the Show cause notice. I find that Shri Ashok Gupta,



Partner of M/s House of Trade N Exports, sent Shri Ranveer Singh Sandhu/Luthra to the drivers of the trucks carrying Areca Nut to Delhi, and attempted to get the trucks unloaded at the place already decided by him, by claiming that he was the owner of the said goods. He also claimed to know Shri Reddy, who had claimed the goods and had sent Shri Gullu to take the truck drivers with him and unload the goods to a private godown at Khera Kalan. He was assisting and working for Devendra Yadav in his plans to divert the imported goods into DTA without payment of Customs duty.

He had sent a person named Pandey at KASEZ who had provided the e-way bills and his mobile no. 7092814685 to Shri Kapil Sharma in respect of the 4 trucks carrying Areca Nut from KASEZ from Delhi. Further, corrected e-way bills were shared by Shri Ashok Gupta with Shri Kapil Sharma/said drivers. On his directions, the said person Pandey had paid the detention charges for non-receipt of documents amounting to Rs. 50,000/- and Shri Ashok Gupta assured him that the freight will be paid on the next day. Shri Ashok Gupta had made a payment of Rs. 2.50 lakhs to Shri Kapil Sharma/M/s Yash Supply Chain Solutions Pvt. Ltd on 10.10.2022. On his directions, Shri Pandey, who was escorting the trucks to Delhi, had transferred Rs. 1.38 Lakhs to the account of M/s Yash Supply Chain Solutions Pvt. Ltd on 12.10.2022.

Shri Ashok Gupta had sent Shri Ranveer Singh Luthra at the trucks in Manesar, claiming the goods as his own and then when another person claimed the same goods, he had asked Shri Kapil Sharma to arrange for a warehouse for the unloading and safekeeping of the said Areca Nut. He had assured Shri Kapil Sharma of payment in respect of warehousing, unloading and other misc. charges for the said Areca Nut.

From the facts discussed above, it is clear that Shri Ashok Gupta, who was a partner in M/s House of Trade N Export, and possibly known person of Shri Devendra Yadav, was involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer.

Thus, by involving himself in the said acts of commission and omission, Shri Ashok Gupta has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Ashok Gupta has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. Shri Ashok Gupta also had also deliberately suppressed and helped persons involving in suppression the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It is further found that he had made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Ashok Gupta is also liable to penalty under Section 114AA of the Customs Act, 1962.

**161. ROLE OF SHRI MOHAN RAJ OF M/S MERCURY SHIPPING and DISCUSSION ON PENALTY PROPOSED:**

I find that Shri Mohan Raj did not join the investigation nor did he contest the allegations under the Show cause notice. Shri Mohan was an employee of M/s Mercury Shipping Chennai and involved in the case as a beneficiary and co-ordinator who had been involved into sharing of key details of the consignment and other related work.

Shri Mohan along with Shri Suresh Kumar, had approached Shri Abdul Sattar AM for investment in the consignment of Areca Nut. Shri Mohan had forwarded him the copy of the Bill of Lading of the subject consignment and asked him to invest in the said consignment promising him commission of around Rs. 1 lakh, as stated by Shri Abdul Sattar AM in his statement dated 16.10.2022.

On being introduced to Shri Anis Juned Kacchi Chamadiya of M/s JB Traders, Nagpur, by Shri Abdul Sattar, Shri Mohan had explained the terms of the deal to Shri Anis of M/s JB Traders and offered Areca Nut at Rs. 450/- per Kg., below the notified Tariff Rate prevalent at the time. He also provided Shri Anis Juned Kacchi Chamadiya the bank details of M/s Global Enterprises, through which payment was made by M/s JB Traders to M/s Global Enterprises, for the order of 62 MT of Areca Nut. In his statement dated 09.11.2022, Shri Anis Juned Kacchi Chamadiya, beneficial owner of JB Traders has stated that Shri Mohan had requested the payment in advance, for which he had made payment of around 1.18 Crores.

Shri Mohan had also co-ordinated with Shri Sattar and Shri Gullu, and had forwarded the details of the private godowns and contact no. of Shri Gullu to Shri Vijay Kathirvelu and Shri D. Suresh, wherein the address where the goods were to be unloaded was mentioned, such as “as “Village-Khedkidhola, Near Bewrrha Chowk, Gurgaon, Haryana, Landmark-Sonu Dharm Kanta” and “khedakala,omdharam kata”.

From the above, it is clear that Shri Mohan Raj was wilfully and knowingly involved in the subject case of fraudulent diversion of duty-free goods imported in SEZ to DTA in guise of SEZ to warehouse transfer.

Thus, by the said acts of commission and omission, Shri Mohan Raj of M/s Mercury Shipping has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Mohan Raj has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. Therefore, it is amply clear that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Mohan Raj is also liable to penalty under Section 114AA of the Customs Act, 1962.

**162. ROLE OF SHRI ABDUL SATTAR AM & DISCUSSION ON PENALTIES****PROPOSED-**

I find that Shri Abdul Sattar A M, also mentioned as Kochi Sathar/Sathar/Sattar in the aforementioned paras, is the proprietor of AL Shabib Trading Co., having GSTIN 32AHPPA4337G1ZN and IEC 1005009376. On being informed by Shri D. Suresh regarding the import of Areca Nut through KASEZ and the requirement of investment, he had contacted Shri Anis Juned Kacchi Chamadiya, the beneficial owner of M/s JB Traders, Nagpur for the investment in the said consignment. He had arranged for the investment in the said Areca Nut from Shri Anis Juned Kacchi Chamadiya, the beneficial owner of M/s JB Traders, Nagpur, as he was known to him, both of them being involved in the trading of Areca Nut.

Shri Sattar had contacted the seller of said consignment of Areca Nut in Indonesia and had placed the orders for the same. He had then arranged for the transfer of Rs. 1.16 Crores from the account of M/s JB Traders, Nagpur, to the account M/s Global Enterprise, which was then utilised by M/s Global Enterprises for further payments to Shri Devendra Yadav against various charges related to warehousing, clearance, insurance etc. It is apparent from the statements recorded in the case, that Shri Sattar had sent Shri Gullu, at the trucks of Areca Nut in Manesar, and had planned to unload the trucks at 'Khera Kalan, Om Dharm Kanta', instead of the CWC Warehouse, Okhla-II, Delhi.

Thus, it is crystal clear that Shri Abdul Sattar AM, proprietor of AL Shabib Trading Co., having GSTIN 32AHPPA4337G1ZN and IEC 1005009376, was actively involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer.

Thus, by involving himself in the said acts of commission and omission, Shri Abdul Sattar AM has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Abdul Sattar AM has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of

incorrect information to the Customs/ SEZ Authorities to get the goods cleared for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It is evident that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Abdul Sattar AM is also liable to penalty under Section 114AA of the Customs Act, 1962.

**163. ROLE OF M/S JB TRADERS & DISCUSSION ON PENALTIES PROPOSED-**

I find that M/s JB Traders, Near Risaldar Akhada, House No. 207 A, Ploe Not. HR 56, Timki Road, Mominpura, Nagpur whose beneficial owner is Shri Anis Juned KacchiChamadiya, is the actual buyer of the Areca Nut imported in the subject consignment after diversion into DTA. During his statement recorded on 09.11.2022, Shri Anis Juned KacchiChamadiya had admitted that he had known Shri Abdul Sattar A M due to their business of Areca Nut. Shri Abdul Sattar introduced him to Shri Mohan of M/s Mercury Shipping by Shri Abdul Sattar, and his number was given to Shri Mohan by Abdul Sattar.

On being contacted by Shri Mohan and Suresh of M/s Mercury Shipping, on behalf of M/s Global Enterprises, and knowing the terms of the deal, he had found the price suitable to him. He then ordered for 62 MT of Areca Nut @ 450 per Kg. approx. to Shri Suresh. He had made payments to the account of M/s Global Enterprises to the tune of Rs. 1.18 Crore approx. against the order of the said consignment.

It is further clear that M/s JB Traders was involved in the said illegal import of Areca Nut and diversion, as they had agreed to buy imported Areca Nut below the tariff rate as notified by the Customs Act, 1962, prevalent at the time. Hence it is clear that Shri Anis Juned KacchiChamadiya and M/s JB Traders were aware of the fact that the Areca Nut is to be delivered to him through illegal means. Even after being aware of the fact, Shri Anis Juned

KacchiChamadiya and M/s JB Traders, indulged themselves knowingly, in the import of Duty-free Areca Nut in SEZ and diversion of the said Areca Nut into DTA without paying the Customs Duty on it. Even before clearance of goods, they were sending money to Global Enterprises for making various payments related to clearance of goods. It is clear that they were a part of the fraudulent diversion of Areca Nuts.

Thus, it is amply clear that M/s JB Traders, Nagpur, were involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer and has benefitted from the said diversion and evasion of Customs Duty. By their acts of said commission and omission, M/s Varsur Impex Pvt. Ltd have rendered themselves liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

As narrated above, it is apparent that M/s JB Traders, Nagpur were involved in an act in which they had deliberately and fraudulently tried to divert the duty-free imported goods in SEZ to DTA without making payment of applicable Customs Duty and tried to evade the duty and thereby rendered the goods liable for confiscation. It is therefore clear that they have made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, M/s JB Traders, Nagpur are also liable to penalty under Section 114AA of the Customs Act, 1962.

#### **164. ROLE OF M/S VARSUR IMPEX PVT. LTD, THEIR SUBMISSION AND DISCUSSION ON PENALTIES-**

The show cause notice has proposed that- M/s Varsur Impex Pvt. Ltd., KASEZ, Gandhidham, whose Authorised Signatory is Shri Nawaz Khan Chaudhary, is the warehousing unit in KASEZ where the Areca Nut imported by M/s Global Enterprises was warehoused. Shri Nawaz Khan Chaudhary had known Shri Devendra Yadav, as all the payments related to various charges to M/s Varsur Impex Pvt. Ltd. was made by Shri Devendra Yadav. The warehousing unit M/s

Varsur Impex Pvt. Ltd., appeared to be selected by Shri Devendra Yadav, for the warehousing the Areca Nut.

M/s Varsur Impex Pvt. Ltd., through their authorised Signatory, Shri Nawaz Khan Chaudhary had claimed that they were not involved in the said fraud, however, all the facts as stated by the persons who had recorded their statements during the investigation in the instant case and facts gathered during the course of investigation, have made it apparent that M/s Varsur Impex Pvt. Ltd., and Shri Nawaz Khan Chaudhry, being the Authorised Signatory of the warehousing unit, were involved in the said fraud from the planning stages of the said import of Areca Nut, as they had received payment related to the various expenses from Shri Devendra Yadav well in excess of what was their legal dues.

M/s Varsur Impex Pvt. Ltd., had cleared the goods to the DTA from KASEZ, even when the FSSAI had rejected the Areca Nut in their reports. Further, the space availability certificate provided by CWC Warehouse, Okhla-II, Delhi had expired before the said good were cleared from KASEZ, still Shri Nawaz Khan Chaudhary had cleared the said goods from their warehouse in KASEZ without verifying if the goods were eligible for SEZ to warehouse transfer or not.

Thus, M/s Varsur Impex Pvt. Ltd. and Shri Nawaz Khan Chaudhary failed to notify the Customs or the SEZ Authorities in respect of the said fraudulent transfer of duty-free goods imported in SEZ and intended to be diverted to DTA, in guise of SEZ to warehouse transfer, on the basis of invalid space availability certificate, which was their responsibility, being a warehousing unit in KASEZ. In their e-mails, they had also incorrectly alleged that the DRI officers had escorted the trucks and got the goods unloaded at the godown of M/s Yash Supply Chain Solutions Pvt. Ltd, a fact which was nowhere stated by the drivers of the trucks, or Shri Ranveer Singh Sandhu/Luthra, or Shri Kapil Sharma, thus proving that they had tried to mislead the investigation by stating false and incorrect facts.

Devendra Yadav has mentioned to D.Suresh that clearance has to be done from Varsur Impex in KASEZ. He had claimed that he will ensure smooth

clearance without any hurdles and had also claimed that it was his warehouse. He also allowed use of own vehicles by the importer for movement of the goods to CWC Okhla to facilitate diversion of goods.

Thus, it appeared that M/s Varsur Impex Pvt. Ltd, was involved in the said fraudulent import of duty-free Areca Nut in KASEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer and has benefitted from the said diversion and evasion of Customs Duty. By their acts of said commission and omission, M/s Varsur Impex Pvt. Ltd have rendered themselves liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

As narrated above, it is apparent that M/s. Varsur Impex Pvt. Ltd were involved in an act in which they had tried or helped to deliberately and fraudulently divert the duty-free imported goods in SEZ to DTA without making payment of applicable Customs Duty and tried to evade the duty and thereby rendering the goods liable for confiscation. It appears that they have made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect away bills for movement of goods. For such acts and omissions, M/s Varsur Impex Pvt. Ltd are also liable to penalty under Section 114AA of the Customs Act, 1962.

#### **165. CROSS-EXAMINATION SOUGHT BY M/s. VARSUR IMPEX-**

M/s. Varusur Impex vide letter dated 23.02.2025 requested for cross-examination of various witnesses and officers related to the instant show cause notice. In this regard, this office vide letter dated 12.03.2025 denied the request of cross-examination of all the said persons intimating them that five opportunities of personal hearings were provided to them and they failed to make any submission or appear in the matter. They were further informed that the cross-examination had been denied as the said request had been made without informing the grounds of seeking such cross-examination and that too after a lapse of more than one year.



In this regard, I find that denial of request for cross-examination has been held as not violating the principles of natural justice during quasi-judicial proceedings in the following case laws;

I. In the case of Patel Engg. Ltd. vs UOI reported in 2014 (307) ELT 862 (Bom.) Hon'ble Bombay High Court has held that;

*“Adjudication – Cross-examination – Denial of- held does not amount to violation of principles of natural justice in every case, instead it depends on the particular facts and circumstances – Thus, right of cross-examination cannot be asserted in all inquiries and which rule or principle of natural justice must be followed depends upon several factors – Further, even if cross-examination is denied, by such denial alone, it cannot be concluded that principles of natural justice had been violated.”* [para 23]

II. In the case of Suman Silk Mills Pvt. Ltd. Vs. Commissioner of Customs & C.Ex., Baroda [2002 (142) E.L.T. 640 (Tri.-Mumbai)], Tribunal observed at Para 17 that-

*“Natural Justice – Cross-examination – Confessional statements – No infraction of principles of natural justice where witnesses not cross-examined when statements admitting evasion were confessional.”*

III. In the case of Commissioner of Customs, Hyderabad V. Tallaja Impex reported in 2012(279) ELT 433 (Tri.), it was held that-

*“In a quasi-judicial proceeding, strict rules of evidence need not to be followed. Cross examination cannot be claimed as a matter of right.”*

IV. Hon'ble Tribunal in its decision in Sridhar Paints v/s Commissioner of Central Excise, Hyderabad reported as 2006(198) ELT 514 (Tri-Bang) has held that:

*“..... denial of cross-examination of witnesses/officers is not a violation of the principles of natural justice, we find that the Adjudicating Authority has reached his conclusions not only on the basis of the statements of the concerned persons but also the various incriminating records seized. We hold that the statements have been corroborated by the records seized”* (Para 9)

V. Hon'ble Punjab and Haryana High Court in its decision in the case of Azad Engg Works v/s Commissioner of Customs and Central Excise, reported as 2006(2002) ELT 423, held that;

*"..... It is well settled that no rigid rule can be laid down as to when principles of natural justice apply and what is their scope and extent. The said rule contains principles of fair play. Interference with an order on this ground cannot be mechanical. Court has to see prejudice caused to the affected party. Reference may be made to judgment of Hon'ble the Supreme Court in K.L. Tripathi v. State Bank of India and others, AIR 1984 SC 273"*

VI. Hon'ble Tribunal in the case of P Pratap Rao Sait v/s Commissioner of Customs reported as 1988 (33) ELT (Tri) has held in Para 5 that:

*"..... The plea of the learned counsel that the appellant was not permitted to cross-examine the officer and that would vitiate the impugned order on grounds of natural justice is not legally tenable.*

VII. Similarly in A.L Jalauddin v/s Enforcement Director reported as 2010(261) ELT 84 (Mad HC) the Hon High court held that ;

*".... Therefore, we do not agree that the principles of natural justice have been violated by not allowing the appellant to cross-examine these two persons. We may refer to the paragraph in AIR 1972 SC 2136 = 1983 (13) E.L.T. 1486 (S.C.) (Kanungo & Co. v. Collector, Customs, Calcutta)"*

#### **166.SUBMISSION OF M/S. VARSUR IMPEX-**

M/s. Varsur Impex vide submission dated 16.03.2025 argued that Mr. Choudhary's (Nawaz Khan Choudhary) mail dated 29.10.22 reveals that there was no intention, much less efforts on the part of the importer to divert the goods to DTA. They further argued that there was confusion over the ownership amongst the drivers, so first they approached police and then Mr. Kapil Sharma. Later on, the instructions & under the escort of Mr. Kapil Sharma, took the trucks to their office in Sanjay Gandhi Transport Nagar, Delhi for safe custody. Why Mr. Kapil Sharma and Drivers did not prefer to call the staff of M/s. Varsur Impex Pvt. Ltd or the customs authorities in KASEZ from where the goods were laded which was the easiest option.

The noticee doesn't know who as to Who Devendra Yadav was? None of the person whose statements were recorded during the course of investigation had mentioned anything about him. Further, there was nothing on record such as phone call, message/chats or mails which show that he Knew Devendra Yadav. All the payments had been received from a business account against the invoices raised on the importer. Further, Mr. Devendra Yadav was claiming to be the owner of M/s. Varsur Impex Pvt. Ltd and Nawaz Khan Choudhary did not know Mr. Devendra Yadav. All the payments had been received through banking channel only and in the company's account. There was no allegation of receiving payment in cash. So the allegation that the noticee had received payment excess of their legal due is baseless.

The space certificate is a document which had been in vogue between and for the use of service provider i.e. Public warehouse owner and the service recipient. With regard to the space availability certificate, they argued that it is not required under any section, rule etc.

#### **DISCUSSION & FINDINGS REGARDING CHARGES AGAINST M/s. VARSUR IMPEX-**

**167.** In this regard, I find that the argument of the noticee that space availability certificate is not required under any rule/act/circular/Instructions is incorrect as Instruction No. 63 – No. C.3/21/2009-SEZ dated 10th August 2010 clearly mandates that the SEZ unit shall file bill of Entry to SEZ Customs with copy of invoice, packing list etc. besides Space utilisation/Availability certificate from the Custom officer in-charge of the Bonded warehouse. These instruction were issued for Procedure regarding removal of goods to bonded warehouse under Rule 46(13) of SEZ Rules, 2006. Further, the said Instructions cast an onus on the SEZ Unit to submit the re-warehousing certificate issued by customs officer in-charge of the bonded warehouse failing which the SEZ customs can initiate appropriate action to realize duty, interest on the goods in question.

- 168.** Further, to taking note of M/s. Varsur's submission that Shri Kapil Sharma or drivers did not contact staff of M/s. Varsur Impex, when goods arrived at M/s. Yes Supply chain Solutions Pvt. Ltd, I also find that none of the persons whose statements have been recorded had alleged or admitted that M/s. Varsur Impex was engaged in the diversion of the Areca Nuts. It is important to note from statements of some noticees that Shri Devendra Yadav claimed that he owned the SEZ Unit M/s. Varsur Impex and also directed Shri D.Suresh not to talk to Shri Nawaz Khan Choudhary related to any updates in the subject consignment of Areca Nut. Further, the amount received by M/s. Varsur Impex does not hint towards the same as proceed of diversion of Areca Nuts as only four persons viz. Shri Vijayakumar kathirvelu, Shri D. Suresh, Dhanraj and Altaf were to get Rs. 10/Kg per person from the diversion of Areca nuts. Though, it is clear that the space availability certificate had expired and goods were rejected by FSSAI, however, these facts don't reveal the involvement of M/s. Varsur Impex in the diversion of Areca nuts. Further, the document of for transfer of goods to Bonded warehouse and E-way bills were filed by M/s. Global Enterprises as discussed in the intial paras of discussion. Further, neither of the whatsapp chats reproduced in the foregoing paras hinted towards involvement of M/s. Varsur impex as rightly argued by the noticee.
- 169.** Further, with regard to the allegation in the show cause notice that M/s. Varsur Impex was paid more than his legal dues, I find that Shri Nawaz Khan Choudhary in his statement dated 12.07.2023 stated that apart from warehousing charges, his company also collected other charges such as loading/unloading, Labour charges, FSSAI charges, import handling charges, insurance, security charges etc. Hence a lump sum amount was received at that point of time and the final amount was to be settled at later stage which could not be done due to case booked by DRI in respect of said consignments. Therefore, the allegation proposed in the show cause notice is not sustainable.
- 170.** In view of the above discussion and findings, I don't find any evidence on record to suggest that M/s. Varsur Impex was involved in the fraud

orchestrated by M/s. Global Enterprise in connivance with others. Therefore, the provisions of Section 112(a) and/or 112(b) are not attracted in the instant case.

**171.** Further, I find that M/s. Global Enterprises filed Bills of entry viz. 2010413 & 2010414 both dated 08.09.2022 and 2010974 dated 20.09.2022 for the transfer of goods from SEZ to Bonded warehouse. With regard to the submission of Expired Space certificate of CWC, it is seen that the said certificate was issued on 31.08.2022 and was valid till 27.09.2022. Therefore, when the Bills of Entry were filed, the said certificate was valid.

**172.** With regard to penalty under Section 114AA of the Customs Act, 1962, I don't find any evidence which could establish that they had made M/s Global Enterprises to sign incorrect declarations of transfer of goods to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect away bills for movement of goods. Thus, M/s Varsur Impex Pvt. Ltd are not liable to penalty under Section 114AA of the Customs Act, 1962 as the E-way bills were generated by M/s. Global enterprises and others.

**173. ROLE OF SHRI DHANRAJ OF M/S FUTURE LOGS INDIA PVT. LTD., CHENNAI**

I find that Shri Dhanraj was a director/partner in M/s Future Logs India Pvt. Ltd., along with Shri Altaf and Shri D. Suresh. He had introduced Shri D. Suresh to Shri DDN Reddy. Shri Dhanraj in contact with Shri DDN Reddy and Shri Devendra Yadav, as evident from the fact that he had forwarded a message to Shri D. Suresh, wherein Rs. 10 note photo was shared by him, which, as explained by Shri D. Suresh in his statement dated 17.10.2022, meant that his employee Basha had sent Rs. 3,00,000/- in cash by Havala to Shri Devendra for misc. charges of clearance, warehousing charges.

Shri Dhanraj was also co-ordinating the order placement and price negotiation of the subject consignment as evident from the documents such as Bill of Lading of Pt. Bumi IndoyaGemilang, Surabaya 60227, Indonesia No.

LL250803MUN09 and LL250803MUN10 both dated 20.07.2022 issued for Whole Areca Nuts shipped from Jambi port, Indonesia to Mundra, India per vessel MV Stephanie V.2203W and Invoice No. INV-GLB008 and INV-GLB009 dated 14.07.2022, were forwarded by him to Shri D. Suresh.

Further conversation between him and Shri D. Suresh, as per statement dated 18.10.2022 of Shri D. Suresh, found on the Whatsapp of Shri D. Suresh, it was noticed that he had informed Shri D. Suresh related to payment to be made to Shri Devendra, and also provided him the location of the godowns where the goods were to be unloaded. He had got commission of Rs. 10/- per Kg. for the delivery of Areca Nut to M/s JB Traders, Nagpur.

#### **SUBMISSION-**

Shri Muralimohan Dhanraj vide his submission, interalia, stated that Shri D.Suresh and DRI officers had given an interpretation to sharing of Rs. 10 note photo through whatsapp as that employee Basha had sent Rs. 3,00,000/- in cash by Hawala to Shri Devendra for misc. charges of clearance, warehousing charges. There is no single evidence to establish that he had earned commission in the alleged planned scheme of diversion of areca nuts. The allegation that he was receive commission was a future happening.

They have further argued that they had no knowledge of the alleged import or any fact from Customs and SEZ authorities and furnishing false/incorrect information for evasion of customs duty applicable on the import of Areca nut.

I find no force in the arguments of the noticee as it has already been admitted by Shri Vijayakumar and Shri D.Suresh in their statements about the role of Dhanraj and the payment of Rs. 10/- per Kg once the goods reached Nagpur.

Thus, by the said acts of commission and omission, Shri Dhanraj of M/s Future Logs India Pvt. Ltd., Chennai has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. Shri Dhanraj has deliberately suppressed the key facts related to the intended diversion of duty-free Areca Nut imported by them to DTA, and was indulged in supply of incorrect information to the Customs/ SEZ Authorities to get the goods cleared

for SEZ to Bonded Warehouse Transfer with the intention of evading applicable Customs Duty on the same. It is clear that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Dhanraj is also liable to penalty under Section 114AA of the Customs Act, 1962.

#### **174. ROLE OF SHRI ALTAF OF M/S FUTURE LOGS INDIA PVT. LTD**

I find that Shri Altaf was one of the directors of M/s Future Logs India Pvt. Ltd. He was to get commission of Rs. 10/- per Kg. for the delivery the subject consignment of Areca Nut to M/s JB Traders in Nagpur, which was imported duty-free in KASEZ and then diverted to DTA in guise of SEZ to warehouse transfer without payment of Customs Duty.

He was an active partner of Shri D. Suresh and Shri Vijay in this fraudulent diversion of Areca Nut into DTA. Thus, by the said acts of commission and omission, Shri Altaf of M/s Future Logs India Pvt. Ltd., Chennai has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. It is clear that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect away bills for movement of goods. For such acts and omissions, Shri Altaf is also liable to penalty under Section 114AA of the Customs Act, 1962.

#### **175. ROLE OF SHRI KUNJILLA KUTTY-**

I find that Shri Kunjilla Kutty (Mob. No. 9946231000) had contacted Shri D. Suresh as he wanted to invest into import of Areca Nut. Shri Kunjilla Kutty had also pressured them to check the quality and status of the warehoused goods, on which they had planned to visit Gandhidham. As per statement dated 18.10.2022 of Shri D. Suresh, Shri Kunjilla Kutty along with Shri Vijay and Shri D. Suresh had visited the warehouse of M/s Varsur Impex Pvt. Ltd. on 08.10.2022, and after being satisfied with the condition of the goods, he had left from there. From the facts discussed in the foregoing paras, it is clear that Shri Kunjilla Kutty, together with Abdul Sattar had purchased the said consignment from M/s Global Enterprises, as Shri Kunjilla Kutty and Shri

Abdul Sattar, both had given instructions to deliver the goods to Nagpur. Shri Kunjilla Kutty had assured Shri D. Suresh that he would pay up the amount after clearance/delivery of the goods. He also visited KASEZ to check the goods status and quality.

It is evident that Shri Kunjilla Kutty had knowingly and willingly involved himself in the fraudulent act of import of duty-free Areca Nut in SEZ and diversion of the same to DTA in guise of SEZ to warehouse transfer. Thus, by the said acts of commission and omission, Shri Kunjilla Kutty has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962. It is further clear that he has made M/s Global Enterprises to sign incorrect declarations of transfer to CWC Okhla, submission of expired space certificate of CWC, and generation of incorrect e-way bills for movement of goods. For such acts and omissions, Shri Kunjilla Kutty is also liable to penalty under Section 114AA of the Customs Act, 1962.

#### **176. ROLE PLAYED BY SHRI GULLU:**

I find that Shri Gullu, having mobile no. 89295 34762, was a person known to Shri Sattar. He was instructed to reach to the trucks carrying the Areca Nut to Delhi from KASEZ, and get the said Areca Nut unloaded at a private godown outside Delhi. As per the statements of the drivers of the 4 trucks carrying the said Areca Nut to Delhi, recorded on 15.10.2022, Shri Reddy had called them claiming that he was the owner of the goods, and Shri Gullu was his person.

Shri Gullu had called the drivers and had directed them to bring the goods to Om Dharam Kanta, Kheda Kalan, Delhi, where the Areca Nut was to be unloaded in private godowns, instead of the bonded warehouse as declared. He had met the drivers, where the goods were also claimed by one Shri Ranveer Singh Sandhu/Luthra, and when the drivers called the police, he had fled from there. Thus, it is clear that Shri Gullu was involved in diversion of the duty-free goods to DTA fraudulently without payment of Customs Duty.

Thus, by the said acts of commission and omission, Shri Gullu has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.



**177. ROLE PLAYED BY SHRI RANVEER SINGH SANDHU/LUTHRA:**

I find that Shri Ranveer Singh Sandhu, was the Director and authorised person of M/s Volg Exim India Pvt. Ltd., Flat no. 169/A, QU-Block, Pitampura, DDA Flat, New Delhi. He had known Shri Devendra Yadav, as he was working for Shri Devendra Yadav for one year. The account/s of M/s Volg Exim India Pvt. Ltd. was used by Shri Devendra Yadav to receive payment from M/s Global Enterprises, in respect of the subject consignment of Areca Nut. In his statement dated 14.10.2022, he had stated that he did not know the purpose for which the said payments were deposited into the account/s of M.s Volg Exim India Pvt. Ltd., as the effective control of M/s Volg Exim was with Shri Devendra Yadav.

On instructions of Shri Ashok Gupta and Shri Devendra Yadav, he had called the drivers of the 4 trucks carrying the Areca Nut cleared from KASEZ, and had informed that trucks would be unloaded at KhedkiDaula, Delhi. He had reached at the trucks carrying the Areca Nut cleared from KASEZ, which were parked at Manesar, where Shri Gullu was also present. When the drivers called the police, due to different persons claiming the goods, he had left from the location.

In addition to the above, Shri Ashok Gupta had informed Shri Kapil Sharma, that any charges towards the warehousing, unloading or any other misc. charges related to the goods warehouse at their godown, were to be cleared by Shri Ranveer Singh Sandhu/Luthra. On being directed by Shri Devendra Yadav, he had also arrived at the godown with Rs. 60,000/- for payment towards to the drivers of the 4 said trucks. He had stated in his statement dated 15.10.2022, that he had known about the duty foregone nature of the goods, however he did not inform Shri Kapil Sharma of M/s Yash Supply Chain Solutions regarding the same.

Thus, by the said acts of commission and omission, Shri Ranveer Singh Sandhu has rendered himself liable for Penalty under Section 112(a) and Section 112(b) of Customs Act, 1962.

**178.** It is evident from the facts discussed above that M/s Global Enterprises had imported Areca Nut in SEZ without payment of duty, with the intention of diverting the same into DTA in the guise of SEZ to Warehouse transfer, despite the fact that the said goods were rejected by FSSAI, and that the space availability certificate issued by the CWC Warehouse was invalid having expired before the date of clearance of the goods from SEZ.

## **SECTION K- QUANTIFICATION OF DUTY-**

**179.** As per Annexure-A to the Show Cause Notice, Duty has been calculated as given below:-

### **179.1 Annexure-A- Calculation of Duty as per SCN**

S.N	Date of Outbond B/E	Qty. (MT)	Fixed Tariff Rate (USD/MT)	Currency Exchange Rate	Rate of Duty (%)	Assessable Value (Rs.)	Duty payable (Rs.)
1.	08.09.2022	36.74	6853	82.45	110	20759196.69	22835116.4
2.	08.09.2022	36.78	6853	82.45	110	20781797.88	22859977.7
3.	20.09.2022	16.82	6853	82.45	110	9503802.077	10454182.3
	<b>Total</b>	<b>90.24</b>				<b>51044796.65</b>	<b>56149276.3</b>

**179.2** In this regard, I find that Areca nuts weighing 73.52MTs (mentioned at Sr.No. 1 and 2) diverted in the DTA in contravention of provisions of Customs Act, 1962 and FSS Act, 2006 and Rules/Regulations made thereunder. Since the goods have been cleared into Domestic Tariff Area, therefore, the duties of Customs amounting to Rs. 4,56,95,095/- are leviable in terms of Section 30 of the SEZ Act, 2005 read with Section 28(4) of the Customs Act, 1962.

**179.3** However, the goods mentioned at Sr.No. 3 were attempted to be diverted in domestic, however, the said goods were taken back in the SEZ Unit and seized by the officers of DRI. Since the goods have not been cleared into DTA, the duties of Customs amounting to Rs. 1,04,54,183/- is not leviable in terms of Section 30 of the Customs Act, 1962 as the provisions of Section

30(a) mandates removal of goods from SEZ to the Domestic Tariff Area for the purpose of considering the same as taxable event, however in the instant case, the customs seal was intact and there was an attempt to divert the said goods.

**180.** In view of the above discussion and findings, I hereby pass the following order-

**A. ORDER IN RESPECT OF M/S. GLOBAL ENTERPRISES, 1/472, ANNA STREET EAST, LAXMI NAGAR, MUDICHUR, CHENNAI, KANCHIPURAM-**

180.1. I order to confiscate the Areca Nuts weighing total 73,520 Kgs., collectively valued at Rs. 4,15,40,995/-, currently lying seized at premises of M/s. Yes Supply chain Solutions Pvt. Ltd, imported and illegally diverted to DTA into India, under Section 111(h), and 111(o) of the Customs Act, 1962.

180.2. I order to confiscate the Areca nuts weighing total 16,820 Kgs totally valued at Rs. 95,03,803/-, currently lying seized at premises of M/s. Varsur Impex, KASEZ, imported and attempted to be illegally diverted into DTA, under Section 111(h) and 111(o) of the Customs Act, 1962.

**REDEMPTION OF GOODS-**

180.3 With regard to goods seized and lying at AG-56, Sanjay Gandhi Transport Nagar, Delhi-110042, having total quantity 73,520 Kgs totally valued at Rs. 4,15,40,995/- (total duty involved- Rs.4,56,95,095/-), I allow the importer to redeem the goods on payment of fine amounting to Rs. 65,00,000/- (Rupees Sixty Five Lakhs) under Section 125 of the Customs Act, 1962 for the purpose of allowing their request to export the goods subject to the following conditions:-

- The duty amount of Rs. 4,56,95,095/- (Rupees Four Crore Fifty Six Lakhs Ninety Five Thousand and Ninety Five only) under section 28(4) of the Customs Act, 1962 alongwith

interest at the applicable rate under Section 28AA of the Customs Act, 1962 are paid.

- The details of proposed export and a copy of subject Order shall be intimated to the port of export (with a copy marked to the Commissioner, Kandla) well before filing of export documents, and the goods shall move to the port of export from premises of M/s. Yes Supply chain Solutions Pvt. Ltd under preventive supervision of port of export for completing export procedure at the port of export.

180.4 With regard to the goods seized and lying at M/s. Varsur Impex Pvt. Ltd, Industrial Shed No.168, Special CIB Type, Phase-I, Sector-II, Kandla Special Economic Zone, Gandhidham having total quantity 16,820 Kgs totally valued at Rs. 95,03,803/- (Rupees Ninety Five lakhs Three Thousand Eight Hundred and Three only), I allow the importer to redeem the goods on payment of fine amounting to Rs. 10,00,000/- (Rupees Ten Lakhs) under Section 125 of the Customs Act, 1962 for the purpose of allowing their request for re-exporting the goods.

180.5 I determine and confirm the duty amount of Rs. 4,56,95,095/- (Rupees Four Crore Fifty Six lakhs Ninety Five Thousands and Ninety Five Only) and order to recover the same from M/s. Global Enterprises under the provisions of Section 28(4) of the Customs Act, 1962 read with Section 30 of the SEZ Act, 2005. I order to appropriate the amount of Rs. 2,60,83,470/- deposited by them during the course of investigation

I drop the demand of Rs. 1,04,54,183/- (One Crore Four lakh Fifty Four Thousand One Hundred and Eighty Three Only) as the goods have not been cleared in the Domestic Tariff Area.

180.6 I order to recover the interest at appropriate rate on the duty demanded at (180.5) above under Section 28AA of the Customs Act, 1962.

180.7 I impose penalty equal to the duty plus interest confirmed above upon them under Section 114A of the Customs Act, 1962.

180.8 I do not impose penalty under Section 112(a) and/ or 112(b) of the Customs Act, 1962 as the penalty under Section 114A of the Customs Act, 1962 is imposed.

180.9 I impose penalty of Rs 1,00,00,000/- (Rupees One Crore Only) upon M/s. Global Enterprises under Section 114AA of the Customs Act, 1962.

180.10 I order to enforce the Bond furnished by them against the consignments imported duty free under provisions of SEZ Act, 2005 and Rules framed thereunder but diverted as such to the domestic market, and order to encash the security if any furnished with bond and order to appropriate the same towards their duty liabilities, interest thereon, fine and penalties.

**B. ORDER IN RESPECT OF M/S. VARSUR IMPEX-**

I drop the proceedings initiated against the SEZ Unit, M/s. Varsur Impex, KASEZ.

**C. ORDER IN RESPECT OF SHRI DDN REDDY-**

I drop the proceedings initiated against Shri DDN Reddy, Assistant Commissioner, Nhavasheva, Mumbai.

**D. ORDER IN RESPECT OF OTHER PERSONS/FIRM-**

I impose penalty upon various persons/firm as mentioned in the table below-

Sr.No.	Name of the persons/Firms	Section 112(a)	Section 112(b)	Section 114AA
1.	Shri Vijay Kumar Kathirvelu, M/s. Global Enterprise	25,00,000 (Twenty Five	25,00,000 (Twenty Five	50,00,000 (Fifty Lakhs

		<b>Lakhs only)</b>	<b>Lakhs only)</b>	<b>only)</b>
2.	Shri D.Suresh, Partner M/s.Mercury Shipping	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>50,00,000</b> <b>(Fifty Lakhs</b> <b>only)</b>
3.	Shri Devendra Yadav, M/s. House of Trade N Exports, M/s. Volg Exim and M/s. KnitFab Creations	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>50,00,000</b> <b>(Fifty Lakhs</b> <b>only)</b>
4.	Shri Ashok Gupta, Partner M/s. House of Trade N Exports	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>
5.	Shri Mohan Raj, M/s. Mercury Shipping	<b>5,00,000</b> <b>(Five Lakhs</b> <b>only)</b>	<b>5,00,000</b> <b>(Five Lakhs</b> <b>only)</b>	<b>5,00,000</b> <b>(Five Lakhs</b> <b>only)</b>
6.	Shri Abdul Sattar AM, Prop. AL Shabib Trading Co.	<b>5,00,000</b> <b>(Five Lakhs</b> <b>only)</b>	<b>5,00,000</b> <b>(Five Lakhs</b> <b>only)</b>	<b>5,00,000</b> <b>(Five Lakhs</b> <b>only)</b>
7.	M/s. JB Traders, Nagpur	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>
8.	Shri Dhanraj, M/s. Future Logs India Pvt. Ltd	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>50,00,000</b> <b>(Fifty Lakhs</b> <b>only)</b>
9.	Shri Altaf, M/s. Future Logs India Pvt. Ltd	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>25,00,000</b> <b>(Twenty Five</b> <b>Lakhs only)</b>	<b>50,00,000</b> <b>(Fifty Lakhs</b> <b>only)</b>

10.	Shri Kunjilla Kutty	<b>10,00,000</b> <b>(Ten Lakhs only)</b>	<b>10,00,000</b> <b>(Ten Lakhs only)</b>	<b>10,00,000</b> <b>(Ten Lakhs only)</b>
11.	Shri Gullu	<b>5,00,000</b> <b>(Five Lakhs only)</b>	<b>5,00,000</b> <b>(Five Lakhs only)</b>	Not proposed in SCN
12.	Shri Ranveer Singh Sandhu/Luthra, M/s. Volg Exim India Pvt. Ltd	<b>5,00,000</b> <b>(Five Lakhs only)</b>	<b>5,00,000</b> <b>(Five Lakhs only)</b>	Not proposed in SCN

**181.** This order is passed without prejudice to any action that can be taken against the SEZ unit or any other person under this Act or any other law for the time being in force.

**(M. Rammohan Rao)**  
**Commissioner**

F.NO. GEN/ADJ/COMM/650/2023-Adjn  
DIN-20250471ML0000222F0A

To,

1. M/s Global Enterprises, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram
2. Shri Vijay Kathirvelu, Authorised Signatory of M/s Global Enterprises, 1/472, Anna Street East, Laxmi Nagar, Mudichur, Chennai, Kanchipuram
3. Shri D. Suresh, Partner of Customs Broker M/s Mercury Shipping. Armenian Street, Armenian Business Complex, 3<sup>rd</sup> Floor, (Old No. 10), New No. 21, Armenian Street, Mannady, Chennai-600001
4. DDN Reddy, Assistant Commissioner, Nhavasheva, Mumbai Zone-II, R/o- 5, 89th Street, 13th Sector, K.K. Nagar, Chennai-6000784.
5. Shri Devendra Yadav, of M/s House of Trade N Exports, M/s Volg Exim and M/s KnitFab Creations, Delhi.
6. Shri Ashok Gupta, of M/s House of Trade N Exports, Delhi.

7. Shri Mohan Raj of M/s Mercury Shipping Armenian Street, Armenian Business Complex, 3rd Floor, (Old No. 10), New No. 21, Armenian Street, Mannady, Chennai-600001.
8. M/s JB Traders, Near Risaldar Akhada, House No. 207 A, Plot No. HR 56, Timki Road, Mominpura, Nagpur.
9. Shri Abdul Sattar A M, proprietor of AL Shabib Trading Co., Ayyappa Arcade, 11/808 (New 21/451), Wadakkanchery, Trichur.
10. M/s Varsur Impex Pvt. Ltd., Industrial Shed No. 168, Special CIB Type, Phase-I, Sector-II, KASEZ, Gandhidham
11. Shri Dhanraj of M/s Future Logs India Pvt. Ltd., Chennai.
12. Shri Kunjilla Kutty (Mob. No. 9946231000).
13. Shri Gullu, (Mob No. 89295 34762)
14. Shri Ranveer Singh Sandhu/Luthra, Director and authorised person of M/s Volg Exim India Pvt. Ltd., Flat no. 169/A, QU-Block, Pitampura, DDA Flat, New Delhi.

**Copy To-**

1. The Chief Commissioner, Customs Zone, Ahmedabad for the purpose of Review.
2. The Additional Director, DRI Gandhidham, Regional Unit
3. The Deputy Commissioner, Customs, KASEZ
4. Guard File.