



सीमाशुल्कआयुक्तकाकार्यालय,

Office of the Commissioner of Customs,

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F. No.: GEN/ADJ/ADC/796/2025-Adjn

Show Cause Notice

(Issued under Section 124 of the Customs Act, 1962)

Whereas it appears that: -

- Specific intelligence gathered by the Directorate of Revenue Intelligence, Gandhidham Regional Unit (hereinafter also referred to as “the DRI”) indicated that M/s Areopower International, Shop No. 3, E Block, Sanjay Colony, Sector-23, Faridabad, Haryana-121005, (hereinafter also referred to as “the importer”) indulged in the illegal import of ‘Areca Nuts’ in the guise of declared import consignment of ‘Bitumen VG 30’ through Mundra Port.
- Acting upon intelligence, the import consignments covered under Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024 (**RUD No. 1**) destined to Kandla Special Economic Zone Unit ‘M/s Shanlok International, AS-V, Shed No. 385, Sector No. IV, Kandla Special Economic Zone, Gandhidham-370230’ and consisting of total 04 Containers CAIU8068626, TDRU8254050, TORU5302500 and TTNU9598289 of declared import cargo ‘Bitumen VG 30’ was put on hold by DRI. As per aforementioned BL, declared shipper of the goods is ‘Salman UL Hassan, Dubai, UAE’. The subject import consignment arrived at Mundra Port on 23.03.2024 under IGM No. 2371393 dated 20.03.2024 was put on hold by DRI for examination thereof. The details of the import consignment are as follows:-

Table-I

Bill of Lading No.	XERJEAMUN-90324 dated 16.03.2024
IGM No.	2371393 dated 20.03.2024
Shipper	M/s Salman UL Hasan, Dubai, UAE
Importer & IEC	M/s. Areopower International, Shop No. 3, E Block, Sanjay Colony, Sector-23, Faridabad, Haryana-121005 GST No: 06AKSPA4037D1ZH), IEC: AKSPA4037D
Notify Party	M/s Shanlok International, AS-V, Shed No. 385, Sector No. IV, Kandla Special Economic Zone, Gandhidham - 370230
Declared description of the goods declared	04 x 40 HC FCL Container STC: Bitumen VG 30 Packed in 180(+/- 3) Kg Steel Drums 548 Drums, HS Code: 23710000

3. Examination of the goods-

The examination of the goods was conducted on 30.03.2024 at M/s. Transworld Terminal Pvt. Ltd., CFS at Mundra Port (**RUD No. 2**) by the officers of DRI. During examination all the containers were found in sealed condition and ‘Split Areca Nuts’ having total quantity 102.179 MTs were found stuffed in all the 04 Containers in place of declared goods as Bitumen. Total 1511 bags containing approx. quantity of 102.179 MTs of ‘Split Areca Nuts’ were found concealed. Further, no quantity of declared goods i.e. Bitumen was found stuffed in the said containers.

4. Conduct of Searches/Visits at connected places-

During investigation, Searches/visits had been conducted by DRI officers as mentioned below –

4.1 A search was conducted on 30.03.2024 at the premises of Notify Party (mentioned in BL no. XERJEAMUN-90324 dated 16.03.2024) i.e. M/s Shanlok International, AS-V, Shed No. 385, Sector No. IV, Kandla Special Economic Zone, Gandhidham, Kachchh, Gujarat -3702023 under Panchnama dated 30.03.2024 (**RUD No. 3**).

4.2 Officers visited at the registered premises of M/s Areopower International, Faridabad Haryana, however the importer was not found functioning at the said premises. Search under panchnama dated 02.04.2024 was carried out at 'House No. 1436, Vashi Room No. 206, Near Kopari Village, Sector-26A, Navi Mumbai-400705' i.e. the residence address of the Proprietor of M/s Areopower International. (**RUD No. 4**)

5. Recording of Statement of related persons-

During the investigation, the statements of the following persons have been recorded under the Customs Act, 1962 –

5.1 Statement of **Shri Sharvan Kumar Bhatia**, Partner of M/s. Shanlok International KASEZ was recorded on 01.04.2024 (**RUD No. 5**), summarized below-

M/s. Shanlok International was currently operating from the premises at AS-V, Shed No. 385, Sector No. IV, Kandla Special Economic Zone and his GST No. is 24ADPFS7063R1Z3. The LOP for M/s Shanlok International expired on 13.02.2024. He stated that he had no knowledge about M/s Areopower International, Haryana and did not know any person associated with the company. He stated that he only allowed the import through documents received from Shri Kuldipsinh Zala, who informed him that a person named Ajay Bhanushali was managing the imports. He further stated that Shri Ajay Bhanushali met him in the month of January 2024 when they came to his office and saw LOP. He stated that he was in touch with KASEZ authorities for extension of his LOP and also applied for adding the cargo 'Bitumen' in his approved goods list and till date no permission was granted by KASEZ authority for the same. He stated that BL No. XERJEAMUN-90234 was available on his mobile phone with various contacts including a contact saved as 'Kuldipsinh Zala Salok Epot Aspot' and he knew Kuldipsinh Zala because they had worked at M/s Mann Industries from 2005 to 2010.

5.2 Statement of Shri **Zala Kuldipsinh** s/o Ravindrasinh Lagdhirsinh Zala was recorded on 01.04.2024 (**RUD No. 6**), wherein he interalia, stated that-

He stated that he contacted Shri Sarvan Bhatia of M/s Shanlok International in December, 2023 regarding the import of Bitumen, following a request from his long-time friend, Shri Ajay Bhanushali alias Ajay Dama, who was starting a Bitumen business and asked for warehouse or trading unit in KASEZ for export purpose. Shri Ajay Bhanushali came to Gandhidham in the month of January, 2024 (around mid-January) and met Shri Sarvan and him in the office of M/s Shanlok International inside KASEZ premises. It was informed by Shri Ajay that Bitumen would be imported into KASEZ and subsequently re-exported to Africa and other countries. After that Shri Ajay left for Mumbai. Shri Ajay sent him some documents related to import of 'Bitumen' on whatsapp chat and he forwarded the same to Shri Sarvan Bhatia. He stated that the firm M/s Aeropower International was not known to him and documents of the firm were received by him through Shri Ajay Bhanushali, who had informed him that M/s Aeropower International is his firm. On being told that containers for this consignment were booked from here in India through one of his friend Shri Rahul Mithwani, owner of M/s Alpen Logistics of Gandhidham, he stated that Shri Ajay Bhanushali asked him for booking of the same.

5.3 Statement of Shri **Bajaj Sunil Sawarmal**, Partner of M/s Shanlok International KASEZ was recorded on 01.04.2024 (**RUD No. 7**), wherein he interalia, stated that-

He stated that Shri Shrawan Bhatia was handling all the work in the firm. He was aware with the importer M/s. Areopower International through Shri Shrawan Bhatia, who had shared copies of BL, Invoice, etc. pertaining to subject consignment to him. One person Shri Kuldip contacted them and wanted to warehouse the import consignment of Bitumen in his warehouse. Shri Shrawan contacted the KASEZ authorities to get the permission for warehousing the Bitumen and applied for the said permission. Further he

stated that he had not made any conversation to any person related to the import consignments.

5.4 Statement of Shri **Rajesh G. Soni**, Director of M/s SRS Tradelogixs Pvt. Ltd. (the agent of container line), Gandhidham, was recorded on 02.04.2024 (**RUD No. 8**), wherein he interalia, stated that-

He stated that for consignment covered under BL No. XERJEAMUN-90324 dated 16.03.2024, they had been acting as an agent on behalf of his Principal Shipping line, M/s. Xerarch Shipping Line, Pakistan. He was contacted by Shri Ashok Binwara, Manager at M/s. Aegon Shipping India Pvt. Ltd. for the subject import consignment, who was in contact with Shri Rahul, a forwarder from M/s. Alpen Logistics. Shri Ashok Binwara informed him that there was a need for four 40-foot containers for importing Bitumen from Jebel Ali to Mundra Port, with later transfer to KASEZ. Shri Ashok also provided the shipper details, M/s. Salman Ul Hassan, Dubai, UAE, and arranged container availability with his principal, M/s. Xerarch Shipping Line, Pakistan. The draft BL was shared on 16.02.2024, and the final BL was issued after confirming the consignee details. The surrender BL was sent to M/s. SRS Tradelogixs Pvt. Ltd. after the containers were loaded. Upon cargo arrival at Mundra, M/s. Areopower International, Faridabad contacted him for clearance. Their KYC documents and authority letters were shared, and the Delivery Order was requested on 28.03.2024. Further, he stated that after sharing the above documents, Shri Javed Ansari, proprietor of M/s. Areopower International, Faridabad requested Delivery Order for the aforesaid consignment vide email dated 28.03.2024.

5.5 Statement of Shri **Javed Ansari**, Proprietor of M/s Areopower International was recorded on 03.04.2024, (**RUD No. 9**) wherein he interalia, stated that-

He stated that he was the proprietor of M/s Areopower International. He stated that he had known Shri Dinesh Bhanushali for the last one and a half years and Shri Dinesh Bhanushali resides in Navi Mumbai and was introduced to him by his friend, Shri Deepak Bhanushali, who also worked at APMC Dana Market, Navi Mumbai. Shri Deepak informed him that Shri Dinesh was involved in opening firms and collecting documents, and mentioned that money could be earned from such ventures. He provided them with the necessary documents, including his Aadhar Card, PAN Card, a canceled cheque from his Bank of India account, and a new SIM card. After activating the SIM card, they asked him to share the Aadhar OTP received. Later, they asked for the Aadhar OTP again for GST registration. Subsequently, they sent him the Importer Exporter Certificate for M/s Areopower International. He stated that he had received around 25-30 thousand in total for providing documents to Dinesh Bhanushali and Sachin Bhanushali.

5.6 Statement of Shri **Ajay Suresh Dama**, S/o Suresh Dama was recorded on 03.04.2024, (**RUD No.10**) wherein he interalia, stated that-

He stated that the cargo pertaining to Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024 pertains to his import order placed with Mr. Sayed in Dubai. Shri Dinesh Bhanushali from Vashi assisted him in arranging the IEC for M/s Areopower International, Faridabad. Further he stated that together, Dinesh and he planned to import Areca nuts by mis-declaring them as "Bitumen." He intended to warehouse the goods at KASEZ, Gandhidham, for export. The plan involved transshipment from Mundra Port to KASEZ, where he would replace the Areca nuts with Bitumen, however, due to difficulties securing a warehouse at Mundra, he revised his plan to export the goods by declaring them as "Bitumen." He stated that the contact No. mentioned on the Bill of Lading was on the name of IEC holder Shri Javed Noorhassan Ansari however Shri Dinesh Bhanushali was operating the said mobile. Further he stated that all correspondences pertaining to the import of subject cargo was handled by Shri Dinesh. Shri Dinesh Bhanushali was operating the email ID areopowerinternational@gmail.com mentioned on the Bill of Lading and he himself was making the correspondences pertaining to the import of subject goods. He stated that Shri Dinesh told him about the huge earning in the smuggling of Areca Nut as the import of Areca Nut is prohibited if imported below the tariff value. It was mutually decided by him that he would arrange the warehouse at KASEZ, Gandhidham for the import of subject as he knew few local people in Gandhidham. Further he stated that he contacted Shri who on his request contacted Shri Shravan Bhatia, Partner of M/s Shanlok International, KASEZ,

Gandhidham. He further stated that Shri Kuldip made all necessary arrangement regarding warehouse and moreover Shri Kuldip assisted him also in Customs procedures.

He stated that Shri Kuldipsinh Zala told him that they would require the warehouse near Mundra. Shri Kuldipsinh Zala contacted his known Shri Sharavan Bhatia, Partner of M/s Shanlok International, KASEZ, Gandhidham for renting the warehouse near Mundra for the purpose of replacing the goods. It was their plan to change the goods contained in container at Mundra. They had located the warehouse at Mundra and arranged the warehouse at Mundra all the formalities were done, however the initial payment for leasing the warehouse to owner of warehouse at Mundra was not done. He and his associates planned to smuggled the Areca Nut at Mundra Port by mis-declaring for warehousing at KASEZ, Gandhidham. The plan was to replace the smuggled Areca Nut with declared goods '*Bitumen VG 30 packed in 180 (+/-3) KG Steel Drums*' during the transportation to KASEZ after receiving the approval of transshipment for KASEZ, Gandhidham to Mundra. He was informed by Shri Kuldip Zala regarding the arrival of subject goods and he also informed that subject was hold by DRI for examination. On being asked about Shri Javed Ansari he stated that he did not know any person by the name Shri Javed Ansari.

5.7 Statement of Shri **Zala Kuldipsinh** s/o Ravindrasinh Lagdhirsinh Zala was recorded on 09.04.2024, (**RUD No. 11**) wherein he interalia, stated that-

He stated that the containers for the subject consignment were booked through Shri Rahul Mithwani by him however the payment was made by Shri Ajay Bhanushali. Shri Ajay asked him to arrange one warehouse at Mundra for storing the imported cargo as 'Bitumen' was not approved item list in the LOA of M/s Shanlok International and it needs to be added in their LOA for import. Accordingly he initiated the process of renting the warehouse at Mundra by authorizing his younger brother on behalf of Shri Ajay Bhanushali as resides far away from Gandhidham. In the month of February, 2024 he finalized one warehouse at Mundra but the agreement could not executed as the respective warehouse owner told him that they did not have any permission for storing the Bitumen at the warehouse. He stated that he was assigned to forward the documents to M/s Shanlok International for completing all the Customs procedure pertaining to subject consignment. M/s Shanlok International was going to do the necessary formalities related to the Customs Clearance. On 24.03.2024/25.03.2024, Shri Ajay forwarded him the Surrendered Bill of Lading, Packing List, COO, Invoice for the subject goods for further submitting to M/s Shanlok International for initiating the process for the clearance of subject goods.

5.8 Statement of Shri **Sharvan Kumar Bhatia**, Partner of M/s Shanlok International KASEZ was recorded on 09.04.2024 (**RUD No.12**), wherein he interalia, stated that-

He stated that he did not know anything about supplier M/s Salman Ul Hassan, UAE and proprietor of M/s Areopower International. On being asked about the Whatsapp chat retrieved from his mobile phone during statement dated 01.04.2024 in which he had sent a document to Shri Kuldipsinh Zala on 23.01.2024 which was issued on letter head of M/s Salman Ul Hassan, UAE with some corrections and the document was issued in the name of M/s Shanlok International, he stated that his consultant told him to do corrections for the same and he got it corrected accordingly.

On being asked about the documents which were in the name of M/s Shanlok International recovered from Whatsapp chat during statement dated 01.04.2024 which show that M/s Shanlok International was to export Bitumen to various overseas buyers i.e. BSS (PTY) Ltd., M/s Steadfast, M/s Jadu International, and the said documents were sent by Shri Kuldipsinh Zala to him on 24.01.2024 and 27.01.2024, he stated that all such documents were prepared with the help of his consultant for taking permission regarding import and export of Bitumen. It was informed by Customs authorities that for taking permission of import and export of Bitumen, he required proof that his firm had orders of Bitumen from overseas. He stated that he was not aware about any of the above mentioned overseas buyers, Shri Kuldipsinh Zala has suggested the said names. It was only for taking permission of import & export of Bitumen from Customs authorities. There was no export plan to said overseas buyers. He agreed that forged documents were prepared for getting the permission of Bitumen. He stated that he had met Shri Ajay

Bhanushali only once for around 10 minutes in December, 2023 and he (Ajay) saw his LOP only at that time.

5.9 Statement of Shri **Ashok Kishanchand Binawra**, Branch Manager of M/s Aegon Shipping India Pvt. Ltd was recorded on 16.04.2024 (**RUD No. 13**), wherein he interalia, stated that-

On being asked about the consignment imported vide the Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024 he stated that for the aforesaid import consignment he was contacted by Shri Rahul Mithwani, Branch Manager of M/s Alpen Logistics Pvt. Ltd. He further stated that Shri Rahul Mithwani informed him that there was a requirement of four 40 feet container with cargo as Bitumen and POD Mundra with place of delivery KASEZ. He stated that all KYC details such as GST Registration Certificate, KYC form of M/s. Areopower International, Faridabad, CHA authority letter, insurance policy and Indemnity Bond etc related to M/s. Areopower International, Faridabad were sent by the importer to Shri Rahul through courier. Shri Rahul then submitted the aforesaid KYC documents of the importer in M/s. SRS Tradelogixs Pvt. Ltd. office. Shri Rajesh Soni (of M/s. SRS Tradelogixs Pvt. Ltd.) informed that the payment as per the invoice raised was received by him but through some third party named M/s. Shree Gurukrupa Shipping Agency.

5.10 Statement of Shri **Rahul Jayantilal Mithwani**, S/o Jayantilal Mithwani, Branch Manager of M/s Alpen Logistics Pvt. Ltd., was recorded on 26.04.2024 (**RUD No. 14**) wherein he interalia, stated that-

He stated that on February 8, 2024, Shri Kuldeep Zala contacted him booking of subject containers. He contacted Shri Ashok Binwara to arrange the booking, who provided charges and vessel details. Further he stated that Shri Kuldeep Zala had provided him the shipper's details as 'Salman Ul Hassan General Trading LLC'. Shri Kuldeep Zala had also provided him 'Hauler No. 41778' and 'contact no. 0549909532'. Shri Kuldeep provided him GST registration copy of M/s Areopower International, Faridabad. On 13th Feb, 2024, Shri Kuldeep Zala shared him IEC Copy, AADHAR Copy, PAN Card Copy of Shri Javed Ansari and shared him one container door photo (container no. TORU5302500) with message 'Please share export acceptance'. Shri Kuldeep shared a draft BL, and he initially indicated that the expected vessel loading was 23rd Feb 2024 which was changed to 27th Feb 2024 on insistence of Shri Kuldeep. Further, he stated that Shri Kuldeep told him that there was no CHA in SEZ hence, BoE will be filed in self name. He told Shri Kuldeep to arrange CHA authority letter from that CHA who was arranging transit permit for the shipment. Later some original documents for obtaining DO were sent in original from Mumbai through Maruti Container through Booking No. 23120601466 which were received by Shri Kuldeep and were handed over to him near his office building.

5.11 Statement of Shri **Gaurav Gadodia**, S/o Raj Kumar Gadodia, Partner of M/s Shanlok International, was recorded on 06.05.2024 (**RUD No.15**) wherein he interalia, stated that-

He stated that he was not aware with importer M/s Areopower International, Shri Kuldeep Zala, Shri Ajay Dhama or Shri Javed. He explained that all the matters related to said consignment had been handled by Shri Sarwan Bhatiya, who informed him only after arrival of the containers.

5.12 Statement of Shri **Vijay Shivji Mange**, S/o Shivji Mange, Proprietor of Shri Gurukrupa Shipping Agency, was recorded on 29.08.2024 (**RUD No.16**) wherein he interalia, stated that-

On being asked about the consignment imported vide BL No. XERJEAMUN-90324 dated 16.03.2024, he stated that one of his very close friend Shri Ajay Sureshbhai Dama asked him amount of Rs. 7,00,000/- as help. First, he denied him for payment of the same. He told Ajay that wherever payment is required, I can make payment directly. He stated that he made payment two times in March, 2024 i.e. Rs. 5,33,189/- in first time and Rs. 80,000/- in second time. The said total payment of Rs. 6,13,189/- was made from his HDFC Bank account No. 01182560002804, Ghatkopar East Branch. Shri Ajay Suresh Dama convinced him that he will return the amount within 8-10 days. Shri Ajay told him that he had imported 'Bitumen' from Dubai and payment is required to be done on

priority and he was to receive some payment but it is delayed. He stated that he was nowhere connected with the said consignment except the payment made by him which was actually pertaining to Ajay Sureshbhai Dama. He stated that he had not received amount from Shri Ajay Sureshbhai Dama. He was trying to recover his money.

6. As per Notification No. 22/2024-CUSTOMS (N.T.) dated 15.03.2024 (**RUD No. 17**), the Govt. of India through CBIC has fixed the Tariff Value for import of Areca Nuts classified under HS Code 080280 as **6259 US Dollar** per Metric Ton, Further, Notification No. 24/2024 -Customs (N.T.) dated 26.03.2024 provides the exchange Rate as 84.00 Rs. against 01 US dollar, for transactions for import. The said Notifications indicated that the total assessable value of Split Areca Nuts having quantity **102.179 MTs** comes to **Rs. 5,37,21,222/-**. The import policy for import of Areca nuts in ‘TTC (HS) 2022 Schedule 1 of Import Policy’ provides that the import of Areca Nuts classified under HS Code 08028020 is prohibited when imported with CIF value less than Rs 351 per kg. Therefore, the goods recovered in the subject import consignment falls under the category of prohibited goods. As mentioned above, total value of Split Areca Nuts come to **Rs. 5,37,21,222/-**.

7. Deputy Development Commissioner (KASEZ), Gandhidham vide letter F.No. KASEZ-IA1/88/2022-SEZ-KANDLA/3165475 dated 02.08.2024 submitted that LOA of M/s Shanlok International, KASEZ expired on 13.02.2024 and was not renewed due to pending Show Cause Notice issued by KASEZ. Further, they also submitted that their office is not granting permission for trading and warehousing of Bitumen to any party since June, 2021 hence the unit’s claim that they were in process of getting permission for trading of Bitumen is not justifiable.

8. Data retrieved from mobile phones of conspirators-

Data retrieval from the mobile phones of Shri Shravan Kumar Bhatiya, Shri Zala Kuldipsinh and Shri Javed Noorhassan Ansari were done at the Cyber Forensic Laboratory, Ground Floor, DRI, Mumbai Zonal Unit, Mumbai under Panchnama dated 08/09.05.2024 and 05/06/07.08.2024 (**RUD No. 18**). From the data retrieved from the said mobile phones, following important aspects came to notice:

Summary of relevant mobile extracted data (whatsapp chats) from mobile phone of Shri Shravan Kumar Bhatiya is as in given below table:

Sr. No.	Date & Time	From Mobile No.	To Mobile No.	Details of Text, Documents & Remarks
1.	22.01.2024, 13:08:55 (UTC)	+919825555483 (Shri Kuldipsinh Zala)	+919825685513 (Shravan Kumar Bhatiya)	Document: A letter head of Supplier Salman Ul Hassan showing Shanlok International as Buyer of Bitumen (RUD No. 19)
2.	27.01.2024 11:45:36 (UTC)	+919825555483 (Shri Kuldipsinh Zala)	+919825685513 (Shravan Kumar Bhatiya)	Document: A sales/purchase order on letter head of Shanlok International, Buyer of Bitumen shown as M/s BSS (PTY) Ltd. (RUD No. 20)
3.	20.02.2024 09:12:03 (UTC)	+919825555483 (Shri Kuldipsinh Zala)	+919825685513 (Shravan Kumar Bhatiya)	Document: BL No. XERJEAMUN-90324, Vessel Name: NORDPANTHER (RUD No. 21)
4.	27.03.2024 05:49:46 (UTC)	+919825555483 (Shri Kuldipsinh Zala)	+919825685513 (Shravan Kumar Bhatiya)	Document: Surrender BL No. XERJEAMUN-90324, Vessel Name: LITTLE WARRIOR (RUD No. 22)

9. Seizure:

M/s. Areopower International indulged in the illegal import of Areca Nuts in the guise of declared import consignment of ‘Bitumen VG 30’ covered under Bill of lading No. XERJEAMUN-90324 dated 16.03.2024, and IGM No. 2371393 dated 20.03.2024. During examination of the goods on 16.03.2024, Split Areca Nuts having total quantity 102.179 MTs (1511 bags)were found stuffed in all the 04 Containers in place of declared goods as

Bitumen. The Government of India has fixed tariff value for import of Areca Nuts vide Notification No. 22/2024-CUSTOMS (N.T.) dated 15.03.2024 under HS Code 080280 as 6259 US Dollar per Metric Ton. Also, the import policy for import of Areca nuts in ‘TTC (HS) 2022 Schedule 1 of Import Policy’ provides that the import of Areca Nuts classified under HS Code 08028020 is prohibited when imported with CIF value less than Rs 351 per kg. Therefore, it is evident that Split Arecanuts having total quantity 102.179 MTs found stuffed were under prohibited category. Accordingly, total 102.179 MTs of Split Areca Nuts was placed under seizure under the provision of section 110 of the customs Act, 1962 vide Seizure Memo dated 30.03.2024 (**RUD No. 23**).

10. Arrest of accused persons -

On the basis of available evidences/records/details/documents in the present investigation following persons were arrested during investigation. The accused after arrested were produced before Additional Chief Judicial Magistrate, Gandhidham, Kutch.

Sr. No.	Name of the person	Date of Arrest
01	Shri Javed Noorhassan Ansari	03.04.2024
02	Shri Ajay Suresh Dama	03.04.2024
03	Shri Zala Kuldipsinh	09.04.2024
04	Shri Sarwan Kumar Bhatiya	09.04.2024

11. Extension under Section 110(2) of the Customs Act, 1962 -

Since the investigation could not be completed within 6 months, the competent authority i.e. the Commissioner of Customs, Kandla Customs granted extension of further 6 months in the matter i.e. upto 27.03.2025, vide letter dated 26.09.2024 (**RUD No.24**).

12. To sum up-

12.1 Investigation has revealed that M/s. Areopower International is indulged in the illegal import of Areca Nuts in import consignments covered under Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024 and IGM No. 2371993 dated 20.03.2024. The said consignment was destined to Kandla Special Economic Zone Unit M/s. Shanlok International, Kandla SEZ.

12.2 During examination all the 04 containers were found in sealed condition and Split Areca Nuts having total quantity 102.179 MTs (1511 bags) were found stuffed in all the 04 Containers in place of declared goods as Bitumen. Further, no quantity of declared goods i.e. Bitumen were found stuffed in the said containers. Since the goods found grossly mis-declared in respect of description, quantity, value, etc., the same were placed under Seizure vide Seizure Memo dated 30.03.2024.

12.3 The Government of India has fixed tariff value for import of Areca Nuts vide Notification No. 22/2024-Customs (N.T.) dated 15.03.2024, as USD 6259 per MT. As per the Notification No. 22/2024-Customs (N.T.) dated 15.03.2024 the fixed Tariff Value is \$6259 per MT. Also, the import policy for import of Areca nuts in ‘TTC (HS) 2022 Schedule 1 of Import Policy’ provides that the import of Areca Nuts classified under HS Code 08028020 is prohibited when imported with CIF value less than Rs 351 per kg. Therefore, the goods recovered in the subject import consignment falls under the category of prohibited goods.

12.4 During investigation, corroborative evidences – including Mobile phones data, documents, email, WhatsApp chat etc. gathered along with statements of relevant persons, clearly established that a well-organized and deliberate plan was orchestrated by Shri Ajay Suresh Dama (also known as Ajay Bhanushali). Shri Ajay Dama initially took steps to set up the framework for his illicit activity by acquiring an Importer Exporter Code (IEC) for a company he established. This company, named " Areopower International," was formed with the assistance of Shri Javed Noorhasan Ansari, a crucial accomplice in the plan. In exchange for his help in obtaining/creating the IEC, Shri Ajay Dama offered Shri Javed Ansari a substantial amount of money. Once the company was established, Shri Ajay Dama reached out to his old friend, Shri Kuldip Singh Zala, to join the operation. Shri Ajay Dama confided in Kuldip about his plan to smuggle Areca Nut into the country, circumventing the customs authorities by falsely declaring the cargo as “Bitumen”. To execute this scheme, Shri Ajay Dama explained that he would need a warehouse in Kandla SEZ (the Special Economic Zone). Shri Kuldip Singh Zala, told him

that he is familiar with the area, and he knows an old friend, Shri Sarwan Bhatiya, who owned a warehouse in Kandla SEZ.

12.5 Further, Shri Ajay Dama and Shri Kuldipsinh Zala then contacted Shri Sarwan Bhatiya to discuss the logistics of the operation. Shri Sarwan Bhatiya confirmed that he had a warehouse in Kandla SEZ i.e. "Shanlok International," but he raised a concern when he learned that the plan involved smuggling Areca Nut in place of bitumen. He explained that, at that moment, his warehouse did not have permission to handle "Bitumen shipments". However, Shri Sarwan assured Shri Ajay and Shri Kuldipsinh that he would soon obtain the necessary permissions from Kandla SEZ authorities to handle such goods. Further, Shri Ajay Dama, Shri Javed Ansari, Shri Kuldip Zala, and Shri Sarwan proceeded with the smuggling operation of Areca Nut from UAE in the name of M/s Areopower International.

12.6 During investigation, as evident from the data recovered from conspired person's mobile phone and Whatsapp chat conversations /email conversations held between Shri Ajay Dama, Shri Kuldip Zala, Shri Javed Ansari, Shri Sarwan Bhatia and others related persons and statements of various related persons it is confirmed that they had knowingly and intentionally made/signed/used the IEC documents, import documents, warehousing documents etc. and caused to make and use the documents such as BL and other related documents, which were false or incorrect in material particulars for the purposes of smuggling of total 1511 bags containing approx. quantity of **102.179 MTs** of Split Areca Nuts in guise of Bitumen.

12.7 Together, through the aforementioned plan, these individuals devised a conspiracy to forge documents and illegally smuggle Split Areca Nut by means of mis-declaration. Their coordinated efforts involved fabricating official paperwork to mislead authorities and conceal the true nature of the goods being transported. By misrepresenting the Split Areca Nut under false declarations, they sought to bypass customs regulations and unlawfully import the goods across borders, thus engaging in a deliberate and calculated act of smuggling. It is confirmed that the total value of split Areca Nuts classified under HS Code 08028020, attempted to be smuggled by Shri Ajay Dama, Shri Kuldip Zala, Shri Javed Ansari, and Shri Sarwan Bhatia is Rs having value Rs. 5,37,21,222/-. Best efforts were made to trace other offenders in the subject case, however, other accomplices, Shri Dinesh Bhanushali and Shri Deepak Bhanushali, who helped Shri Javed N. Ansari in getting IEC and providing the same to Shri Ajay Suresh Dama could not be traced.

13. Confiscation of the goods:

The examination of the subject consignment imported by M/s. Areopower International revealed that the goods were actually found to be split Arecanuts whereas in the IGM they were declared as Bitumen VG 30.

Further it appears that the 102.179 MTs split areca nuts found during examination were imported at a price below the minimum import price of Rs 351 per kg, as mandated by import policy and fall under the category of prohibited goods.

In view of the above, it appears that Split Areca Nuts having quantity 102.179 MTs, having value Rs. **5,37,21,222/-**, attempted to being illegally imported by M/s Areopower International, are liable for confiscation as per the provisions of Section 111 (f) and Section 111(d) of the Customs Act, 1962.

14. Role and Culpability of various persons involved into illegal import/smuggling of Areca Nut by way of mis-declaration by M/s Areopower International:

14.1 M/s. Areopower International (Proprietor Shri Javed Noorhassan Ansari), Shop No. 3, E-Block, Sanjay Colony, Sector-23, Faridabad, Haryana-121005:

M/s. Areopower International, imported 102.179 MTs of Areca Nut in guise of declared goods Bitumen VG 30 which were found liable for confiscation under Section 111(f) and Section 111(d) of Customs Act. Investigation has revealed that Shri Javed N. Ansari proprietor of importer firm M/s. Areopower International has facilitated in the smuggling of Split Areca Nuts. He created IEC of Areopower International in terms of monetary benefits and tried to use this IEC for import of Split Areca Nuts. He is one of the key persons who actively colludes with other conspirators in the racket of organized smuggling of Split Areca Nuts in the guise of import of as 'Bitumen'. He shared the

documents of his firm for the purpose of import of split areca nuts in the guise of bitumen. He also received monetary consideration for this act. Thus, Shri Javed Ansari had actively involved in the illegal import/smuggling of Areca Nut having quantity 102.179 MTs, valued at Rs. **5,37,21,222/-**, and therefore are liable for penal action under the provisions of Customs Act, 1962. The omission and commission on part of M/s Areopower International through its Proprietor Shri Javed N. Ansari, such as mis-declaration of subject goods by way of forging documents, fraud, collusion, and suppression of facts and illegal import of prohibited goods have rendered the subject illegally imported goods, i.e. total 102.179 MTs Areca Nuts valued at **Rs. 5,37,21,222/-**, liable for confiscation under Section 111 (d) and 111(f) of the Customs Act, 1962. Shri Javed N. Ansari (Proprietor of M/s Areopower International), have rendered himself liable for penalty under Section **112(a) and 112(b)**. Further, it appears that the proprietor of M/s Areopower International, Shri Javed N. Ansari knowingly and intentionally made, signed or used and/or caused to be made/signed/used the import documents, and other related documents, which were false or incorrect, in material particulars, for the purposes of illegal import of subject goods, therefore M/s Areopower International is also be liable to penalty under Section **114AA** of the Customs Act, 1962.

14.2. M/s Shanlok International, AS-V, Shed No.385, Sector No. IV, Kandla Special Economic Zone, Gandhidham, Kutch and Partner of firm M/s Shanlok International - Shri Sarwankumar M Bhatiya) separately:

M/s Shanlok International is a warehouse unit in Kandla Sepecial Economic zone. Shri Sarwan Kumar Bhatiya is one of the partner of M/s Shanlok International and he used to look after all the work related to warehouse as stated by his another partner Shri Bajaj Sunil. Investigation has revealed that Shri Sarwan Kumar Bhatia, in active collusion with other conspirators, orchestrated the import of four containers, as evidenced by Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024. Shri Sarwan Kumar Bhatia is intentionally involved in smuggling of prohibited goods by mis-declaring them as 'Bitumen'. He provided import documents to accomplices for warehousing, transportation, and clearance. Despite knowing that M/s. Shanlok International lacked the necessary warehouse permissions, Shri Sarwan Bhatia proceeded with documents listing them as the warehouse. He also forged documents for overseas buyers, including African clients, with the help of Shri Ajay Suresh Dama and Shri Kuldipsinh Zala. Shri Sarwan Bhatia admitted to being in contact with Ajay and Kuldipsinh prior to the consignment's importation. He confirmed during statement that M/s. Shanlok International was initially named as the buyer but was later replaced by M/s. Areopower International. It is also evident that draft Invoices bearing dated 23.01.2024, 24.01.2024 was recovered from his mobile phone of which admittedly issued by M/s. Shanlok International to the Buyer M/s. Steadfast and M/s. BSS (PTY) Ltd., both South African buyers and signed by him. Also he had admittedly confirmed that the forged documents were prepared to take permission for warehouse of the subject goods. The said documents were knowingly and intentionally were signed by him. During the statement, Shri Sarwan Bhatia admitted that his accomplice Shri Ajay Suresh Dama alongwith Shri Kuldipsinh told him the requirement of Godown at Mundra for replacing of Arecanuts with the declared Bitumen. Due to the above acts of omission and commission, as discussed above, such as mis-declaration of subject goods by way of forging documents, fraud, collusion, and suppression of facts and illegal import of prohibited goods and also knowingly and intentionally made, signed or used and/or caused to be made/signed/used the import documents, and other related documents, which were false or incorrect, in material particulars, for the purposes of illegal import of subject goods, M/s. Shanlok International, AS-V, Shed No. 385, Sector No. IV, KASEZ, Gandhidham and its partner Shri Sarwan Kumar Bhatia have rendered themselves liable for penalty under **Section 112(a), 112(b) and 114AA**, of Customs Act, 1962, separately.

14.3. Shri Ajay Suresh Dama, S/o Suresh Dama, R/o- 601, Wing Shiv Parvati Complex, NSS Road, Asalfa, Ghatkopar, West Mumbai, Barve Nagar, Mumbai-400084:

Investigation revealed that Shri Ajay Suresh Dama is the front person and mastermind of the smuggling of split Areca Nuts in the guise of Bitumen. Shri Ajay Suresh Dama is the beneficial owner of the import goods imported under Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024 and IGM No. 2371993 dated 20.03.2024 in the name of M/s. Areopower International. Investigation revealed that Shri Ajay Dama had arranged the IEC of M/s Areopower International, Faridabad for the said import. Shri Ajay Dama is involved in dealing of the import documents which do not declare the true nature of goods being imported. He received the import documents for import, clearance and

warehousing of the subject import consignment and he was presently residing in Mumbai but for smuggling of Areca Nuts, he contacted various person at Gandhidham and Mundra for arrangement and clearance of the subject import consignment. Shri Ajay Dama was involved in planning of diversion of imported goods at some godown in Mundra and replace the goods with Bitumen Drums before the goods entered Kandla SEZ. During investigation, it is observed that he had intentionally not produced his old mobile phone and stated that he had destroyed the same and thus prevented the gathering of evidence related to commission of offence. Shri Ajay Suresh Dama also forged documents for overseas buyers, including African clients, with the help of Shri Sarvan Bhatia and Shri Kuldipsinh Zala. Shri Sarvan Bhatia admitted in his statement to being in contact with Ajay Dama and Kuldipsinh prior to the consignment's importation. He had payment for transportation charges and agency charges/handling charges for the said consignment through his acquaintance in Gurukrupa Shipping Agency confirming his prominent role in entire fraud.

Due to the above acts of omission and commission, as discussed above, such as mis-declaration of subject goods by way of forging documents, fraud, collusion, and suppression of facts and illegal import of prohibited goods and also knowingly and intentionally made, signed or used and/or caused to be made/signed/used the import documents, and other related documents, which were false or incorrect, in material particulars, for the purposes of illegal import of subject goods, Shri Ajay Suresh Dama has rendered himself liable for penalty under Section **112(a), 112(b) and 114AA**, of Customs Act, 1962, separately.

14.4 Shri Zala Kuldipsinh, s/o Ravindrasinh Lagdhirsinh Zala, R/o Near Ram Temple, Moti Khedoi, Khedoi, Anjar, Kachchh-370130:

Investigation has revealed that he is a key associate and beneficial owner of the import goods imported under Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024 in the name of M/s. Areopower International. He is one of the key persons in the racket of organized smuggling of Split Arecanuts in the import consignment of declared goods as 'Bitumen'. He had arranged and shared the import documents to his other accomplices for warehousing, transportation and clearance of the subject goods. He had contacted Shri Shravan and discussed the matter and later in discussion with Shri Ajay Suresh Dama decided to first arrange the required permission for warehousing of Bitumen by M/s. Shanlok International. Shri Kuldip Sinh Zala was very well aware with the facts that M/s. Shanlok International was not having necessary permission to warehouse the Bitumen, even then he received the subject documents having declared warehouse as M/s. Shanlok International. He in consultation with Shri Ajay Dama, arranged for a warehouse at Mundra and arranged to prepare draft agreement between M/s. Areopower International and Godown No. 07 situated on Plot No. 1 & 2, Survey No. 37/2, Nana Kapaya, Dist: Kachchh, Gujarat for warehousing of the import goods of M/s. Areopower International. Shri Kuldip Sinh Zala had admittedly deleted all conversations with Shri Ajay Dama in order to avoid interception by enforcement agencies. Admittedly, a draft agreement between M/s Areopower International and Godown No. 07 situated on Plot No. 1 & 2, Survey No. 37/2, Nana Kapaya, Dist: Kachchh was recovered from his mobile's phone. The said godown was to be used for replacement of imported Areca Nuts by the declared goods i.e. Bitumen. Shri Kuldip Zala arranged the booking of subject containers for import of Split Areca Nuts through Shri Rahul Jayantilal Mithwani, of M/s Alpen Logistics Pvt. Ltd. The original documents for obtaining DO were sent in original from Mumbai through Maruti Container through courier which were received by Shri Kuldip and were handed over to Shri Rahul Mithwani.

The said facts show deliberate involvement in the smuggling of split areca nuts. Shri Kuldip sinh Zala had knowingly and deliberately connived in said offence of smuggling of Split Arecanuts having value Rs. **5,37,21,222/-**. Due to the above acts of omission and commission, as discussed above, such as mis-declaration of subject goods by way of forging documents, fraud, collusion, and suppression of facts and illegal import of prohibited goods and also knowingly and intentionally made, signed or used and/or caused to be made/signed/used the import documents, and other related documents, which were false or incorrect, in material particulars, for the purposes of illegal import of subject goods and deleted the Mobile's data, Shri KuldipSinh Zala has rendered himself liable for penalty under Section **112(a), 112(b) and 114AA**, of Customs Act, 1962, separately.

14.5 Shri Dinesh Bhanushali, Address not known

Shri Dinesh Bhanushali was involved in getting the firm Areopower International, created in the name of Shri Javed Ansari. Shri Javed Ansari had forwarded the necessary

documents, including his Aadhar Card, PAN Card, a canceled cheque from his Bank of India account, and a new SIM card to him for the said purpose. OTPs were also shared by him to Shri Dinesh Bhanushali for GST registration etc. The Importer Exporter Certificate for M/s Areopower International was received by Shri Javed Ansari from Shri Dinesh Bhanushali. He had given around 25-30 thousand rupees to Shri Javed Ansari for providing these documents. Shri Ajay Bhanushali stated that he and Dinesh Bhanushali had together planned the import of Areca Nuts by mis-declaring them as “Bitumen in the subject consignment pertaining to Bill of Lading No. XERJEAMUN-90324 dated 16.03.2024 though the contact No. mentioned on the Bill of Lading was on the name of IEC holder Shri Javed Noorhassan Ansari, Shri Dinesh Bhanushali was operating the said mobile. As per statement of Shri Ajay Bhanushali, all correspondences pertaining to the import of subject cargo was handled by Shri Dinesh. Shri Dinesh Bhanushali was operating the email ID areopowerinternational@gmail.com mentioned on the Bill of Lading.

Due to the above acts of omission and commission, as discussed above, such as mis-declaration of subject goods by way of forging documents, fraud, collusion, and suppression of facts and illegal import of prohibited goods and also knowingly and intentionally made, signed or used and/or caused to be made/signed/used the import documents, and other related documents, which were false or incorrect, in material particulars, for the purposes of illegal import of subject goods, Shri Dinesh Bhanushali has rendered himself liable for penalty under Section **112(a), 112(b) and 114AA**, of Customs Act, 1962, separately.

CHARGING PARAS-

15. Now, therefore, M/s. Areopower International (Proprietor: Shri Javed Noorhassan Ansari), Shop No. 3, E Block, Sanjay Colony, Sector-23, Faridabad, Haryana-121005, is hereby called upon to show cause in writing to the **Additional/Joint Commissioner of Customs, Custom House Kandla** having his office at Office of the Commissioner of Customs, Custom House, Near Balaji Temple, Kandla-370210 within 30 (thirty) days from the date of receipt of the notice as to why:-

a. The illegally imported/smuggling goods i.e. 102.179 MTs Areca Nut valued at approx. Rs. **5,37,21,222/-**, should not be confiscated under Section 111 (d), and 111(f) of the Customs Act, 1962.

b. Penalty should not be imposed upon them under 112(a) &112(b), and 114AA of the Customs Act, 1962, separately.

16. Now therefore, **the following further persons/companies/firms/concerns as appearing in Column 2 of the following Table-I, are hereby individually and separately** called upon to show cause in writing to the **Additional/Joint Commissioner of Customs, Custom House Kandla** having his office at Office of the Commissioner of Customs, Custom House, Near Balaji Temple, Kandla-370210 within 30 (thirty) days from the date of receipt of the notice as to why penalty should not be imposed on each of them individually under below mentioned penal provisions, respectively under the Customs Act,1962 (as appearing at Column 3 to 5):

Table-I

S. No.	Name (S/Shri/Ms/Smt/ M/s)	Penal provisions under Customs Act, 1962		
(1)	(2)	(3)	(4)	(5)
1	M/s Shanlok International	112(a)	112(b)	114AA
2	Shri Sarwankumar M Bhatiya, Partner of M/s. Shanlok International	112(a)	112(b)	114AA
3	Shri Zala Kuldipsinh S/o Ravindrasinh Lagdhirsinh Zala	112(a)	112(b)	114AA
4	Shri Ajay Suresh Dama S/o Suresh Dama	112(a)	112(b)	114AA
5	Shri Dinesh Bhanushali	112(a)	112(b)	114AA

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17. The noticees are hereby required to produce at the time of showing cause all the evidences upon which they intend to rely in support of their defense. They are further required to indicate in their written explanation as to whether they desire to be heard in person before the case is adjudicated. If no mention is made about this in their written explanation, it will be presumed that they do not desire a personal hearing. If no cause is shown by them against the action proposed to be taken within 30 days of receipt of this notice or if they do not appear before the adjudicating authority when the case is posted for hearing, the case would be liable to be adjudicated on the basis of evidences on records.

18. The department reserves the right to add, alter or amend the show cause notice on the basis of any evidence, which comes in the knowledge of the department after issue of this Show Cause Notice.

19. This Show Cause Notice is issued without prejudice to any other actions that may be taken against the persons involved in the subject case, under the provisions of the Customs Act, 1962 or any other Allied Acts for the time being in force.

20. The documents as listed at **Annexure-R** are relied upon and scanned copies of all relied upon documents are enclosed with this show cause notice.

Encl: - Annexure-R.

(Vishwajeet Singh)
Additional Commissioner

By Speed Post/Regd. Post/E-mail/Hand Delivery

List of Noticees:

- Shri Javed Noorhassan Ansari**, Proprietor of M/s. Areopower International, House No. 1436, Vashi Room No. 206, Near Kopari Village, Sector-26A, Navi Mumbai-400705'.
(javed.ansari79@gmail.com)
- M/s Shanlok International** , AS-V, Shed No.385, Sector No. IV, Kandla Special Economic Zone, Gandhidham, Kutch (sharwanbhatiya@gmail.com,
shanlokinternational385@gmail.com)
- Shri Sarvan Kumar Bhatia**, Partner of M/s. Shanlok International, AS-V, Shed No.385, Sector No. IV, Kandla Special Economic Zone, Gandhidham, Kutch, Gujarat R/o Plot no. 59/8, Sector-1,Near B-Division,Gandhidham (sharwanbhatiya@gmail.com)
- Shri Ajay Suresh Dama**, S/o Suresh Dama, R/o- 601, Wing Shiv Parvati Complex, NSS Road, Asalfa, Ghatkopar West, Barve Nagar, Mumbai – 400084
(ajaydama72@gmail.com)
- Shri Zala Kuldipsinh**, s/o Ravindrasinh Lagdhirsinh Zala, R/o Near Ram Temple, Moti Khedoi, Khedoi, Anjar, Kachchh – 370130 (kldpzala@gmail.com)
- Shri Dinesh Bhanushali**, Address not known (To be served through Notice Board)

Copy to:

- The Additional Director General, DRI, Ahmedabad
- The Additional Director, Directorate of Revenue Intelligence, Regional Unit, Gandhidham (Kutch).
- The Deputy Commissioner of Customs (Kandla Special Economic Zone), Gandhidham (Kutch) – 370 230
- Guard File.