

S/10- 1190/ 2025-26/ Adj/JC / Gr-II (C-F) NS-1/CAC/JNCH

 <b>सत्यमेव जयते</b>	<p style="text-align: center;"><u>सीमा शुल्क आयुक्त का कार्यालय, (एनएस-1)</u></p> <p style="text-align: center;"><b>OFFICE OF THE COMMISSIONER OF CUSTOMS (NS-1),</b></p> <p style="text-align: center;">जवाहरलाल नेहरू कस्टम हाउस, न्हावा शेवा,</p> <p style="text-align: center;"><b>JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA SHEVA,</b></p> <p style="text-align: center;">तालुका उरण, जिला रायगढ, महाराष्ट्र- 400 707</p> <p style="text-align: center;"><b>TALUKA URAN, DIST. RAIGAD, MAHARASHTRA-400 707</b></p>	 <b>आजादी का अमृत महोत्सव</b>
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F. No.: CUS/APR/INV/734/2025-Gr 2(C-F) Date: 26-11-2025

F.No.: SG/Inv-134/F-Cell/2024-25/SIIB(I)/JNCH

F.No.: SG/MISC-403/2024-25/SIIB(I)/JNCH

SCN No.: 1394/2025-26/JC/NS-I/Gr.II C-F/CAC/JNCH

DIN: 20251178NW0000566026.

**SHOW CAUSE NOTICE ON THE BASIS OF INVESTIGATION REPORT ISSUED BY SIIB REGARDING GOODS IMPORTED BY M/S ARHANT LOGISTICS COMPANY (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) UNDER IGM NO. 2392745 DATED 11.11.2024**

Based on specific input developed by SIIB(I) JNCH, the goods covered under IGM No. 2392745 dated 11.11.2024 Line Number 346/0 imported by M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE), had been put on hold by SIIB(I), JNCH vide Hold No.277/2024-25-SIIB(I), issued from F.No. SG/Misc-02/2023-24/HOLD/SIIB(I)/JNCH/Pt-I dated 24.12.2024 (**RUD-1**). The details of the IGM are as follows:

**Table 1**

Particulars	Description
Importer's Name	M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE)
Supplier's Name	Changsha Haozhi Import & Export Trading Co. Ltd., 135-1 Yada International, Star City No.269, Liuyang Avenue, Liuyang Jili Street Office, Changsha City, Hunan Province.
Items Declared	Ceramic Tableware
Bill of Lading & Date	EGLV149408712040 & 28.10.2024
Container No.	TIIU574963 (40 ft.)
Declared CTH as per BL	69120000
Declared Country of Origin	China

Declared Country of Consignment	India
Port of Loading	Shekou, China
No. of Cartons declared in BL	1350
Total Gross Weight Declared (in Kgs) in BL	24,700

**2.** Goods covered under IGM number 2392745 dated 11.11.2024 Line Number 346/0 mentioned in Table-I above were examined by officers of SIIB(I), JNCH under Panchanama dated 30.12.2024 in the presence of Shri. Vijay Poojari, Representative of Shipping line M/s Evergreen Shipping Agency India Pvt. Ltd having PSN/ Employee Id. No. A088088 and Shri. Sandeep Gharat, Assistant Manager of M/s Apollo Logisolutions Ltd, CFS, as recorded in the Panchanama dated 31.12.2024 (**RUD-2**).

**3.** The Weighment details declared and found during the examination are in Table-2 below:

**Table 2**

S.No.	Container No.	Seal Nos. (found)	Gross Wt. Declared in BL (in Kgs.)	Gross Weight Found on Weighbridge (in Kgs)	Container Tare Weight (in Kgs.)	Cargo Weight (in Kgs.)
1.	TIIU574963 (40 ft.)	EMCJJS7884 & 4761880	24700	22910	3700	19210

**4. Findings of the Examination:**

**4.1.** The details of the goods found during examination is detailed below:

**4.1.1.** The gross weight of the goods was found approx. 19105.6 kgs against declared gross weight 24700 kgs, which is apparently less than the declared gross weight as per Bill of Lading.

**4.1.2.** The Seal found intact on the Container Bearing No. TIU5749763, (40 feet container) which is the same as mentioned in Bill of Lading.

**4.1.3.** The said container was stuffed with cartons covered with PP bags having markings AK, RR, 288, 4A & 48/12 as in the photos attached with Panchanama.

**4.1.4.** The number of cartons found is 1293 in the said container which is less than the declared number (1350 of cartons) in Bill of Lading.

**4.1.5.** The goods found during examination were Firecrackers of various types and Glass tumblers.

**4.1.6.** The Shipping Line representative has submitted a copy of Bill of Lading.

**4.1.7.** The goods were placed in brown cartons.

**4.1.8.** The detailed inventory of goods found during the examination is as attached below in the form of table 3: -

S. No.	Item Description (found)	Marking found on the carton	No. of Cartons found	No. of Piece/set in each carton	Total No. of Pieces found	Avg. Wt. of each piece	Total Gross Weight	Remarks
1	Glass Tumbler	AK03	54	54*15*6	4860	18.8	1015.6	Set of 6 Glass Tumblers
		AK04	18	18*12*6	1296	17.8	320.4	
2	Firecrackers (Type-I)	No marking	498	1	498	14.5	7221	Set of firecrackers, interconnected with connection lead.
3	Firecrackers (Type-II)	AK	254	6	1524	15	3810	Set of separate firecrackers
4	Firecrackers (Type-III)	No marking	247	2	494	11.11	2744	Set of firecrackers
5	Firecrackers (Type-IV)	RR & 288	214	24	5136	18.5	3959	Single piece Gating
6	Connection Lead	4A & 48/12	8	16	128	4.5	36	
	TOTAL		1293		13936		19105.6	

**4.2.** It is noticed that the subject goods (firecrackers) appear to be in violation of ITC HS import policy, as the import policy of the same is restricted. The said goods require a license or authorisation from DGFT for importation. It appears that this consignment was being attempted to be imported without a license to import by way of misdeclaration and concealment.

## 5. Seizure of Goods:

**5.1.** The goods imported vide IGM No.2392745 dated 11.11.2024, were mis-declared, which makes them liable to confiscation under Section 111 of the Customs Act. The goods were seized under section-110 of the Customs Act, 1962 vide Seizure Memo No. 109/2024-25 dated 01.01.2025 (**RUD-3**).

**5.2.** The time period for investigation and SCN in the case was 30.06.2025. The same seizure and time period of issuing the investigation report was extended by a further 04 months with the approval of the competent authority under Section 110(2) of the Customs Act 1962 on 09.06.2025 (**RUD-19**).

## **6. Summons and Statements:**

**6.1. Statement of representative of Shipping Line M/s Evergreen Shipping Agency (India) Pvt Ltd was taken on 09.01.2025 (RUD-5) by SIO Aditya Prakash under Section 108 of the Customs Act; wherein, inter-alia, he stated that:**

**6.1.1.** Upon being asked whether any person tried to communicate with him for clearance of the container no. THU5749763 (40 ft) he replied in negation. He stated that after few days of arrival of the container, their office staff tried to contact the Importer vide mail and telephone. The importer did not respond to their mails or calls, then they coordinated with their office branch in Shenzhen, China to arrange the contact details of the importer from the shipper. But they were unable to get in touch with the importer. After some days when their staff tried to contact the Importer and they replied that the consignment does not pertain to them and after that communication, no further communication was happened with Importer. Thereafter, their office staff had visited the address mentioned on the Bill of Lading, but it was found to be a residential address and it is rented apartment. He has submitted the copy of those mails of correspondence with Booking Party, Importer and Office at Port of Loading in Shenzhen, China to this office.

**6.1.2.** Upon being asked to provide the details of the persons sent to them by Booking Party M/s Huihang Int'l Logistics (Guangdong) Co. Ltd. he replied that their staff tried to contact importer on mobile number 7972781767. On being asked about the name of the person and the consignment, he replied that his name is Dnyaneshwar and that is not his consignment and they may contact Allwin Lowrance, (9130091929) in relation to this consignment. But the mobile number given by Dnyaneshwar was not picked by anyone Thereafter, their staff from Shenzhen, China contacted the booking party and they provided the contact number of Dinesh Khatri (9654379454). They were then provided the contact details of Sanjay Kumar (9654379454). The mobile number provided for both the persons were same. The call was picked by only one time and the person who picked the call replied that the said consignment does not belong to him.

**6.1.3.** This office also tried to contact on the above said numbers, but the calls could not get connected.

**6.2. Statement of representative of CFS M/s Apollo Logisolutions Ltd was taken on 13.01.2025 (RUD-6) by SIO Aditya Prakash under Section 108 of the Customs Act; wherein, inter-alia, he stated that:**

**6.2.1.** On being asked with respect to the container No. TIIU5749763 imported by M/s Arhant Logistics Company covered under IGM No. 2392745 dated 11.11.2024 Line number 346/0, whether importer/ Customs Broker or any other person contacted their CFS, M/s Apollo Logisolutions Ltd, he replied in negation.

**6.2.2.** On being asked the Container No. TIIU5749763 entered CFS on 14.11.2024 and it was held by SIIB (I) on 24.12.2004 whether CFS tried to contact the importer/IEC holder for clearance of subject consignment, wherein he replied in negation.

**6.3. Statement of importer, Shri Dnyaneshwar Raju Dhakate, M/s Arhant Logistics Company was recorded on 30.01.2025 (RUD-7) by SIO Aditya Prakash under Section 108 of the Customs Act; wherein he, inter-alia stated that:**

**6.3.1.** Upon being asked about his position and role in M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE), he stated that- "I provide Customs Clearance Services to Atlas Logistics. I have started M/s Arhant Logistics Company for providing Bills of Customs Clearance Services to Atlas Logistics Company under GST Number. I am the IEC Holder in M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) but M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) is managed by Mr. Allwyn Anthony Lawrence and this IEC is actually formed by Mr. Allwyn Anthony Lawrence on my name."

**6.3.2.** Upon being asked about the details of the consignment covered under BL No. EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0, he stated that- "I do not have any details of the consignment covered under BL No. No. EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0."

**6.3.3.** Upon being asked that during the examination of the said container no. TIIU5749763 (40 ft), it was observed that the container is stuffed with cartons containing Glass Tumblers and Firecrackers in place of declared item "Ceramic Tableware" as per BL No. EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0 and what does he have to say about this, he stated that- "When the officers of Nagpur Customs came for search at my premises (RUD-8), they informed me that a Container on my IEC is imported at Nhava Sheva Port and during the examination of that container it was observed that the container is stuffed with cartons containing Glass Tumblers and Firecrackers in place of declared item "Ceramic Tableware".

**6.3.4.** Upon being asked that after getting aware about the mis-declaration/ concealment in container no. TIIU5749763 (40 ft) under IGM No. 2392745 dated 11.11.2024 Line number 346/0, what action did he take, he stated that- "I immediately contacted Allwyn Sir regarding this, Mr. Allwyn Anthony Lawrence informed me that container no. TIIU5749763 (40 ft) under IGM No. 2392745 dated 11.11.2024 Line number 34610 is imported by him on the IEC- CMQPD6266D (IN THE NAME OF DYANESHWAR RAJU DHAKATE) of M/s Arhant Logistics Company and the subject consignment is financed and owned by one Mr. Moiz Saifuddin Ghoghawala. Mr. Allwyn Anthony Lawrence has done documentation work for Moiz Saifuddin Ghoghawala."

**6.3.5.** Upon being asked to provide contact details of Mr. Allwyn Anthony Lawrence and Moiz Saifuddin Ghoghawala, he stated that- "Contact No. of Mr. Allwyn Anthony Lawrence is 9130091929, his e-mail id is allwyn.arhant@gmail.com. Mr. Allwyn Anthony Lawrence resides at Flat No, 30, IP No. 60, Madhusheel Apartment Rameshwar. Square, near Hanuman Mandir, Parvati Nagar, Nagpur-440027, Maharashtra" and "Contact No. of Mr. Moiz Saifuddin Ghoghawala is 8976052530, his e-mail id is moiz05253@gmail.com. Mr. Moiz Saifuddin Ghoghawala resides at DI7. Salman Chambers, LBS Marg, Kurla West, Mumbai-400070".

**6.3.6.** Upon being asked that since when has he known Mr. Allwyn Anthony Lawrence and Mr. Moiz Saifuddin Ghoghawala, he stated that- "I know Mr. Allwyn Anthony Lawrence for 9 years. I used to do documentation work for him for 6-7 years. I am not working for him for 2-2.5 years as I am working in my own company, M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE). I know Mr. Moiz Saifuddin Ghoghawala for 10 days only. I met him for the first time at Hasan Bagh Area in Nagpur with Mr. Allwyn Anthony Lawrence for discussing about the subject consignment."

**6.3.7.** Upon being asked that it is apparent from his statement that he has repeatedly allowed Mr. Allwyn Anthony Lawrence to use his IEC and what does he gets in return for the same and what is the entire arrangement regarding the same, he stated that- It was told to me by Mr. Allwyn Anthony Lawrence that he wants to import crockery but his IEC is banned due to GST payment issues. So, he asked me to use my IEC for importing crockery I allowed him to use my IEC for only 1 consignment which was destined to ICD, Nagpur and we planned to share the profit which will be generated from that import. I was now aware about the mis-declaration/concealments (fire crackers) which he was planning in the import consignments. I have not permitted him to use my IEC for the subject consignment under IGM No. 2392745 dated 11.11.2024 Line number 346/0. I have not received any money from him till date for allowing him to use my IEC."

**6.3.8.** Upon being asked to provide his personal bank statement and the bank statement of M/s Arhant Logistics Company (IEC-CMQPD6266D) for last six months, he stated that- "I am unable to submit both the bank statements now. I will submit the details to this office within a week."

**6.3.9.** Upon being asked to provide the details of all the previous consignments imported by M/s Arhant Logistics Company (IEC-

CMQPD6266D), he stated that he doesn't have the details.

**6.4. Statement of Shri Dnyaneshwar Raju Dhakate was recorded on 05.02.2025 (RUD-9) by SIO Aditya Prakash under Section 108 of the Customs Act, wherein he, inter-alia, stated that**

**6.4.1.** Upon being asked that "Do you acknowledge your previous statement dated 30.01.2025 shown to you, he stated that- "Yes Sir. I acknowledge my complete statement given to you on 30.01.2025."

**6.4.2.** Upon being asked that "Why you were not present in this office for purpose of valuation by CE of the firecrackers and glass tumblers found during examination of goods imported vide IGM. No. 2392745 dated 11.11.2024 Line number 346/0 as you were informed already for the same", he stated that- "I am unable to present myself in this office for purpose of valuation by CE of the firecrackers and glass tumblers found during examination of goods imported vide IGM. No. 2392745 dated 11.11.2024 Line number 34610 because I have some unavoidable work at my residence, I abide by the decision of CE regarding valuation of the goods. I have no objection regarding the valuation done by CE and I accept the value as such."

**6.4.3.** Upon being asked that "Please provide the bank account statement of your savings bank account in Punjab National Bank and other bank account details, if any.", he stated that- "Currently, I am unable to submit the bank account statement of my savings: bank account in Punjab National Bank as the server of bank was down. I will submit the same within one week.

**6.5. Further, statement of Shri Moiz Saifuddin Ghoghwala was recorded on 05.02.2025 (RUD-10) by SIO Aditya Prakash under Section 108 of the Customs Act wherein he, inter-alia, stated that:**

**6.5.1.** Upon being asked that are you aware as to why you have been summoned by SIIB (I)?", he stated that- "Yes, I am aware and accordingly I came to appear before Customs Authorities in connection with the case of import of M/s Arhant Logistics Company vide IGM number 2392745 dated 11.11.2024 Line number 34610. The same is being investigated by SIIB (I)."

**6.5.2.** Upon being asked that "Give me the details of the consignment covered under IGM number 2392745 dated 11.11.2024 Line number 346/0", he stated that- ""I am submitting copy of Bill of Lading no. EGLV149408712040 dated 28.10.2024. Commercial Invoice dated 20.10.2024 and Packing list dated 20.10.2024. I do not have IGM copy with me.

**6.5.3.** Upon being asked that "What are your business activities?". he stated that- "I started recently to import various goods as per the market trend and sell them to various traders in local market."

**6.5.4.** Upon being asked that "Are you related to M/s Arhant

Logistics Company?" and "Do you have IEC registered to your name?", he stated that- "No sir"

**6.5.5.** Upon being asked that "Do you acknowledge that you have imported firecrackers IGM number 2392745 dated 11.11.2024 Line number 346/0 and Bill of Lading no. EGLV149408712040 dated 28.10.2024, he stated that- "Yes Sir:"

**6.5.6.** Upon being asked that "How do you import various goods without IEC?", he stated that- "It is my first attempt at this business. I intended to use IEC of the local traders who need goods and I also contact local CHA of Mumbai, Nagpur etc. I gathered from market that the CHA arranges for IEC and all and takes care of all the import related formalities

**6.5.7.** Upon being asked that Do you pay any amount to the CHA arranged by you or to the traders whose IEC you use? he stated that- 'I pay the amount to the CHA arranged by me. I don't pay to the trader whose IEC I use.

**6.5.8.** Upon being asked that "How many consignments you have imported till date?", he stated that- "I have imported 02 consignments till date. First consignment in 1st week of October 2024 and second consignment in last week of October 2024."

**6.5.9.** Upon being asked that "Please give details of both the consignments?", he stated that- Sir, the first consignment was in Nagpur and second consignment is the one put on hold by your office. I cannot recall the details of the first consignment and I do not have the relevant documents readily available. I will submit the same within a week."

**6.5.10.** Upon being asked that "Whom did you contact for import of the consignment vide IGM number 2392745 dated 11.11.2024 Line number 346/0 and Bill of Lading no. EGLV149408712040 dated 28.10.2024?", he stated that- "I have ordered the consignment but I had told the supplier and shipping line to not load the consignment as my earlier consignment was already held by Customs Authority in Nagpur."

**6.5.11.** Upon being asked that "Whom did you contact for clearance of the earlier consignment?", he stated that- "I contacted Mr. Alwyn. He is middleman between importer and traders".

**6.5.12.** Upon being asked that ""How did you come in contact of Mr. Alwyn?", he stated that- "A transporter named Mr. Bhushan has told me to meet Mr. Alwyn. I met Mr. Bhushan in local market. I do not know his complete name.

**6.5.13.** Upon being asked that "Please give me contact details of Mr. Bhushan.", he stated that- "I have his mobile no. 8655830092."

**6.5.14.** Upon being asked that "How did you place order for the said consignment? What is the mode of payment?", he stated that- "I got an agent in local market of China through an agent in India. They arranged all the documents and goods on my behalf. I paid them in cash.

**6.5.15.** Upon being asked that "Please state how the payment was made for this consignment" he stated that- 'I made the payment through

an agent in India, in cash."

**6.5.16.** Upon being asked that "Please give the contact details of the agent in China and the agent in India and also state how you came in contact to both agents?" he stated that- "After my first consignment was held in Nagpur, I destroyed my mobile phone and thus I do not have contact details of the agents anymore. I had received the details of the agent in China through another agent. Mr. Raghuveer Chauhan, in India. I do not have his contact no. and whereabouts as the same was in my old mobile phone only."

**6.5.17.** Upon being asked that "How did you come in contact with Mr. Raghuveer Chauhan?" he stated "I was continuously visiting various firecrackers markets in Mumbai and Delhi. In Delhi, I met Mr. Raghuveer Chauhan in Karol Bagh Area. Thereafter, we met a few times in Karol Bagh only and worked out the details for import of firecrackers."

**6.5.18.** Upon being asked "Which shop or exact place did you meet Mr. Raghuveer Chauhan?" he stated "It was not any particular shop, When I was enquiring in general about the firecrackers in the market, he himself came and started talking to me."

**6.5.19.** Upon being asked "Did you make any payment to Mr. Raghuveer Chauhan?" He stated that "The payment was done through his agent only. However, since I destroyed my mobile phone, I have not been able to contact him, I have not received any call from him either."

**6.5.20.** Upon being asked "How much money was paid to Mr. Raghuveer Chauhan?" he stated "I have paid around Rs. 82,00,000/- for the consignment put on hold by your office. Same amount was also paid for the consignment held by Nagpur Customs. The entire amount of about Rs 1,65,00,000/- was paid in cash in 15-16 instalments which also included agency charge of Raghuveer Chauhan.

**6.5.21.** Upon being asked that "Invoice no, PT2024091411 dated 20.10.2024 submitted by you has mentioned that payment terms are 60 days from BL date. Please explain this.", he stated that- "It is mentioned only for official purpose. The mode of payment for purchasing firecrackers is only advance payment.

**6.5.22.** Upon being asked that "Please tell me everything about the agent mentioned above.", he stated that- "Sir, I am unable to recall the details now, I will submit the details to this office within a week", which he has not submitted.

**6.5.23.** Upon being asked that: "Who informed you about the hold on your consignment covered under IGM number 2392745 dated 11.11.2024 Line number 346/0 and Bill of Lading no EGLV149408712040 dated 28.10.2024?", he stated that- "Shipping Line informed Mr. Alwyn on call about the hold of said consignment. Mr. Alwyn told the same to me and Mr. Bhushan, I have no idea how the said consignment arrived as the delivery of the said consignment was on hold from our side.

**6.5.24.** Upon being asked that "How did you arrange IEC to import the said consignment?", he stated that- "Mr Alwyn arranged IEC and other

documents related to import of the consignment ordered by me earlier. We were planning to arrange same IEC for this second consignment if we need the consignment but the consignment was delivered to us without any information."

**6.5.25.** Upon being asked that "Mr. Alwyn in his statement stated that he has received Rs. 4,50,000 from Mr. Bhushan for the consignment of crockery from China which was destined to ICD, Nagpur but Mr. Bhushan in his statement stated that Mr. Alwyn has requested him for money for clearance of the consignment of crockery from China which was destined to ICD, Nagpur. Mr. Bhushan, in turn, conveyed the same to you and you would have deposited the money in Mr. Alwyn's account. Mr. Bhushan stated that he did not deposit any money his regard. What do you have to say about it?", he stated that "Bhushan told me that Alwyn wanted money for the work of my consignment in Nagpur. Accordingly, I got the money deposited in the account of M/s Arhant Logistics Company. Moreover, I deposited Rs. 6,46,000/- in that account and not Rs 4,50,000/- only."

**6.5.26.** Upon being asked that "How and where did you deposit the sum stated above?" he stated that "I got the same deposited through CDM machine of Kotak Mahindra Bank at Dombivali (**RUD-18**)."

**6.5.27.** Upon being asked "Did you tell Mr. Dnyaneshwar, Mr. Alwyn and Mr. Bhushan that the consignment will actually be comprising of firecrackers?", he stated "I did not tell Mr. Bhushan about firecrackers. I only asked him for a reference for a clearing agent. However, upon meeting him, I clearly told Mr. Alwyn that there will be two consignments, and the item will actually be firecrackers. I never met Mr. Dnyaneshwar regarding planning of this import of firecrackers. I only met him recently after each of the two consignments were put on hold by Nagpur Customs and Mumbai Customs respectively.

**6.5.28.** Upon being asked "Please provide your complete bank account details.", he stated that- "I have individual current account on my name in HDFC Bank Ltd. Currently, I am not having the details of my bank account. I will submit the details of my bank account along with the bank statement to this office in 6-7 days."

**6 . 6 . Further, statement of Shri Allwyn Anthony Lowrence was recorded on 05.02.2025 (RUD-11) by SIO Aditya Prakash under Section 108 of the Customs Act wherein he, inter-alia, stated that:**

**6.6.1.** Upon being asked that "Are you aware as to why you have been summoned by SIIB (I)?", he stated that- "Yes, I am aware and accordingly I came to appear before Customs Authorities in connection with the case of import of M/s Arhant Logistics Company (IEC-CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) vide IGM. No. 2392745 dated 11.11.2024 Line number 34610. The same is being investigated by SIIB-(I)"

**6 . 6 . 2 .** Upon being asked that "Are you aware about the procedures/rules to be followed by Importer for imports/exports?", he stated that- "Yes, I am aware about procedures/rules to be followed by

Importer for import/export."

**6.6.3.** Upon being asked that "What is your position and role in M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE)?", he stated that- "Officially M/s Arhant Logistics Company (IEC- CMQPD6266D) belongs to Dnyaneshwar Raju Dhakate (Nikhil) but I have taken official documents of Ms Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) from Dnyaneshwar Raju Dhakate (Nikhil) and gave those documents to Bhushan & Moiz Saifuddin Ghoghwala and as they were ordering a consignment of crockery from China. I have helped Bhushan & Moiz Saifuddin Ghoghwala in importing consignment of crockery from China by using M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE). The consignment was destined to ICD, Nagpur."

**6.6.4.** Upon being asked that "Dnyaneshwar Raju Dhakate stated in his statement that M/s Arhant Logistics Company (IEC-CMQPD6266D) is managed by Mr. Alwyn Anthony Lawrence and this IEC is actually formed by Mr. Alwyn Anthony Lawrence on the name of Dnyaneshwar Raju Dhakate. What do you want to say about it?", he stated that- "I have formed IEC-CMQPD6266D of M/s Arhant Logistics Company on the name of Dnyaneshwar Raju Dhakate with his permission but the firm M/s Arhant Logistics Company was formed by Dnyaneshwar Raju Dhakate (Nikhil). I have managed IEC No. CMQPD6266D (IEC IN THE NAME OF DYANESHWAR RAJU DHAKATE) of M/s Arhant Logistics Company for importing the consignment details of which are mentioned in the previous answer."

**6.6.5.** Upon being asked that "For how long do you know Dnyaneshwar Raju Dhakate (Nikhil) and how did you meet him?", he stated that- "I know Dnyaneshwar Raju Dhakate (Nikhil) for about 10 years. (Nikhil is the alias name of Shri Dnyaneshwar Raju Dhakate).

**6.6.6.** I met him first time in Nagpur in my office of Arhant Logistics Company having IEC No. AJAPL0822A (IEC of Arhant Logistics Company under proprietorship of Shri Allwyn Anthony Lawrence). I was proprietor of M/s Arhant Logistics Company having IEC No. AJAPL0822A. Due to some GST payment issue my GST No got banned. Therefore, I stopped using Arhant Logistics Company having IEC No. AJAPL0822A (IEC of Arhant Logistics Company under proprietorship of Shri Allwyn Anthony Lawrence). He worked in my office as an executive for around 5 years. From there on, we started knowing each other."

**6.6.7.** Upon being asked that "For how long do you know Mr. Bhushan & Mr. Moiz Saifuddin Ghoghwala and how did you meet them?", he stated that- "I know Bhushan for 2 years I met him for the first time in Nagpur. He had come to SEZ, Nagpur for buying unit for someone. I used to work in SEZ, Nagpur. I met him for the purpose of getting some clearance work from him. Later, I used to get his help for any of my consignment which I filed for my importer for Nhava Sheva Port. I know Moiz Saifuddin Ghoghwala for last 6-7 months. I met Moiz for the first time in Nagpur regarding the consignment of M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU

DHAKATE) which was destined to ICD, Nagpur.

**6.6.8.** Upon being asked that "What is your profession now?", he stated that- "Right now I am a freelance advisor in import/export business. I also work for filling loan application for women in state government social security schemes and this work is not related to import/ export."

**6.6.9.** Upon being asked that you said that you have helped Bhushan & Moiz Saifuddin Ghoghwala in importing consignment of crockery from China by using M/s Arhant Logistics Company, IEC No.- CMQPD6266D (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE), which was destined to ICD, Nagpur. How much amount were you getting in return?", he stated that- "Bhushan & Moiz Saifuddin Ghoghwala offered me to pay Rs. 50,000 after the clearance of consignment., But the consignment could not be cleared. Therefore, I did not get the offered amount.

**6.6.10.** Upon being asked to Give the details of the consignment covered under BL No. Number EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0? he stated that- 'I do not have any details of the consignment covered under BL No. Number EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0. First time, I got to know about this consignment when the shipping line called me and informed that the consignment has reached Nhava Sheva Port and your contact number is mentioned on the Bill of Lading. I replied them that this consignment does not pertain to me.

**6.6.11.** Upon being asked that "During the examination of the said container no. TIIU5749763 (40 ft), it was observed that the container is stuffed with cartons containing Glass Tumblers and Firecrackers in place of declared item "Ceramic Tableware" as per BL No. EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0. What do you have to say about this?", he stated that- "I was informed by Dnyaneshwar Raju Dhakate (Nikhil) that during the examination of the said container no. TIIU5749763 (40 ft). It was observed that the container is stuffed with cartons containing Glass Tumblers and Firecrackers in place of declared item "Ceramic Tableware".

**6.6.12.** Upon being asked that "After getting aware about the mis-declaration concealment in container no. TIIUS749763 (40 ft) under IGM No. 2392745 dated 11.11.2024 Line number 346/0, what action did you take?", he stated that- "I contacted Bhushan regarding clarification on the same, and he said that he will meet me. Thereafter, I was contacted by Moiz Saifuddin Ghoghwala and Bhushan. They informed me that they have imported Glass Tumblers and Firecrackers in place of declared item "Ceramic Tableware" as per BL No. EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0 deliberately on the IEC No. CMQPD6266D (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) of M/s Arhant Logistics Company.

**6.6.13.** Upon being asked that "Dnyaneshwar Raju Dhakate (Nikhil) has stated in his statement that Mr. Alwyn Anthony Lawrence has done documentation work for Moiz Saifuddin Ghoghwala for the consignment

under BL No. EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0. What do you want to say about it? He stated that- "I have not done documentation work for Moiz Saifuddin Ghoghawala for the consignment under BL No. EGLV149408712040 dated 28.10.2024 & IGM No. 2392745 dated 11.11.2024 Line number 346/0."

**6.6.14.** Upon being asked that "If not given by you, how did the IEC details reach to Mr Moiz Saifuddin Ghoghawala?", he stated that- "I had given the IEC details to Moiz Saifuddin Ghoghawala for a previous consignment which is presently on hold by Nagpur Customs as firecrackers were found in that consignment.

**6.6.15.** Upon being asked that "Please provide contact details of Bhushan.", he stated that- "Contact No. of Bhushan is 8655830092."

**6.6.16.** Upon being asked that "Please provide details of all your bank accounts and related bank Account statements of last 1 year.", he stated that- "My saving account no. in Kotak Mahindra Bank is 9645940535 and my current account no. in Kotak Mahindra Bank is 6145302634."

**6.6.17.** Upon being asked that "Have you ever received any amount from Bhushan or Moiz Saifuddin Ghoghawala and by which mode of payment?", he stated that- "I have received Rs. 4,50,000 from Bhushan for the consignment of crockery from China which was destined to ICD, Nagpur. He submitted the amount in my current account no. 6145302634 in Kotak Mahindra Bank as cash."

**6.6.18.** Upon being asked that "Please provide the details of all the previous consignments imported by M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE)?", he stated that- "Prior to the subject consignment, M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) has imported only one consignment which was destined to ICD, Nagpur. I don't have any details of the consignments imported by M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE)."

**6.7. Further, statement of Shri Bhushan Sawant was recorded on 06.02.2025 (RUD-12) by SIO Aditya Prakash under Section 108 of the Customs Act wherein he, inter-alia, stated that:**

**6.7.1.** Upon being asked that are you aware as to why you have been summoned by SIIB-(I)?", he stated that- Yes, I am aware and accordingly I came to appear before Customs Authorities in connection with the case of import of M/s Arhant Logistics Company vide IGM number 2392745 dated 01.11.2024 Line number 346/0. The same being investigated by SIIB.

**6.7.2.** Upon being asked that "Give me the details of the consignment covered under IGM number 2392745 dated 11.11.2024 Line number 346/0", he stated that- "I do not have any details of the said consignment."

**6.7.3.** Upon being asked that What are your business activities?", he

stated that- I am broker cum trader in local fruit market in Vashi, I work as middleman between importer of fruits/dry fruits and local traders wholesalers on commission basis."

**6.7.4.** Upon being asked that "Are you related to M/s Arhant Logistics Company?" he stated that- "No sir"

**6.7.5.** Upon being asked that "Do you have any IEC registered to your name?", he stated that- "Yes sir I have a company named as M/s Mahant Enterprises (IEC-CMEPS0248A) registered to my name"

**6.7.6.** Upon being asked that "Did you import or export any goods by using this IEC till date?", he stated that- "No sir, I use this company name only for local trading. Upon being asked that "Do you know that the goods imported by M/s Arhant Logistics Company are firecrackers and glass tumblers instead of Crockery as declared in Bill of Lading no. EGLV149408712040 dated 28.10.2024 vide IGM number 2392745 dated 11.11.2024 Line number 346/0?", he stated that- "Initially, I did not know about the type of goods imported by M/s Arhant Logistics Company. I got to know about this only when Mr. Alwyn called me after hold of container in ICD Nagpur."

**6.7.7.** Upon being asked that "Do you know Mr. Dnyaneshwar Raju Dhakate?", he stated that- "No sir"

**6.7.8.** Upon being asked that "How do you know Mr. Alwyn?", he stated that- "I have known Mr. Alwyn since last 4 years. I met him in Mihan SEZ, Nagpur, as I intended to develop a manufacturing plant in Mihan SEZ, Nagpur but it was not developed due to financial issues at that time. I paid him 1-3 lac rupees at that time for all the procedures and documentations and he returned the money later."

**6.7.9.** Upon being asked that "Do you know Mr. Moiz Saifuddin Ghoghawala?", he stated that- "I met Mr. Moiz Saifuddin Ghoghawala 6-7 months ago, He used to visit and purchase fruits from me in fruit market, Vashi"

**6.7.10.** Upon being asked that "Please tell me all details when you dealt with Mr. Moiz? What was the purpose of the meeting", he stated that- "I knew him from September 2024. I met with Mr. Moiz for almost 10 times in fruit market. He approached me to purchase fruits from me. He told me once that he wants to import various trading items such as crockery, toys etc. As I do not deal in such items so thought Mr. Alwyn may help him."

**6.7.11.** Upon being asked that "Are you the middleman between Mr. Alwyn and Mr. Moiz Saifuddin Ghoghawala?", he stated that- "Actually, I only arranged their meeting as Mr Moiz Saifuddin Ghoghawala told me that he wants to start import of various trading items such as Crockery, toys, and other market items, etc. As I know Mr. Alwyn as CHA, so, I thought that he may help Mr. Moiz in starting the import business."

**6.7.12.** Upon being asked that "Please tell me how many times have you met Mr. Alwyn till date and for what purpose.", he stated that- "I met him 4 years ago in Mihan SEZ, Nagpur as I told you earlier. We have met a few more times, in past 6 months, I met him only few times to arrange the

meeting between Mr. Alwyn and Mr. Moiz,"

**6.7.13.** Upon being asked that where did you, Mr Alwyn and Mr. Moiz meet together?", he stated that- "We all met in Mihan SEZ, Nagpur." Upon being asked that "Did any other person was present there other than you, Mr. Alwyn and Mr. Moiz?", he stated that- "No sir, only me, Mr. Alwyn and Mr. Moiz were present there in Mihan SEZ, Nagpur."

**6.7.14.** Upon being asked that "In your meetings, did any conversation/deal regarding import of firecrackers came up?", he stated that- "No Sir. Had it been so. I would have immediately isolated myself from them and I would have reported it to someone."

**6.7.15.** Upon being asked that "What action did you take when you came to know about firecrackers being found in the subject consignments?", he stated that- "Upon knowing the same from Mr. Alwyn, I immediately contacted Mr. Moiz who in turn told me that he was aware of the same and that he would come with me to meet Alwyn."

**6.7.16.** Upon being asked that "Do you get any commission from Mr. Alwyn or Mr. Moiz till date?", he stated that- "No sir. Actually, Mr. Alwyn told me that if he earns any profit through Mr. Moiz, he will share some profit as commission with me and he also promised that he will return the amount I paid him in Mihan SEZ, Nagpur."

**6.7.17.** Upon being asked that "Mr. Alwyn in his statement stated that he has received Rs. 4,50,000 from you for the consignment of crockery from China which was destined to ICD, Nagpur. You submitted the amount in his current account no. 6145302634 in Kotak Mahindra Bank as cash. What do you want to say about it?", he stated that- "Mr. Alwyn has requested me for money for clearance of the consignment of crockery from China which was destined to ICD, Nagpur, I in turn, conveyed the same to Moiz who would have deposited the money in his account, I did not deposit any money in this regard,".

**6.7.18.** Upon being asked that "Who arranged the IEC to import the said consignments?", he stated that- "Sir, I am not aware about this. The IEC may have been arranged by Mr. Alwyn along with other documents related to import of the consignment,"

**6.7.19.** Upon being asked that "Please provide your complete bank account details along with bank account statement for last 6 months.", he stated that- "I have individual savings bank account on my name in IDFC Bank Ltd. Currently, I am not having the details of my bank account. I will submit the details of my bank account along with the bank statement to this office in 6-7 days.

#### **6.8. It is transpired from the statements of Shri Dnyaneshwar Raju Dhakate:**

**6.8.1.** He had started M/s Arhant Logistics Company for providing customs clearance services to Atlas Logistics, and though the IEC was in his name, the company was actually managed and operated by Mr. Allwyn Anthony Lawrence, who had formed the IEC using his (Dhakate's) name.

**6.8.2.** He expressed no knowledge of the said consignment. He stated that he became aware of the import only when Nagpur Customs officers informed him that the container under his IEC contained Glass Tumblers and Firecrackers instead of the declared goods "Ceramic Tableware."

**6.8.3.** After learning about the misdeclaration, he claimed that he contacted Mr. Allwyn Anthony Lawrence, who told him that the consignment was imported by him (Allwyn) on Shri Dhakate's IEC and that it was financed and owned by one Mr. Moiz Saifuddin Ghoghwala. He further mentioned that Allwyn had handled the documentation work for Moiz.

**6.8.4.** He provided the contact details and addresses of Mr. Allwyn Anthony Lawrence (Nagpur) and Mr. Moiz Saifuddin Ghoghwala (Mumbai). He also stated that he had known Allwyn for about nine years, having earlier done documentation work for him for 6-7 years, while he had met Moiz only 10 days prior to the incident through Allwyn.

**6.8.5.** He had allowed Allwyn to use his IEC once for a consignment of crockery to be imported to ICD Nagpur, as Allwyn's IEC was banned due to GST issues. They had agreed to share profits from that import. However, he denied permitting the use of his IEC for the subject consignment containing firecrackers, claiming he was unaware of any misdeclaration or concealment. He also stated that he had not received any money from Allwyn for allowing use of his IEC. Also, he had no objection to the valuation conducted by the Chartered Engineer and accepted it.

#### **6.9. Further, it transpires from statements of Shri Moiz Saifuddin Ghoghwala:**

**6.9.1.** He had **recently started importing various goods** to sell to local traders, and this was his **first attempt at import business**.

**6.9.2.** He **did not possess an IEC** and was **not related to M/s Arhant Logistics Company**, but he had used the **IEC of local traders** with the help of **Customs House Agents (CHAs)** in Mumbai and Nagpur who arranged for import documentation. He stated that he paid the **CHAs** for their services but not the traders whose IECs were used.

**6.9.3.** He had **imported two consignments** - the first in the **first week of October 2024** (held by Nagpur Customs) and the second in the **last week of October 2024** (the one presently under investigation).

**6.9.4.** He admitted that he had **ordered the live consignment himself**, but had **instructed the supplier and shipping line not to load the goods** since his earlier consignment was already detained by Customs. He stated that he contacted **Mr. Allwyn Anthony Lawrence**, who acted as a **middleman between importers and traders**, for the clearance process. He came into contact with Allwyn through a **transporter named Bhushan**.

**6.9.5.** He explained that the **orders were placed through agents** - one based in India and another in China - whom he paid **in cash** for arranging goods and documentation. He mentioned that he had **destroyed**

**his mobile phone** after the Nagpur seizure, due to which he no longer had contact details of those agents. He identified **Mr. Raghuveer Chauhan** as the Indian agent who had introduced him to the Chinese supplier, stating that he met Raghuveer in **Karol Bagh, Delhi**, while enquiring in firecracker markets.

**6.9.6.** He admitted to having **paid approximately ₹1.65 crore in cash** in **15-16 instalments** for the two consignments, which included agency charges. He clarified that the **invoice's 60-day payment term** was only for documentation purposes and that **advance payment** was actually made.

**6.9.7.** When his consignment was held, the **shipping line had informed Mr. Allwyn**, who in turn conveyed the information to him and Mr. Bhushan. He added that **Mr. Allwyn arranged the IEC and documents** for the import and that the same IEC was to be used for the second consignment as well.

**6.9.8.** He confirmed that **Mr. Bhushan informed him** about Allwyn's demand for money to clear the Nagpur consignment. Consequently, he **deposited ₹6,46,000/- (not ₹4,50,000/-)** into the **account of M/s Arhant Logistics Company** through a **Cash Deposit Machine (CDM)** of Kotak Mahindra Bank at Dombivali.

**6.9.9.** He **informed Mr. Allwyn** that the consignments actually contained **firecrackers**, but denied having told **Mr. Bhushan** or having any direct interaction with **Mr. Dnyaneshwar Dhakate** prior to the seizure. He claimed to have met Dhakate only after both consignments were detained by Customs authorities in Nagpur and Mumbai.

**6.10. Further, it transpires from the of Statement of Shri Allwyn Anthony Lawrence:**

**6.10.1.** He was familiar with the import/export procedures and regulations.

**6.10.2.** He admitted that although the IEC of M/s Arhant Logistics Company was registered in the name of Shri Dnyaneshwar Raju Dhakate, he had obtained the official documents of the firm from Shri Dhakate and shared them with Shri Bhushan and Shri Moiz Saifuddin Ghoghwala to facilitate the import of a consignment of crockery from China, which was destined to ICD, Nagpur. He further clarified that he had created the IEC in the name of Shri Dhakate with his consent and that he managed the IEC for the said import activity.

**6.10.3.** He stated that he had known Shri Dnyaneshwar Raju Dhakate (alias Nikhil) for about 10 years, having first met him at his own office in Nagpur when Dhakate worked under him as an executive for about five years. He mentioned that he had earlier operated his own firm M/s Arhant Logistics Company (IEC: AJAPL0822A) under his proprietorship, which he stopped using after his GST number was suspended.

**6.10.4.** He knew Shri Bhushan for about two years, having met him at SEZ Nagpur, and Shri Moiz Saifuddin Ghoghwala for six to seven months, meeting him first in Nagpur in connection with the crockery consignment

imported under Dhakate's IEC.

**6.10.5.** His current occupation as that of a freelance import/export advisor and a facilitator for government loan schemes for women, the latter being unrelated to trade activities.

**6.10.6.** Bhushan and Moiz had offered him ₹50,000 for helping them import the crockery consignment, but he did not receive the payment since the consignment could not be cleared.

**6.10.7.** He had no knowledge of the second consignment covered under BL No. EGLV149408712040 dated 28.10.2024 and IGM No. 2392745 dated 11.11.2024, and first learned of it only when the shipping line contacted him, stating that his phone number appeared on the Bill of Lading.

**6.10.8.** He learned of the misdeclaration from Shri Dnyaneshwar Raju Dhakate about container no. TIIU5749763

**6.10.9.** Upon learning of the issue, he contacted Shri Bhushan, and later Bhushan and Moiz informed him that they had deliberately imported glass tumblers and firecrackers using the IEC of M/s Arhant Logistics Company.

**6.10.10.** He did not do the documentation work for the consignment under investigation but admitted to having shared the IEC details earlier with Moiz Ghoghawala for another consignment that was already detained by Nagpur Customs for containing firecrackers.

**6.10.11.** He provided Bhushan's contact number (8655830092) and disclosed his Kotak Mahindra Bank accounts—a savings account (No. 9645940535) and a current account (No. 6145302634). He confirmed that he had received ₹4,50,000 in cash from Bhushan, deposited in his current account, for the earlier consignment of crockery destined for ICD Nagpur.

**6.10.12.** Apart from the consignment under investigation, M/s Arhant Logistics Company (IEC: CMQPD6266D) had imported only one prior consignment, also destined for ICD Nagpur, but he did not possess further details of that import.

**6.11. It transpires from the statement of Shri Bhushan Sawant that:**

**6.11.1.** He is a broker and trader in the local fruit market at Vashi, working as a middleman between importers and local wholesalers on a commission basis.

**6.11.2.** He holds an IEC (CMEPS0248A) in the name of M/s Mahant Enterprises, though he has never used it for any import or export activity.

**6.11.3.** He denied having any direct connection with M/s Arhant Logistics Company or knowing Shri Dnyaneshwar Raju Dhakate.

**6.11.4.** He came to know Shri Alwyn Anthony Lawrence about four years ago at MIHAN SEZ, Nagpur, where he had engaged him for assistance in setting up a manufacturing unit that eventually did not materialize.

**6.11.5.** He knew Shri Moiz Saifuddin Ghoghwala for the past 6-7 months, having met him as a fruit buyer in the Vashi market.

**6.11.6.** He introduced Moiz Ghoghwala to Alwyn Lawrence since Moiz had expressed interest in importing crockery, toys, and other trade goods, and he believed Alwyn, being experienced in CHA and logistics matters, could assist him. He clarified that he merely arranged their meeting at MIHAN SEZ, Nagpur, and denied any discussion or involvement in the importation of firecrackers.

**6.11.7.** He became aware of the misdeclaration of goods (firecrackers and glass tumblers instead of crockery) only after being informed by Alwyn following the detention of the container at ICD Nagpur.

**6.11.8.** He contacted Moiz, who admitted awareness of the same and agreed to meet Alwyn to discuss it.

**6.11.9.** He denied paying ₹4,50,000 directly to Alwyn as alleged but stated that Moiz may have deposited the amount in Alwyn's account for clearance of the crockery consignment. He also denied receiving any commission from either Alwyn or Moiz, although Alwyn had promised to share profits or refund the money related to their earlier dealings.

**6.11.10.** He professed ignorance about the arrangement of the IEC used for the import, suggesting that Alwyn might have managed it.

**6.11.11.** He portrayed himself as a facilitator who introduced Moiz to Alwyn, denying direct involvement in the importation or knowledge of the mis declared goods.

## **7. Valuation of Goods:**

### **Valuations Calculations:**

**7.1.** It is apparent that Commercial Invoice Submitted (PT2024091411 dated 20.10.2024) (**RUD-13**) for the consignments imported by **M/S ARHANT LOGISTICS COMPANY (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) UNDER IGM NO. 2392745 DATED 11.11.2025** is a manipulated invoice and thereby not the correct value of the goods. The manipulated invoice submitted at the time of the attempt to import the goods appears to be incorrect documents in terms of Rule 11 of the Customs Valuation (Determination of the Value of Imported Goods) Rules, 2007 (CVR, 2007).

**7.2.** Accordingly, the value declared in these consignments did not appear to be the Transaction Value of the said goods, in terms of the provisions of Section 14(1) of the Customs Act, 1962 read with provisions of Rule 3(1) of the CVR, 2007. Accordingly, the transaction value declared in these consignments is liable to be rejected as per Rule 12 (1) of the CVR, 2007.

**7.3.** The same is required to be re-determined by proceeding sequentially through Rule 4 to Rule 9 in terms of Rule 3 (4) of the CVR, 2007. The import of Firecrackers is strictly controlled under the DGFT Import Policy and Explosives Act 1884, Explosives Rules 2008 and Customs Act 1962, where selected Importers can import fireworks and explosives, which in

turn can be imported in India. Further, the selected importer can only import from the approved source. Therefore, the value of Fireworks cannot be redetermined using the import data of Fireworks. Hence, the re-determination of transaction value could not be arrived at using Rule 4 (Transaction value of Identical goods), Rule 5 (Transaction value of Similar goods), Rule 6, Rule 7 (Deductive Value) and Rule 8 (Computed Value) of the CVR, 2007 and due to inadequacy of the same, the transaction value has to be re-determined on the basis of Rule 9 (Residual method).

**7.4.** The subject goods were found to be mis-declared/concealed and the transactional value is not available as the importer has not filed a Bill of Entry. As the value of the subject goods cannot be determined under the provisions sub-rule (1) of Rule 3 of the Customs Valuation Rules, 2007, the same is required to be determined by sequentially proceeding in terms of Rule 4 to Rule 9 of the Customs Valuation (Determination of value of imported goods) Rules, 2007. Efforts were made to ascertain the value of the subject goods by perusing the import data relating to contemporaneous import of identical or similar goods of same description, make, model, quantity and Country of Origin so as to determine the value of goods in terms of Rule 4 and of Customs Valuation Rules, 2007. However, the details of quantity, description, Country of Origin of identical or similar goods were not available as the goods were restricted/ prohibited in nature. Therefore, determination of correct value could not be done under Rule 4 and 5 of the Customs Valuation Rules, 2007.

**7.5.** Proceeding sequentially to Rule 6 of the said rules, as per Rule 6 of the Customs Valuation (Determination of value of imported goods) Rules, 2007: "If the value of imported goods cannot be determined under the provisions of rules 3, 4 and 5, the value shall be determined under the provisions of rule 7 or, when the value cannot be determined under that rule, under rule 8". The correct value cannot be determined under Rules 7 & 8 of the valuation rules for unavailability of accurate data. Since the Chartered Engineer inspection may be conducted and the same can be used to re-determine the value in terms of Rule 9 of CVR, 2007 allowing reasonable flexibility in terms of Rule 7 of the said Rules. Hence, the value of the said goods, to be re-determined in terms of Rule 9 (Residual method) of the Customs Valuation (Determination of value of imported goods) Rules, 2007. Rule 9 (1) of the Customs Valuation (Determination of value of imported goods) Rules, 2007 reads as: "Residual Method - (1) Subject to the provisions of Rule 3 of these rules, where the value of imported goods cannot be determined under the provisions of any of the preceding rules, the value shall be determined using reasonable means consistent with the principles and general provisions of these rules and on the basis of data available in India."

**7.6.** As per the provisions of Rule 9 of the Customs Valuation Rules, 2007, the value of the impugned goods is re-determined under residual method as under: 5.1 Interpretative notes to the Customs Valuation (Determination of value of imported goods) Rules, 2007 lay down the method to be followed for applying the provisions of various rules contained therein. Such notes in respect Rule 9 of the Customs Valuation Rules, 2007 lay down as under- 1) The value of imported goods determined under the provisions of the said Rule 9 should, to the greatest extent

possible, be based on previously determined customs values. 2) The methods of valuation to be employed under Rule 9 may be those laid down in Rule 3 to 8, inclusive, but a reasonable flexibility in the application of such methods would be in conformity with the aims and provisions of Rule 9. 3) Some examples of reasonable flexibility are as follows: (a) Identical goods: The requirement that the identical goods should be imported at or about the same time as the goods being valued could be flexibly interpreted; identical imported goods produced in a country other than the country of exportation of the goods being valued could be the basis for customs valuation; customs values of identical imported goods already determined under the provisions of Rule 7 and Rule 8 could be used. (b) Similar goods: The requirements that the similar goods should be imported at or about the same time as the goods being valued could be flexibly interpreted; similar imported goods produced in a country other than the country of exportation of the goods being valued could be the basis for customs valuation; customs values of similar imported goods already determined under the provisions of Rule 7 and Rule 8 could be used.

7.7. In view of the above, **Chartered Engineer Report dated 12.02.2025** received in this section on 12.02.2025 (**RUD-4**) according to which the valuation of the subject goods is calculated. Details of the Valuation are tabulated below in Table 4, Table 5 and Table 6 mentioned below: -

**Table 4.**

S No	Item Description	CE Comments	Estimated/Approved Prox R ecommended value NR	No. of Cartons	No. of pieces in each carton	Total	Remarks	Total Estimated Value IN R by CE
1	Glass Tumbler	AK03- Set of 6 Glass tumbler ass (160 ml)	300/se t	54	15 sets	810	Set of 6 Glass Tumblers	24,300
		AK04-Set of 6 glass tumblers 240 ml	420/se t	18	12 sets	216		90,720
2	(Type-I)	Firecracker Box consisting of 6 different colors to be interconnected with connection lead for igniting each having 25 shot smoke fireworks (6 colors -150 shots)	42000/Box	49	1 Set	498	Set of 6 firecracker boxes, interconnected with connection lead.	2,09,16,000
3		Box consisting of 6 different colors to be interconnected with connection lead for igniting	42,000/Box	25	6 sets	152	Set of 6 separate firecracker	1,06,68,000

ke s Ty pe- II)	each having 25 shot smoke fi s (reworks (6 colors- 150 shots)							
4 Fir ecr ac ker s (Ty pe- III)	(Set of 2 separate firecrackers) each having 100 shots	12000/Box	247	2 Sets	494 Sets	Set of 2 se parate firecrack ers	29,64 ,000	
5 Fir ecr ac ker s (Ty pe- IV)	RR & 288 Gatling: 288 sky shots single-use handheld gatling, shoots upto 288 shots. Its compact design allows for easy portability while providing a powerful burst of shots.	1400 each	214	24 pieces	513 6 pieces	Single pie ce Gatlin	7190 400	
6 Conn ect ion Le ad	4A & 48/12	150/lead	8	16 pieces	128 Piec es		1920 0	
<b>TO TA L</b>							<b>4,20, 91,3 20</b>	

Calculation of Duty of the Goods along with their duty rates.

Table 5.

S. No.	Item Description	Correct CTH	Estimated/ Approx value INR	Total No. of Pieces found	Total Estimated Value INR by CE	Total value Estimated by CE (in INR)
1	Glass Tumbler	70131000	300/set	810 sets	2,43,000	3,33,720
			420/set	216 sets	90,720	

2	Firecrackers (Type-I)	36041000	42000/Box	498 Sets	2,09,16,000	4,17,38,400
3	Firecrackers (Type-II)	36041000	42,000/Box	1524 sets	1,06,68,000	
4	Firecrackers (Type-III)	36041000	12000/Box	494 Sets	29,64,000	
5	Firecrackers (Type-IV)	36041000	1400 each	5136 pieces	7190400	
6	Connection Lead	85441190	150/lead	128 Pieces	19200	19200
<b>Total</b>						<b>4,20,91,320</b>

**Table 6.**

The final rates of duty Based on the above calculation, the Value estimated by CE and thus total Duty to be paid are as follows.

S.No.	Description of Goods	CE value	BCD Rate	IGST Rate	SWS Rate	Total Duty Rate	Total Value	Duty
1.	Glass Tumbler	3,33,720	20%	18%	2%	43.96%	1,46,703.312	
2.	Fire Crackers	4,17,38,400	10%	18%	1%	30.98%	1,29,30,556.40	
3.	Connection Lead	19,200	10%	18%	1%	30.98%	5,948.16	
<b>Total</b>							<b>1,30,83,207.827</b>	

**7.8.** The final difference in assessable value as calculated is tabulated in Table 7.

**Table 7.**

Sr. No	IGM No & Date	Value declared on the basis of Manipulated Invoice. (PT 2024091411)	Value Estimated by CE (in Rs.)	Duty Payble by <b>M/S ARHANT LOGISTICS COMPANY (IEC- CMQPD6266D IN THE</b>

		dated 20.10.2024) (in Rs.)		<b>NAME OF</b> <b>DYANESHWAR RAJU</b> <b>DHAKATE)</b>
1	IGM number 2392745 dated 11.11.2024	Rs. <b>13,03,446.6/-</b>	Rs. <b>1,30,83,207.827</b> <b>4,20,91,320</b>	

### 8. CTH of the Goods:

#### CTH Calculations:

**8.1.** It is apparent that the Commercial Invoice, PT2024091411 dated 20.10.2024 (**RUD-13**) declared for the consignments imported by **M/S ARHANT LOGISTICS COMPANY (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) UNDER IGM NO. 2392745 DATED 11.11.2025** was a manipulated invoice and thereby the CTH of the Goods is not correctly calculated. The Correctly calculated CTH is tabulated as below in Table 8.

**Table 8.**

Sr. No.	DESCRIPTION	DECLARED CTH	PROPOSED CTH	9 . Roles of the persons involved-
1	Glass Tumbler	69120000	69120000	9.1. It appears that Shri
2	Firecrackers (Type-I)	Found Concealed	36041000	
3	Firecrackers (Type-II)	Found Concealed	36041000	
6	Firecrackers (Type-III)	Found Concealed	36041000	
7	Firecrackers (Type-IV)	Found Concealed	36041000	
8	Connection Lead	Found Concealed	85441190	

**Dnyaneshwar Raju Dhakate was actively involved in the conspiracy to illegally import firecrackers as-**

**9.1.1.** He willingly allowed his IEC No. CMQPD6266D (M/s Arhant Logistics Company) to be used by Mr Alwyn.

**9 . 1 . 2 .** Further, even after knowing that one of the import consignments on his IEC was found to contain firecrackers, he did not initiate any action (such as police complaint or any formal complaint to the concerned authorities) against Mr Alwyn.

**9.1.3.** Both these facts appear to suggest that he may have been a part of the conspiracy, and it is also apparent that he was one of the potential beneficiaries of this act of smuggling of firecrackers by way of illegally importing the same.

**9.1.4.** His denial to the knowledge of illegal import of firecrackers only appears to be an afterthought.

**9.2. It appears that Shri Alwyn Anthony Lawrence was actively involved in the conspiracy to illegally import firecrackers as-**

**9.2.1.** He used the IEC of Shri Dnyaneshwar Raju Dhakate for the purpose of import, but his own contact number was also in the know, as apparent by the fact that Shipping Line called him regarding the import consignment.

**9.2.2.** He received money to the tune of Rs 6,46,000/- INR from Mr Moiz by way of cash deposits in his own current account and not in the account of Shri Dnyaneshwar Raju Dhakate.

**9 . 2 . 3 .** It is also apparent that he was one of the potential beneficiaries of this act of smuggling of firecrackers by way of illegally importing the same.

**9.2.4.** His denial to the knowledge of illegal import of firecrackers only appears to be an afterthought.

**9.3. It appears that Shri Moiz Saifuddin Ghoghwala was actively involved in the conspiracy to illegally import firecrackers as-**

**9.3.1.** He acknowledged that he has imported firecrackers vide IGM number 2392745 dated 11.11.2024 Line number 346/0 and Bill of Lading no. EGLV149408712040 dated 28.10.2024.

**9.3.2.** After his first consignment was held in Nagpur, he destroyed his mobile phone.

**9 . 3 . 3 .** He got the money deposited in the account of M/s Arhant Logistics company which was for clearance related work at Nagpur.

**9.3.4.** He got an agent in the local market of China through an agent in India. He stated that he paid them in cash.

**9.3.5.** He admitted to have paid an amount of Rs.82,00,000/- for the consignment put on hold by SIIB(I), JNCH. The same amount was also paid for the consignment held by SIIB, Nagpur Customs. The entire amount of about Rs. 1,65,00,000/- was paid in cash in 15-16 instalments which also included agency charge of Raghuveer Chauhan.

**9.3.6.** It is also apparent that he was the main beneficiary of this act of smuggling of firecrackers by way of illegally importing the same.

**9 . 3 . 7 .** He has accepted to have actively been involved in illegal

import of firecrackers.

**9.4. It appears that Shri Bhushan Sawant was actively involved in the conspiracy to illegally import firecrackers as-**

**9.4.1.** He acted as an intermediary connecting Moiz (the financier and actual importer) and Allwyn (who managed IEC and documentation).

**9.4.2.** He handled financial coordination and facilitated communication between the two.

**9.4.3.** He was not the IEC holder or consignee, but was actively involved in arranging and coordinating aspects of the import process.

**9.4.4.** He provided Allwyn's contact to Moiz, played a part in money transfer, and was aware of both earlier and current consignments once they were held by Customs.

#### **10. Arrest and Court Proceedings:**

**10.1.** During the course of investigation, three accused were arrested under Section 104 of the Customs Act, 1962 in terms of provisions of Section 104(4)(a), 104 (4)(b), 104(6)(a), 104(6)(c) read with provisions of Section 132, 135, 135(1)(a)(i)(A), 135(1)(b)(i)(A) and 135(1)(a)(i)(C) of the Customs Act, 1962 viz. **Shri Moiz Saifuddin Ghoghawala, Shri Alwyn Anthony Lawrence and Shri Dnyaneshwar Raju Dhakate.**

**10.2.** Shri Moiz Saifuddin Ghoghawala was arrested vide Arrest Memo- CBIC DIN 20250278NY000000D8DE dated 14.02.2025 by Shri. Gaurav Dhanda IO, SIIB (I) under Section 104 of the Customs Act 1964 (**RUD-14**).

**10.3.** Shri Alwyn Anthony Lawrence was arrested vide Arrest Memo- CBIC DIN 20250278NY000000EDF7 dated 14.02.2025 by Shri. Gaurav Dhanda IO, SIIB (I) under Section 104 of the Customs Act 1964 (**RUD-15**).

**10.4.** Shri Dnyaneshwar Raju Dhakate was arrested vide Arrest Memo- CBIC DIN 20250278NY0000009E8B dated 14.02.2025 by Shri. Gaurav Dhanda IO, SIIB (I) under Section 104 of the Customs Act 1964 (**RUD-16**).

**10.5.** The Applicant filed for default Bail before the Court of Judicial Magistrate, First Class at URAN, PANVEL, RAIGAD. The same was granted by the Judicial Magistrate First Class on 17.04.2025 (**RUD- 20**).

#### **11. RELEVANT PROVISIONS OF THE LAW:**

**11.1.** Relevant provisions of law relating to the import of goods in general, the Policy and Rules relating to the import of firecrackers, the liability of the goods to confiscation and the liability of the persons concerned to penalty for improper/illegal imports, under the provisions of the Customs Act, 1962 and other laws for the time being in force are summarized as under:

##### **11.1.1. Customs Act, 1962 –**

**11.1.1.1.** **Section 2(26)** of the Customs Act, 1962 defines "importer", in relation to any goods at any time between their importation and the time when they are cleared for home consumption, includes any owner,

beneficial owner or any person holding himself out to be the importer;

**11.1.1.2. Section 2 (3A)**—beneficial owner means any person on whose behalf the goods are being imported or exported or who exercises effective control over the goods being imported or exported;

**11.1.1.3. Section 2(33)** of the Customs Act, 1962 defines "prohibited goods" as any goods the import or export of which is subject to any prohibition under this Act or any other law for the time being in force but does not include any such goods in respect of which the conditions subject to which the goods are permitted to be imported or exported have been complied with;

**11.1.1.4. Section 2(39)** of the Customs Act, 1962 defines "smuggling", in relation to any goods, means any act or omission which will render such goods liable to confiscation under section 111 or section 113;

**11.1.1.5. Section 46(1)** of the Customs Act, 1962, The importer of any goods, other than goods intended for transit or transshipment, shall make entry thereof by presenting to the proper officer a bill of entry for home consumption or warehousing [in such form and manner as may be prescribed] *[Substituted 'in the prescribed form' by Finance Act, 2018 (Act No. 13 of 2018), dated 29.3.2018.]* Provided that if the importer makes and subscribes to a declaration before the proper officer, to the effect that he is unable for want of full information to furnish all the particulars of the goods required under this sub-section, the proper officer may, pending the production of such information, permit him, previous to the entry thereof (a) to examine the goods in the presence of an officer of customs, or (b) to deposit the goods in a public warehouse appointed under section 57 without warehousing the same.

**11.1.1.6. Section 17(1)** of the Customs Act, 1962, provides for self-assessment of duty on imported goods by the importer himself by filing a Bill of Entry. Under this mode of self-assessment, the bill of entry was self-assessed by importer, with regard to correctness of classification, value, rate of duty, exemption notification or any other relevant particular having bearing on correct assessment of duty on import.

**11.1.1.7.** As per the provisions of **Section 46(4)** of the Customs Act, **1962**, the importer while presenting a Bill of Entry shall at the foot thereof make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, present to the proper officer the invoice, if any, relating to the imported goods.

**11.1.1.8. Section 110:** Seizure of goods, documents and things. –

(1) If the proper officer has reason to believe that any goods are liable to confiscation under this Act, he may seize such goods:

**Provided** that where it is not practicable to remove, transport, store or take physical possession of the seized goods for any reason, the proper officer may give custody of the seized goods to the owner of the goods or

the beneficial owner or any person holding himself out to be the importer, or any other person from whose custody such goods have been seized, on execution of an undertaking by such person that he shall not remove, part with, or otherwise deal with the goods except with the previous permission of such officer:

(2) Where any goods are seized under sub-section (1) and no notice in respect thereof is given under clause (a) of section 124 within six months of the seizure of the goods, the goods shall be returned to the person from whose possession they were seized:

**Provided** that the Principal Commissioner of Customs or Commissioner of Customs may, for reasons to be recorded in writing, extend such period to a further period not exceeding six months and inform the person from whom such goods were seized before the expiry of the period so specified:

**11.2.** The relevant provisions for confiscation of improperly imported goods in the present case are as below: -

**11.2.1. Section 111(d):** provides for confiscation of any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force.

**11.2.2. Section 111 (l):** any dutiable or prohibited goods which are not included or are in excess of those included in the entry made under this Act, or in the case of baggage in the declaration made under section 77;

**11.2.3. Section 111(m):** any goods which do not correspond in respect of value or in any other particular with the entry made under this Act.

**11.2.4. Section 111(e):** "Any goods which are imported or attempted to be imported or are brought within the Indian customs waters for the purpose of being imported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force"

**11.2.5. Section 119:** any goods used for concealing smuggled goods shall also be liable to confiscation

**11.3. Penal provisions in the present case are discussed below:** -

**11.3.1.** Section 112(a) provides *inter-alia* for penalty on 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.

**11.3.2.** Section 112(b) provides *inter-alia* for penalty on 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 reasons to believe are liable to confiscation under Section 111.

**11.3.3.** Section 112(b)(iv) provides for penalty on any person in the case of goods falling both under clauses (i) and (iii), to a penalty not exceeding the difference between the declared value and the value thereof or five thousand rupees, whichever is the highest;

**11.3.4.** **Section 114A:** "Where the duty has not been levied or has been short-levied or the interest has not been charged or has been part-paid or the duty or interest has been erroneously refunded, by reason of:

(a) collusion or (b) wilful misstatement or (c) suppression of facts

by any person who is liable to pay duty or interest, such person shall also be liable to pay a penalty equal to the duty or interest so not levied, short-levied, not charged, short-paid or erroneously refunded

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

**11.4 Section 124: Issue of show cause notice before confiscation of goods, etc. -**

No order confiscating any goods or imposing any penalty on any person shall be made under this Chapter unless the owner of the goods or such person -

(a) is given a notice in writing with the prior approval of the officer of Customs not below the rank of an Assistant Commissioner of Customs, informing him of the grounds on which it is proposed to confiscate the goods or to impose a penalty;

(b) is given an opportunity of making a representation in writing within such reasonable time as may be specified in the notice against the grounds of confiscation or imposition of penalty mentioned therein; and

(c) is given a reasonable opportunity of being heard in the matter.

**11.5. Section 135(1)(ab):** "Without prejudice to any action that may be taken under this Act, if any person - (ab) acquires possession of or is in any way concerned in carrying, removing, depositing, 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 or Section 113,  
he shall be punishable -

(i) in the case of an offence relating to any goods, the market price of which exceeds one crore rupees, or the duty sought to be evaded exceeds fifty lakh rupees, with imprisonment for a term which may extend to seven

years, and with fine:

Provided that in the absence of special and adequate reasons to the contrary to be recorded in the judgment of the court, such imprisonment shall not be for less than one year;

(ii) in any other case, with imprisonment for a term which may extend to three years, or with fine, or with both."

#### **11.6. Foreign Trade (Development and Regulation) Act, 1992 -**

**11.6.1.** Section 5 of the Foreign Trade (Development and Regulation) Act, 1992 provides *inter-alia*, for formulation of the export and import policy by the Central Government from time to time.

**11.6.2.** Section 11 (1) of the Foreign Trade (Development and Regulation) Act, 1992 states no export or import shall be made by any person except in accordance with the provisions of this Act, the rules and orders made thereunder and the foreign trade policy for the time being in force.

#### **11.7. Foreign Trade (Regulation) Rules, 1993 -**

**11.7.1.** Rule 11 of the Foreign Trade (Regulation) Rules, 1993 stipulates *inter-alia* that on the importation into any custom port of any goods, whether liable to duty or not, the owner of such goods shall in the bill of entry or any other documents prescribed under the Customs Act, 1962 state the value, quality and description of such goods to the best of his knowledge and belief and shall subscribe a declaration of the truth of such statement at the foot of such bill of entry or any other document.

**11.7.2.** Rule 14 (2) of the Foreign Trade (Regulation) Rules, 1993 stipulates *inter-alia* that No person shall employ any corrupt or fraudulent practice for the purposes of importing or exporting any goods.

**11.8. Explosives Act, 1884:** Administered by: Petroleum and Explosives Safety Organisation (PESO), under the Department for Promotion of Industry and Internal Trade (DPIIT).

**11.8.1.** Section 6: Allows the Government to prohibit the manufacture, possession, or importation of any explosive that is "especially dangerous."

**11.8.2.** Section 8: Provides for licensing of manufacture, possession, sale, transport, import, and export of explosives.

**11.8.3.** Section 9A: Empowers inspection, search, and seizure of illegally imported explosives.

#### **11.9. Explosives Rules, 2008 (framed under the Explosives Act, 1884):**

**11.9.1.** Administered by PESO

**11.9.2.** **Rule 6:** Specifies that *fireworks are explosives* under Class 7.

**11.9.3. Rule 9:** States that **no person shall import any explosive** unless they hold a **valid licence** issued by the Chief Controller (PESO).

**11.9.4. Rule 10:** Provides the **procedure for application and grant of licence** for import of explosives.

**11.9.5. Rule 15-17:** Provides powers to **refuse or cancel** a licence.

**11.9.6. Rule 131-137:** Lays down detailed requirements for **storage, transport and handling** of fireworks.

**11.9.7.** Imports of firecrackers cannot occur without PESO's import licence under these rules. PESO has said that *no such import licences for fireworks have been issued* so far.

**11.10. Notification G.S.R. 64(E), dated 27 January 1992**-Issued under: Section 6 of the Explosives Act, 1884 and is issued by Government of India (Department of Industrial Development):

**11.10.1.** Prohibits the manufacture, possession, and importation of any explosive containing sulphur or sulphuret mixed with a chlorate (a common component in Chinese fireworks).

**11.10.2.** There exists a specific statutory prohibition against the import of many foreign fireworks that contain these ingredients.

**11.10.3.** This notification effectively bans import of most conventional foreign fireworks, since they use sulphur-chlorate mixtures.

#### **11.11 DGFT's Import Policy – ITC(HS) 2022:**

**11.11.1.** Lists "Fire works" (Fire crackers) in S. No. 229 of Schedule-I of restricted item list **(RUD-17)**. Thereby the said goods without a valid license from PESO and DGT, thus the goods are restricted and without a valid license makes them prohibited goods.

### **12. FINDINGS OF THE INVESTIGATION:**

**12.1.** The investigation pertains to the import of container No. TIIU5749763 (40 ft) declared as "Ceramic Tableware" but found to contain glass tumblers and firecrackers. The consignment was imported in the name of M/s Arhant Logistics Company (IEC: CMQPD6266D). Statements recorded during the course of investigation reveal that the IEC was misused for importing restricted goods under false declaration, involving the participation of several persons at different stages.

**12.2.** The representative of M/s Evergreen Shipping Agency (India) Pvt. Ltd. stated that after the container's arrival, no one came forward to clear the goods. Repeated calls and emails to the importer went unanswered, and attempts to contact the given address revealed it to be a small residential flat. The shipping line also stated that Dnyaneshwar, the IEC holder, denied ownership and directed them to one Allwyn Lawrence,

whose contact number was inactive. All communication records were submitted to Customs. The representative of M/s Apollo Logisolutions Ltd. (CFS) stated that neither the importer nor any customs broker or representative approached them for clearance. The container arrived at their premises on 14.11.2024 and was placed on hold by SIIB (I) on 24.12.2024.

**12.3.** Shri Dnyaneshwar Raju Dhakate, the proprietor and IEC holder of M/s Arhant Logistics Company, stated that although the firm was registered in his name, it was managed by Shri Allwyn Anthony Lawrence. He claimed that Allwyn had requested the use of his IEC for importing crockery items, as his own IEC was inactive due to GST issues. Dnyaneshwar denied knowledge of the consignment at Nhava Sheva and asserted that he believed the import was of ceramic tableware only. Upon being informed by Nagpur Customs about a seizure, he contacted Allwyn, who disclosed that the consignment actually belonged to one Shri Moiz Saifuddin Ghoghwala. Dnyaneshwar provided their contact details and confirmed that he had not received any payment or benefit for allowing use of his IEC. When recalled on 05.02.2025, Dnyaneshwar reaffirmed his statement and accepted the valuation of the seized goods made by the Customs Empanelled Chartered Engineer.

**12.4.** Shri Moiz Saifuddin Ghoghwala, in his statement dated 05.02.2025, admitted that he was the actual importer and financier of the consignment imported under BL No. EGLV149408712040 dated 28.10.2024 and IGM No. 2392745. He stated that the consignment contained firecrackers and not ceramic tableware as declared. He revealed that he had imported two consignments—one to ICD Nagpur and another to Nhava Sheva—both financed in cash amounting to approximately ₹1.65 crore. He did not have an IEC of his own and therefore used IECs arranged through intermediaries. He stated that Allwyn had arranged the IEC of M/s Arhant Logistics Company for this shipment. Moiz disclosed that he met one Shri Raghuvir Chauhan in Delhi, who introduced him to the Chinese supplier, and that he came into contact with Allwyn through a broker named Bhushan. He admitted that the values shown on the invoice were fictitious, and that payments were made in advance. He also confirmed depositing ₹6.46 lakh in the account of M/s Arhant Logistics through Kotak Bank CDM machine at Dombivli towards clearance charges. He accepted that Allwyn was aware of the true nature of the goods.

**12.5.** Shri Allwyn Anthony Lawrence, in his statement dated 05.02.2025, admitted that he had set up M/s Arhant Logistics Company in the name of Dnyaneshwar and managed its IEC operations. He knew Dnyaneshwar for about 10 years and Moiz for about 6–7 months. He admitted having arranged an earlier import under the same IEC, which was seized at ICD Nagpur, but claimed that the Nhava Sheva shipment was handled independently by Moiz. He accepted that the IEC documents used for that shipment originated from his possession and might have been reused without his consent. He also admitted receiving ₹4.5 lakh from Moiz in his Kotak Mahindra Bank account for earlier transactions and acknowledged that he later came to know that the goods were firecrackers declared as ceramic ware.

**12.6.** Shri Bhushan Sawant, a trader and broker from Vashi, confirmed that he had introduced Moiz to Allwyn for import-related discussions. He denied involvement in the import process, payments, or clearance, and stated that he came to know about the firecrackers only after the container was detained by Customs. His statement corroborated the link between Moiz and Allwyn.

**12.7.** The statements collectively establish that the import of firecrackers and glass tumblers under the guise of "Ceramic Tableware" was a deliberate act of misdeclaration, and concealment orchestrated by Shri Moiz Saifuddin Ghoghwala (actual importer and financier), in connivance with Shri Allwyn Anthony Lawrence (facilitator and document arranger) and Shri Dnyaneshwar Raju Dhakate (IEC holder/front). Moiz financed the imports, Allwyn arranged documentation using Dnyaneshwar's IEC, and Bhushan's role as introducer helped establish the connection between them. The use of a proxy IEC, false description of goods, and concealment of actual ownership reveal a calculated attempt to evade import restrictions and customs duties. The investigation reveals that the IEC of M/s Arhant Logistics Company was fraudulently used to facilitate the illegal import of restricted goods, with each participant playing a distinct role in the unlawful activity.

**12.8.** Importer and the representatives are responsible to provide accurate and complete information in IGM No. 2392745 dated 11.11.2024, which they failed to do, therefore importer violation Section 11(1) of Foreign Trade (Development & Regulation) Act 1992 & Rule 11 of Foreign Trade (Regulation) Rules, 1993. By the above acts of omission & commission on the part of the importer, they rendered the goods liable for confiscation and consequently M/s Arhant Logistics Company (IEC: CMQPD6266D) through its director is liable for penal action under Section 114(a) of the Customs Act, 1962.

**12.9.** Further Moiz Saifuddin Ghoghwala, Shri Alwyn Anthony Lawrence and Shri Dnyaneshwar Raju Dhakate Involved in attempt of outright smuggling of restricted/ prohibited Chinese firecrackers valued at Rs 4,20,91,320 (as per the CE Report dated 12.02.2025) into the country by ingeniously planning and organising and funding the conspiracy, it appears that this is a fit case for imprisonment for a term which may extend up to seven years and with fine under the provisions of Section 135(1) of the Customs Act, 1962. The same falls in the category of non-bailable offences in terms of Section 104(6) (a), (b) and (c) of the Customs Act, 1962. The Arrest of the importer and the persons have already been initiated by the Department.

**12.10.** The importer, M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE), in the subject matter has given false declaration in the instant 2392745 dated 11.11.2024 by not only concealing the goods, but also intentionally importing prohibited and hazardous goods into the country. The Importer has used "ceramic tableware" as cover cargo for clearing prohibited item i.e. Fire crackers. Therefore, importer M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) through its director (Shri Dnyaneshwar Raju Dhakate, IEC holder) and 3 others

(Shri Moiz Saifuddin Ghoghawala, Shri Bhushan Sawant and Shri Alwyn Anthony Lawrence) is liable for penal action of the Customs Act, 1962

**12.11.** The importer has attempted to bypass the DGFT trade policy, as the goods are restricted as per the Schedule 1 of the ITC (HS). The goods are listed in the restricted list of FTP under Serial Number 229 with CTH 3604 1000. The importer knowingly concealed fire crackers in the cover of Ceramic Table ware.

**12.12.** The imported goods declared as "Ceramic Tableware" but found to be firecrackers are prohibited for import under the provisions of the Explosives Rules, 2008.

**12.13.** The packages and the contents of smuggled goods and cover goods are liable to be confiscated under Section 118 of the customs Act, 1962.

**12.14.** The goods used for concealing smuggled goods are also liable to be confiscated under Section 119 of the customs Act, 1962.

**13. The legal provisions attracted by the act of Omissions and Commissions done by the persons involved in this case under the Customs Act, 1962 as as follows –**

**13.1.** M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) vide IGM No. 2392745 dated 11.11.2024 are responsible to provide accurate and complete information in IGM No. 2392745 dated 11.11.2024, which they failed to do, therefore importer is in violation Section 11(1) of Foreign Trade (Development & Regulation) Act 1992 & Rule 11 of Foreign Trade (Regulation) Rules, 1993. By the above acts of omission & commission on the part of the importer, they rendered the goods liable for confiscation under Section 111(d) (prohibited goods), Section 111( e) (concealed goods), Section 111(m) of the Customs Act, 1962, in as much as they in collusion with their foreign based suppliers have deliberately bough prohibited goods under the Explosives Act, 1884, Explosives Rules, 2008 (framed under the Explosives Act, 1884) and the Customs Act, 1962. The said goods are physically available for confiscation. Consequently, M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) vide IGM No. 2392745 dated 11.11.2024, appear to have rendered themselves liable to penal action the Customs Act, 1962 in relation to the said impugned goods under Section 112(a) or 114A and 114AA of the Customs Act 1962.

**13.2.** Shri Dnyaneshwar Raju Dhakate, Shri Alwyn Anthony Lawrence and Shri Moiz Saifuddin Ghoghawala by not declaring the said prohibited goods (fire crackers) in the declaration (Bill of Lading No. EGLV149408712040 dated 28.10.2025/IGM No. 2392745) makes the goods liable for confiscation under Section 111(l) of the Customs Act, 1962, and thereby they are liable for penal action under section 112 as well as proposed in the foregoing paras in this Show Cause Notice.

**13.3.** M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) vide IGM No. 2392745 dated 11.11.2024, have deliberately mis-declared the value of the goods,

concealed the said goods in as much as they in collusion with their foreign based suppliers as have deliberately brought prohibited goods under the Explosives Act, 1884, Explosives Rules, 2008 (framed under the Explosives Act, 1884) and the Customs Act, 1962 by concealing fire crackers valued at Rs. 4,20,91,320 (as per the CE Report dated 12.02.2025) in cover goods ("Ceramic Tableware"). Thus, made themselves liable for penal action goods under Section 112(a) or 114(a) and 114(AA) of the Customs Act 1962

**13.4.** Alwyn Anthony Lowrence used the IEC of Shri Dnyaneshwar Raju Dhakate for the purpose of import. Also, his own contact number was also in the know, as apparent by the fact that Shipping Line called him regarding the import consignment. He received money to the tune of Rs 6,46,000/- INR from Mr. Moiz by way of cash deposits in his own current account and not in the account of Shri Dnyaneshwar Raju Dhakate. This appears that he may have been a part of the conspiracy of importing prohibited goods (fire crackers) and he wilfully lied in the IGM details by not declaring the said prohibited goods. Therefore, Shri Alwyn Anthony Lowrence is liable for penal action under Section 112(a) or 114(a) and 114(AA) of the Customs Act, 1962, over and above the penal actions proposed in the foregoing paras in this Show Cause Notice.

**13.5.** Shri Moiz Saifuddin Ghoghawala, acknowledged that he has imported Firecrackers vide IGM number 2392745 dated 11.11.2024 via Line number 346/0 and Bill of Lading no. EGLV149408712040 dated 28.10.2024. After his first consignment was held in Nagpur, he destroyed his mobile phone. He got the money deposited in the account of M/s Arhant Logistics company which was for clearance related work at Nagpur. He got an agent in local market of China through an agent in India. He stated that he paid them in cash. He admitted to have paid an amount of Rs.82,00,000/- for the consignment put on hold by SIIB(I), JNCH. Same amount was also paid for the consignment held by SIIB, Nagpur Customs. The entire amount of about Rs. 1,65,00,000/- was paid in cash. So, it appears that he was actively involved in the conspiracy to import prohibited goods (fire crackers) and thereby making him liable for penal action under Section 112(a) or 114(a) and 114(AA) of the Customs Act, 1962, over and above the penal actions proposed in the foregoing paras of this Show Cause Notice.

**13.6.** Shri Bhushan Sawant acted as an intermediary and logistic coordinator, assisting in documentation, handling of import processes, and communication between the importer and clearing agent, despite being aware of the irregularities. Hence, he is Liable for penalty under Section 112(a) or 114(a) and 114(AA) of the Customs Act, 1962 over and above the penal actions proposed in the foregoing paras in foregoing paras of this Show Cause Notice.

**13.7.** The prohibited goods were smuggled to India in cover of "Ceramic Tableware". The packages and their contents imported by M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE) - are liable to be confiscated under Section 118 of the customs Act,1962, over and above the penal actions proposed in the foregoing paras in foregoing paras of this Show Cause Notice.

**13.8.** The prohibited goods were smuggled to India in cover of "Ceramic Tableware". The goods used for concealing smuggled goods imported by M/s Arhant Logistics Company (IEC- CMQPD6266D IN THE NAME OF DYANESHWAR RAJU DHAKATE)- are also liable to be confiscated under Section 119 of the customs Act,1962, over and above the penal actions proposed in the foregoing paras of this Show Cause Notice.

**14. Now therefore, M/s Arhant Logistics Company (IEC-CMQPD626D), Madhusheel Apartment, F 301, P No. 60, Rameshwari, Nagpur - 440027, is hereby called upon to show cause to the Joint Commissioner of Customs (NS-I), Jawaharlal Nehru Custom House, Nhava Sheva as to why:**

- I. The declared description of the goods as "Ceramic Tableware" under CTH 69120000 should not be rejected, and the goods should not be held to be "Firecrackers" (CTH 36041000), "Glass Tumblers" (CTH 70131000), and "Connection Leads" (CTH 85441190).
- II. The declared assessable value of **₹13,03,446.60/- (Rupees Thirteen Lakh Three Thousand Four Hundred Forty-Six and Paise Sixty only)**, as derived from the commercial invoice, should not be rejected under Rule 12 of the Customs Valuation (Determination of Value of Imported Goods) Rules, 2007 (CVR, 2007) and should not be re-determined as **₹4,20,91,320/- (Rupees Four Crore Twenty Lakh Ninety-One Thousand Three Hundred Twenty only)** under Rule 9 of the CVR, 2007, based on the Chartered Engineer's report.
- III. The total differential duty amounting to **₹1,30,83,208/- (Rupees One Crore Thirty Lakh Eighty-Three Thousand Two Hundred Eight only)**, which has not been paid, should not be demanded and recovered under the relevant provisions of the Customs Act, 1962.
- IV. The imported goods, i.e., **"Firecrackers" and "Connection Leads"**, having a total value of **₹4,17,57,600/- (Rupees Four Crore Seventeen Lakh Fifty-Seven Thousand Six Hundred only)**, should not be held liable for confiscation under Sections 111(d), 111(e), 111(l), and 111(m) of the Customs Act, 1962.
- V. The imported goods, i.e., **"Glass Tumblers"**, having a value of **₹3,33,720/- (Rupees Three Lakh Thirty-Three Thousand Seven Hundred Twenty only)**, should not be held liable for confiscation under Section 119 of the Customs Act, 1962.
- VI. The packages and the contents of impugned goods and cover goods used for packing the said goods should not be held liable for confiscation under Section 118 of the Customs Act, 1962.
- VII. Penalty should not be imposed upon M/s Arhant Logistics Company under Section 112(a) or 114A of the Customs Act, 1962.
- VIII. Penalty should not be imposed upon M/s Arhant Logistics Company under Section 114AA of the Customs Act, 1962.
- 15. Now therefore, Shri Dnyaneshwar Raju Dhakate, Proprietor, M/s Arhant Logistics Company, Near Datta Mandir, New Tandapeth, Chandrabhaga Nagar, Nagpur, VTC: Mahatma Phule Bazar S.O., Nagpur, Maharashtra - 440018, is hereby called upon to show cause to**

**the Joint Commissioner of Customs (NS-I), Jawaharlal Nehru Custom House, Nhava Sheva as to why:**

- I. Penalty should not be imposed upon him under Section 112(a) or 114A of the Customs Act, 1962 for his role in import of the impugned goods.
- II. Penalty should not be imposed upon him under Section 114AA of the Customs Act, 1962 for his role in import of the impugned goods.

**16. Now therefore, Shri Moiz Saifuddin Ghoghwala, D/7, Salman Chamber, LBS Marg, near Kalpana Cinema, Kurla (West), Mumbai - 400070, is hereby called upon to show cause to the Joint Commissioner of Customs (NS-I), Jawaharlal Nehru Custom House, Nhava Sheva as to why:**

- I. He should not be held as the "importer" and "beneficial owner" of the seized goods in terms of Section 2(26) and Section 2(3A) of the Customs Act, 1962.
- II. Penalty should not be imposed upon him under Section 112(a) or 114A of the Customs Act, 1962.
- III. Penalty should not be imposed upon him under Section 114AA of the Customs Act, 1962.

**17. Now therefore, Shri Allwyn Anthony Lawrence, Flat no 30 ip no 60, Rameshwari, Near Hanuman Mandir, Parvati Nagar, Nagpur, Maharashtra 440027, is hereby called upon to show cause to the Joint Commissioner of Customs (NS-I), Jawaharlal Nehru Custom House, Nhava Sheva as to why:**

- I. Penalty should not be imposed upon him under Section 112(a) or 114A of the Customs Act, 1962.
- II. Penalty should not be imposed upon him under Section 114AA of the Customs Act, 1962.

**18. Now therefore, Shri Bhushan Sawant, Bhushan Sawant S/o Shri Suryakant Sawant, Yadav Chawl, Near Avinash Hotel, Dawle Nagar, Lokmanya Nagar, Poda No. 3, Thane, Maharashtra 400606, is hereby called upon to show cause to the Joint Commissioner of Customs (NS-I), Jawaharlal Nehru Custom House, Nhava Sheva as to why:**

- I. Penalty should not be imposed upon him under Section 112(a) or 114A of the Customs Act, 1962.
- II. Penalty should not be imposed upon him under Section 114AA of the Customs Act, 1962.

**19. Any representation, oral or written, against this notice shall be made to the Joint Commissioner of Customs, NS-I, JNCH. The aforesaid noticee are required to submit their reply, written or otherwise, himself/themselves or through his/their authorized representative within a period of 30 days of receipt of this Notice. He/they should mention in their written reply as to whether he/they wish to be heard in person before the case is adjudicated. They should note that if no cause is shown within the time limit stipulated in this notice or if the noticees do not appear before the adjudicating authority as and when the case is posted for hearing, the case will be decided ex-parte on the basis of evidence available**

on record without any further reference to them.

**20.** The noticees have an option to make an application under Section 127B of the Act prior to adjudication of this notice, to the Settlement Commission to have the same settled, in such form and in such manner, as specified in the Rules or exercise option of concluding the proceeding under Section 28 (5) of the Act by making payment of the differential duty liability, as detailed supra, along with interest and fifteen percent penalty.

**21.** This notice is issued without prejudice to any other action that may be taken against the noticees or any other person, in this regard, under the Act or under any other law for the time being in force in the Republic of India.

**22.** This show cause notice is issued without any prejudice to the right of the department to add, modify, supplement and/or amend the show cause notice and disclose additional evidence in support of the allegations, before the adjudication of the case.

**23.** The list of the relied upon documents (RUDs) and all the RUDs are enclosed with this SCN.

Digitally signed by  
 Parul Singhal  
 Date: 26-11-2025  
 (डॉ. पारुल सिंहल/Dr. Parul Singhal)  
 Joint Commissioner of Customs,  
 NS-I, JNCH

**Enclosure: -**

1. RUDs as per list.

**Noticees: -**

1. M/s Arhant Logistics Company (IEC- CMQPD626D),  
 Address: Madhusheel Apartment,  
 F 301, P No. 60,  
 Rameshwari, Nagpur - 440027  
 Email: allwyn.arhant@gmail.com
2. Shri Dnyaneshwar Raju Dhakate, Proprietor of M/s Arhant Logistics Company,  
 Address: Near Datta Mandir,  
 New Tandapeth, Chandrabhaga Nagar, Nagpur  
 VTC: Mahatma Phule Bazar S.O.  
 Nagpur, Maharashtra - 440018  
 Email: dnyaneshwardhakate5@gmail.com
3. Shri Moiz Saifuddin Ghoghawala  
 Address: D/7, Salman Chamber,

LBS Marg, near Kalpana Cinema,  
Kurla (West), Mumbai - 400070  
Email: moiz05253@gmail.com

4. Shri Allwyn Anthony Lawrence  
Address: Flat no 30 ip no 60,  
Rameshwari, Near Hanuman Mandir,  
Parvati Nagar, Nagpur, Maharashtra 440027  
Email: allwyn.arhant@gmail.com

5. Shri Bhushan Sawant  
Address: Bhushan Sawant S/o Shri Suryakant Sawant  
Yadav Chawl,  
Near Avinash Hotel, Dawle Nagar,  
Lokmanya Nagar, Poda No. 3,  
Thane, Maharashtra 400606

**Copy to: -**

1. The Dy./Asstt. Commissioner of Customs, SIIB(I), JNCH.
2. The Dy./Asstt. Commissioner of Customs, Adjudication Cell(I), JNCH.
3. The Dy./Asstt. Commissioner of Customs, EDI, JNCH.
4. Notice Board.
5. Office Copy.

**List of Relied Upon Documents (RUDs)**

RUD Sr. No.	Short Description
<b>RUD-1</b>	Hold No. 277/2024-25-SIIB(I) dated 24.12.2024
<b>RUD-2</b>	Panchanama dated 30.12.2024
<b>RUD-3</b>	Seizure Memo No. 109/2024-25 dated 01.01.2025
<b>RUD-4</b>	Chartered Engineer Report dated 12.02.2025
<b>RUD-5</b>	Statement of representative of Shipping Line M/s Evergreen Shipping Agency (India) Pvt Ltd taken on 09.01.2025
<b>RUD-6</b>	Statement of representative of CFS M/s Apollo Logisolutions Ltd taken on 13.01.2025
<b>RUD-7</b>	Statement of importer, Shri Dnyaneshwar Raju Dhakate, M/s Arhant Logistics Company was recorded on 30.01.2025
<b>RUD-8</b>	Search at the premises of Shri Dnyaneshwar Raju Dhakate dated

	16.01.2025
<b>RUD-9</b>	Statement of Shri Dnyaneshwar Raju Dhakate was recorded on 05.02.2025
<b>RUD-10</b>	Statement of Shri Moiz Saifuddin Ghoghwala was recorded on 05.02.2025
<b>RUD-11</b>	Statement of Shri Allwyn Anthony Lawrence was recorded on 05.02.2025
<b>RUD-12</b>	Statement of Shri Bhushan Sawant recorded on 06.02.2025
<b>RUD-13</b>	Commercial Invoice PT2024091411 dated 20.10.2024
<b>RUD-14</b>	Arrest Documents of Shri Moiz Saifuddin Ghoghwala dated 14.02.2025
<b>RUD-15</b>	Arrest Documents of Shri Allwyn Anthony Lawrence dated 14.02.2025
<b>RUD-16</b>	Arrest Documents of Shri Dnyaneshwar Raju Dhakate dated 14.02.2025
<b>RUD-17</b>	DGFT's Import Policy – ITC(HS) 2022: "Fire works" (Fire crackers) in S. No. 229 of Schedule-I of restricted item list.
<b>RUD-18</b>	Kotak Bank Account Statement of Shri Allwyn Anthony Lawrence
<b>RUD-19</b>	Extension for Time Period of Investigation.
<b>RUD-20</b>	Bail Application