



**IN ORDERS IN APPEAL :**

The below mentioned appeals have been filed by the Appellants (hereinafter referred to as 'Appellant No.1 to Appellant No.5) as detailed in the Table against Order-In-Original No. BHV-EXCISE-DIXI-XC-41-2017-18 dated 21.12.2017 (hereinafter referred to as 'the impugned order') passed by Joint Commissioner, CEST and Central Excise, Bhavnagar (hereinafter referred to as 'the lower adjudicating authority') :-

Sr. No.	Appeal No.	Appellant No.	Name of the Appellant
1	V2/546/BVR/2017	Appellant No. 1	M/s. Kiran Ship Breaking Co., Plot No. 82, Ship Breaking Yard, Alang, Post-Munar, Dist. Bhavnagar.
2	V2/549/BVR/2017	Appellant No. 2	Shri Ram Krishna Jain, Partner of M/s. Kiran Ship Breaking Co., Plot No. 82, Ship Breaking Yard, Alang, Post-Munar, Dist. Bhavnagar.
3	V2/31/BVR/2018-19	Appellant No. 3	Shri Vinodbhai Amreshchhai Patel, Plot No. 102, Jeevan Mega City, Opposite Victoria Park, / Plot No. 20, Santosh Park Society, Subhashnagar, Bhavnagar.
4	V2/23/BVR/2018-19	Appellant No. 4	Shri Kishore Anpran Singh Patel, Proprietor of M/s. Shree Krishna Enterprises, 30 <sup>th</sup> , Shoppers Point, Parimal Chowk, Waghawadi Road, Bhavnagar - 364 201.
5	V2/70/BVR/2018-19	Appellant No. 5	Shri Mahendra Anandlal Rana, Partner M/s. Mahab Metal Industries, A-209, Laska Close, Waghawadi Road, Bhavnagar - 364 001.

7. The bitter facts of the case are that Directorate General of Central Excise Intelligence issued Show Cause Notice S.No. DCE-1/AZU/36 326/12-13 dated 6.2.2013 to Appellant No. 1 to Appellant No. 5 alleging clearances of MS Scrap/Plates etc. (hereinafter referred to as 'the said goods') obtained from breaking of ships without CE Invoices, without payment of CE duty and also undervaluing the goods as under :-

- (a) Central Excise duty of Rs.20.25 134/- for re-manufacturing and clearance of finished excisable goods and Central Excise duty of Rs.53 57,44/- on account undervaluation of goods should not be demanded from Appellant No.1 under Section 11A(1) of the Central Excise Act,1944 (hereinafter referred to as 'the Act');
- (b) Interest should not be recovered under Section 11AA of the Act;
- (c) Penalty should not be imposed upon Appellant No. 1 under Section 11AC of the Act;
- (d) Penalty should not be imposed upon Appellant No. 1 under Rule

26(2)(i) of the Central Excise Rules, 2002 (hereinafter referred to as "the CER").

- (e) Penalty should not be imposed upon Appellant No. 2 under Rule 26(1) & 26(2) of the CER.
- (f) Penalty under Rule 26(1) & Rule 26(2) of the CER should not be imposed upon Appellant No. 3 and Appellant No. 4, who concerned themselves in selling of excisable goods in clandestine manner, which they knew and had reason to believe that the same were liable to confiscation.
- (g) Penalty should not be imposed upon Appellant No. 5 under Rule 26(1) of the CER.

2.1. The above SCN was adjudicated by the lower adjudicating authority due to the impugned order as under :-

- (i) confirmed demand of CE duty of Rs. 79,12,581/- under Section 11A of the Act along with interest under Section 11AA and also imposed penalty of Rs. 79,12,581/- upon Appellant No. 1 under Section 11AC of the Act and gave option to pay penalty @ 25 % of demand confirmed, if demand along with interest and reduced penalty, all are paid within 90 days of the receipt of the impugned order;
- (ii) imposed penalty of Rs. 2,29,320/- under Rule 26(2)(i) of the CER on Appellant No. 1;
- (iii) Imposed penalty of Rs. 8 lakhs under Rule 26(1) of the CER and Rs. 2,29,320/- under Rule 26(2)(i) of CER on Appellant No. 2;
- (iv) imposed penalty of Rs. 6,46,725/- on each of Appellant No. 3 and Appellant No. 4 under Rule 26(2) of the CER;
- (v) imposed penalty of Rs. 2,29,320/- under Rule 26(2) of the CER on each Appellant No. 3 and Appellant No. 4;
- (vi) imposed penalty of Rs. 1,05,176/- under Rule 26(1) of the CER on Appellant No. 5.

3. Being aggrieved with the impugned order, Appellant No.1 to Appellant No. 5 preferred appeals, inter-alia, on the various grounds as under :

Sd/-

**Appellant No. 1 :-**

i) The impugned order has been passed only on the basis of the third party's evidences; that the lower adjudicating authority has not given specific findings while passing the Impugned order and relied upon the pocket books, diaries, etc. seized from the off-shore residence premises of Shri Vinod Patel and Shri. Kishore Patel; that cross examination of brokers, transporters, agencies have not been granted and therefore, the impugned order is not proper; that statements of third persons like, vehicle owner / transport agencies / agencies cannot be relied upon without any corroborative evidence; that they relied upon the case laws as under :-

- (a) Manakani Dyeing Mills reported as 2016 (343) ELT 451 (Tribhd)
- (b) A. J. Jays Alloy Pvt. Ltd. reported as 2016 (338) ELT 749 (Tribhd)
- (c) Jinal Drugs Pvt. Ltd. reported as 2016 (340) ELT 67 (Tribhd)

ii) The lower adjudicating authority has erred in recording findings that the seized private records have been corroborated on the basis of statements of brokers, transporters, etc. as these are nothing but the third party evidences; that the private records/diaries, trip registers, records and register of Gujarat Maritime Board, statements of brokers are not direct material evidences; that the charge of clandestine removal is unproven, it is established along with data of the production, electricity and raw material consumed from which the final product had been manufactured and cash flow back; that permission to cross examine the witness had not been granted; that they have sold only one proper "white hard" to M/s. Marul Metal Industries, Bhavnagar through Appellant No. 3 and thus, the impugned order has been passed only on the basis of presumption and assumption.

iii) The charge of clandestine removal of the excisable goods involving duty of Rs. 83,415/- has been confirmed on the basis of entry of cash payment received from Appellant No. 3 (Shri Vinod Patel) which was found from pocket books seized from Appellant No. 3 without ascertaining the name of buyers and therefore, charges of clandestine removal cannot be proved in this regard.

iv) The charge of clandestine removal of the excisable goods involving duty of Rs. 97,828/- as calculated in Annexure V-C-2 has not been proved with

corroborative evidences, names of end buyers have not been ascertained, details of weightment slips and flow back of sales proceeds have not been adduced.

e) The charge of fraudulent removal of the cartable goods framed on the basis of instant pocket diaries, involving CF duty of Rs. 7,61,458/- as stipulated in Annexure K&S 1, has not been proved, as nature of the goods and means of transport has not been proved; that investigation has not taken up matter at buyer's end and therefore, instant charge of clandestine removal of goods cannot be sustained.

f) The said goods were sold by them at the factory gate and transportation of the said goods used to be managed by the buyers of the goods or by the brokers on their behalf and the freight charges were also paid by the buyers and after passing of the trucks (cartable) with goods from the factory gate, there was no control of Appellant No. 1; that it is the fact that Appellant No. 1 had received sales proceeds of the goods from the concerned buyers either through cheques or through KFS and therefore, the charge of passing of fraudulently Central Credit of Rs. 2,29,320/- based on seized private records is not correct; no penalty is imposable on Appellant No. 1 in this regard.

g) Regarding confirmation of differential CE duty (Annexure DV-1 to the Show Cause Notice) in respect of undervaluation of the goods Appellant No. 1 submitted that they have assessed goods at Transaction Value as per Section 4 of the Act; that sales quoted by M/s. Major and Minor, as well as other agencies/person cannot be considered as actual sales; that differentiating invoices on the basis of price mentioned by agency is not legal and proper; that the prices circulated by the market research agencies cannot be taken as Transaction value under Section 4 of the Act for the goods sold by the appellants; that the lower adjudicating authority has not established that Appellant No. 1 actually received money over and above the amount shown in the respective consignments and therefore, the impugned order confirming differential CE duty on the charge of under-valuation is not correct.

h) The Show Cause Notice dated 6.2.2013 is firm basis, as documents were seized under Panchinama dated 30.3.2010 and dated 6.7.2010 and statement of Appellant No. 2 was recorded on 23.11.2012.

ix) Regarding Imposition of penalty of Rs. 79,12,581/- under Section 11AC of the Act and Rs. 2,29,370/- under Rule 26(2) of the CER, Appellant No. 1 submitted that the impugned order has not mentioned any section or rule of the Central Excise Law under which penalty has been <sup>imposed</sup> and therefore, they could not defend this charge; that there is no mala fide involved and therefore, Imposition of penalty under Section 11AC of the Act is illegal.

x) Appellant No. 2 is also not liable to penalty under Rule 26(1) and under Rule 26(2) of the CER; that case laws cited by the lower adjudicating authority is not applicable to their case; that Appellant's relied upon the following case laws :

- (a) Panmababh Dyeing & Finishing Works 1997(00)ELT343(Tri)
- (b) Sangemermar India Pvt. Ltd. 2003(158)ELT703(Tri)
- (c) Essvee Polymers P. Ltd. 2004(165)ELT291(Tri)
- (d) Peshwar Cement Ltd. 2003(160)ELT213(Tri)
- (e) Kapada Dyeing Finishing 2005(124)ELT824(Tri)
- (f) Om Aluminium Pvt. Ltd. 2014(131)ELT354(Tri)
- (g) Bayrang Lusting Ltd. Order No. A/11003-11334/2015 dtd 17.7.2015.

#### **Appellant No. 2 :-**

3.1 Appellant No. 2 reiterated submissions made by Appellant No. 1 against imposition of penalty of Rs. 8 Lakhs under Rule 26(1) of the CER and Imposition of penalty of Rs. 2,20,770/- under Rule 26(2) of the CER, Appellant No. 2 reiterated submissions relied in respect of Appellant No. 1.

#### **Appellant No. 3 & Appellant No. 4 :-**

(i) Appellant No. 3 and Appellant No. 4 reiterated the contention made by Appellant No. 1 that request for cross examination of Shri Mahendrabhai A. Kano, Partner of M/s. Maruti Metal Industries, Bhavnagar has not been entertained and therefore, principle of natural Justice has been violated; that the lower adjudicating authority has not recorded findings regarding request made for cross examination of Smt Mahendra Kano, Partner of M/s. Maruti Metal Industries (Appellant No. 5) and in this regard relied upon the following case laws :-

(i) L. Chandrasekar	1990 (48)ELT268 (T1)
(ii) Lakshmi Spinners	2001 (131) ELT 566 (T1)
(iii) Sharma Chemicals	2001 (130) ELT 271 (T1)

(ii) The Impugned order is non speaking and non reasons. Inasmuch as the lower adjudicating authority has not dealt the pleas made by them in their written submission and judgments referred to have been completely ignored; that the impugned order is issued against principle of natural justice as relied upon documents to defend have not been supplied to them; that diary/notebook recovered during the search conducted by the officers do not contain details of clandestine removals made out by the Department, but it is just estimates, and thus the Department has not discharged burden of proof cast upon them; that details regarding illicitly cleared goods and its purchaser has not been provided; that findings of the lower adjudicating authority that they have indulged in clandestine removal of the goods involving duty of Rs. 6,46,720/- (Rs. 4,55,478/- (+) Rs. 97,820/- (+) Rs. 81,414/-) as per Annexure - WX-1 and Annexure - WK-2 is not correct and thus, penalty under Rule 26 of the CER is not imposable on them; that they relied upon Sadraj Bowee & Mfg. Co reported as 2002 (148) ELT 161 (1) and Ram Nath Singh reported as 2003 (151) ELT 451 (T1).

(iii) Regarding penalty of Rs. 7,29,320/- under Rule 26(2) of the CER, Appellant No. 3 & 4 contended that the lower adjudicating authority has gone beyond scope of the Show Cause Notice as no proposal to impose penalty under Rule 26(2) of the CER has been made.

(iv) Penalty imposed on carrier of Appellant No. 2 is Rs. 8 lacs, against total duty evasion of Rs. 79,12,561/- and therefore, imposition of penalty of Rs. 8,46,720/- on them works out to 10% of the duty evasion and therefore, it is illogical and not reasonable; that therefore Appellant No. 3 and Appellant No. 4 are not liable to penalty under Rule 25(1) and Rule 25(2) of the Rules.



**Appellant No. 5 :-**

The Impugned order is non-speaking and non-reasoned, that the lower adjudicating authority has not dealt with all arguments and case laws cited by Appellant; that he is not liable to penalty under Rule 26 of the CER as the fact of clandestine purchase of the goods is not proved; that he has not dealt with the taxable goods which he knew were liable for confiscation and therefore, penalty under Rule 26(1) cannot be imposed on him.

**4. Submissions during Personal Hearing :-**

4.1 During course of personal hearing Shri M. K. Maru, Consultant appearing for Appellant No. 1 to Appellant No.2 reiterated the grounds of appeals and submitted that the impugned order has been passed without considering their submissions; that request to cross-examine transporters / transport agencies, agencies have not been considered and therefore, provisions of Section 9D of the Act has not been considered; that demand of CE duty has been made not only on the basis of third party's oral statement and documentary evidences recovered from transporters, brokers, agencies; that Appellant No. 2 has not confessed charges leveled in the Show Cause Notice; that the charge of clandestine removal has to be established on the basis of corroborative evidences of clandestine procurement of raw material, consumption of electricity, man-power required and data of production etc. and therefore, the impugned order is required to be set aside; that the lower adjudicating authority has erred in confirming demand of CE of Rs. 1,07,456/- as per Annexure - KTS-1, which is based upon seized pocket diaries; that the means of transport has not been established; that the lower adjudicating authority has also erred in sustaining the charge of fraudulent passing of Cenvat credit of Rs. 2,79,320/- as the goods were sold at ex-factory gate and the transportation of the goods were managed by buyers on which they had no control; that payments have been received through R/GS or cheques and therefore, it cannot be said that they passed on wrong Cenvat credit; that the lower adjudicating authority has wrongly imposed penalty under Rule 26(2)(1) of the CER on Appellant No. 1 and Appellant No. 2; that they have sold





the goods as per provisions of Section 4 of the Act and therefore, the demand of CF duty of Rs. 58,87,947/- has been wrongly sustained on the ground of under valuation of the goods as per Annexure – DV – covering 2318 consignments/transactions; that the charge of under valuation cannot be sustained bases on rates decided on the basis of market research agency; that the Show Cause Notice is time barred as documents were seized under Parchnama dated 6.7.2010 and dated 30.9.2010 and statement of partner of Appellant No. 1 was recorded on 23.11.2012 and therefore, the Show Cause Notice dated 6.2.2013 is time-barred; that in view of above both the appellants are not required to be penalized.

4.2 During course of personal hearing Shri M. N. Vaasdarva, Advocate, Consultant appearing for Appellant No. 3 to Appellant No.5 reiterated the grounds of appeals. In regard of Appellant No. 3 and Appellant No. 4 he submitted that they sought cross examination of Shri Mahendra Rana, Partner of M/s. Maruti Metal Industries (Appellant No. 5), but the same has not been allowed; that the Show Cause Notice has been issued after 3 years of recovery of documents; that Appellant No. 3 and Appellant No. 4 are not involved in passing of goods credit without supply of goods; that just because both brothers, i.e. Appellant No. 3 and Appellant No. 4 lived in the same house at the relevant time, it did not mean that they were conducting their business together; that penalty of Rs. 6,46,720/- under Rule 26 of the CFR is not imposable on them; that only few entries in Diaries were tallied with those of Storage device as corroboration; that Diaries No. A/7, A/9, pen drive and CD recovered from the residence of Appellant No. 3 and Appellant No. 4 contained details of Estimates only; that data retrieved from CD were just accounting practice on Sundays, hence, it cannot be concluded that the entries retrieved from CD are of clandestine removal and therefore, no penalty is imposable under Rule 26(1) of the CFR,

4.2.1 During personal hearing Shri M. N. Vaasdarva, Advocate, appearing for Appellant No. 5 reiterated the grounds of appeals and submitted that data which had been retrieved from Compact Disk (CD)

had been made by Appellant No. 3 on Sundays is accounting practice and therefore, it cannot be concluded that the entries reflected from CO were pertaining to clandestine removal; that no penalty is imposed under Rule 26(1) on Appellant No. 5.

**Findings :-**

5. I have gone through the Appeal papers and find that Appellant No. 3 to Appellant No. 5 filed applications for condonation of delay in filing of appeals by 25 days, 25 days and 30 days respectively beyond normal appeal period of 60 days, but within further period of 30 days and given various reasons for filing of appeals late. I condone delay in filing of appeals by these three Appellants and proceed to decide all 3 appeals on merits.

5.1 I have carefully gone through the facts of the case, the impugned order and written as well as oral submissions made by the Appellants. The issues to be decided in these appeals are as under :-

- (a) Whether Appellant No. 1 has clandestinely manufactured and cleared finished excisable goods attracting CF duty of Rs. 20,26,134/- and Rs. 58,87,447/- on account of under valuation should be recovered from them along with interest;
- (b) Whether penalty of Rs. 74,12,581/- imposed upon Appellant No. 1 under Section 11A(i) of the Act read with Rule 25 of the CER is justified;
- (c) Whether penalty of Rs. 7,29,320/- imposed on Appellant No. 1 under Rule 26(2) of the CER is correct;
- (d) Whether penalty of Rs. 8 lacs under Rule 26(1) of the CER and Rs. 7,29,320/- under Rule 26(2) of the CER imposed on Appellant No. 2 is correct;
- (e) Whether penalty of Rs. 6,16,720/- imposed on each of Appellant No. 2 and on Appellant No. 4 each under Rule 26(1) of the CER is proper;
- (f) Whether penalty of Rs. 7,29,320/- imposed on Appellant No. 3 and Appellant No. 4 under Rule 26(2) of the CER is correct;
- (g) Whether penalty of Rs. 4,65,478/- again imposed on Appellant No. 5 under Rule 26(1) of the CER is correct?

*(Signature)*

6. I find that the officers of DGCET conducted coordinated search and inquiry at the offices of the appellants, various Brokers, Promoters, Transporters, Gujarat Maritime Board (GMB), Agents, market research agencies, etc., from where incriminating documents like Diaries, Note books, Registers, permits/trip registers, etc. were recovered and statements of concerned persons recorded under Section 14 of the Act.

6.1 I find from the statements of Appellant No. 2, Appellant No. 3, Appellant No. 4 & Appellant No. 5 and the entries recorded in the Diaries/Note books/Registers/permits, etc. recovered during search and the manufacture and clearance of excisable goods, namely, MS Plates, MS Scrap, etc. to buyers were made against unaccounted / cash transactions. The Appellants recorded unaccounted transactions in their private records and expander the details of these private records and the transactions recorded therein. Appellant No. 2, Partner of Appellant No. 1 through statement dated 23.11.2017, has *admittedly* accepted clandestine removal of the excisable goods by Appellant No. 1 as reproduced at Para 7 of the Show Cause Notice and these are as under :-

**Question - B:** You are being shown the trip registers of following transporters, having their offices in Udhavpura. These trip registers are recovered from the respective transporters during the searches conducted by the officers of DGCET, Ahmedabad during the year 2010:

- a. Shival Transport
- b. Bhavik's Romgira Carriers
- c. Bikaner Baniad Harjana Roadlines
- d. Luchama Gujarat Roadlines
- e. New Jai Shankar Transport Co.
- f. Shri Gaurangal Road Carriers
- g. Vandhvan Transport

The above transporters have maintained trip registers in their own manner/method. The details therein relate date, name of the person who

M. No. DLCKR/AZU/36-326/2012-12

loaded the truck since at that number from where goods were to be loaded, registration number of truck which was sent for loading the goods, description, in which which goods were to be transported etc. Please see para 10.

Answer - 9: Yes, I have seen all such registers and confirm that wherever the entry shows plate number 82, it pertains to either one of the trucks of the owner made by our business through whom the goods are sent.

Question - 10: You are being shown the statements of responsible persons of above mentioned transporters with in their respective statements, explained that as at the vehicle/truck is supplied to trading party, it was loaded with the goods and goods were transported outside along with trucking party. After going through the statements of the transporters, please give your explanation.

Answer - 10: I have gone through the statements of the above mentioned transporters. It is agreed that in most of the cases when the vehicle was indentified by us and it is loaded with the goods from our unit. But sometimes due to non agreement with the driver of the truck about the load to be carried, or for any other reason, the vehicle so indentified was not loaded from our unit.

Question - 11: You are also shown Annexure-TR.2, prepared on the basis of the above said details of trucks indentified for loading of cargo from the Plate number 82 which represents your company. Please see the working? and confirm.

Answer - 11: I have seen the Annexure-TR.2. After going through the entries mentioned therein, I confirm that the trucks showing indent of trucks and trucks supplied, belongs to number 82, along.

Question - 12: The details of above said Annexure-TR.2 were compared with the details issued by your company, Annexure-TR.1, showing the comparison of details of trucks supplied to you as mentioned in the copy registers of above mentioned and invoices issued, on the successive dates or next day, is prepared. Please see and offer your comments.

Answer - 12: I have seen the Annexure-TR.1 and the comparison of invoices issued by my unit. I agree that the trucks mentioned in above were either indentified by us or by the traders and were loaded from my unit and business called with your business confirm the loading of goods from my unit.

Question - 13: As per our understanding, in majority of the cases, the details of trucks supplied by the above transporters for loading of cargo from your company called with the clearance of cargo by your company and invoices issued, but in some cases, no trucks would be found corresponding to the details of trucks supplied to your company by above transporters for loading of cargo. Annexure-TR.1 and Annexure-TR.2 are being prepared. Please examine the same and give your explanation.

Answer - 13: I have seen Annexure-TR.2 and confirm regarding to the same. I cannot comment on the vehicle made by transporters responsible. However, my vehicle always are well loaded through agents. Agent Name: \_\_\_\_\_

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trucks from transportation. It may be possible that agencies might have tracked trucks going into the numbers system but actually trucks might have been loaded from other ports.

Question - 13: Do you know the Guatemaltecos Group having control over the Alineo Shipping, vessels not registered to the shipping/tracker having registration with ITC, other than Washington GMR also not having a gate entry registers at the main gate of ship breaking yard. It contains the ship name details registered, vessel number called in the vehicle entering the yard, location of entry in the ship breaking yard and their line of departure from the yard. ITCSE could obtain some of such gate registers from ITC. You are being shown the details of some registers contained in the protocols. The details of the trucks loaded in your company by vehicle transponders, including the trucks for which no numbers appear to be issued, appear unsorted and it can be seen that such trucks were there in the ship breaking yard for more than 6 to 7 hours which can be considered as a normal loading time. After seeing the above details, do you agree that for certain trucks suggested to just normally for loading of some were loaded from your company but no numbers were issued for containers made through such trucks?

Answer - 13: I have seen the details in ITC registers and I have also seen that in case of the trucks appearing in Annexure TR.1.2, ITCD permit is issued. It therefore shows that such trucks were kept at such yards from any one of yards in Alineo Ship breaking yard. As stated above when the agent is not trucks for loading, it might happen that trucks went to some other place and get load of. Since it is not loaded from our yard, no number was issued by our unit.

Question - 14: Do you agree that the trucks detailed in Annexure TR.1.2 prepared in respect of your container, were loaded from your company and scrap was returned without issue of any other permits and without payment of General Excise duty?

Answer - 14: I agree that the trucks mentioned in Annexure TR.1.2 are not loaded from our yard.

Question - 15: Do you confirm that intent for such to load the scrap from your yard, is placed with transponders only after the gate seal is furnished?

Answer - 15: Normally, the normal trucks for ship transportation come to ship-breaking yard and to break scrap. For that I have the 2-10-16 trucks for day exclusively for goods to be transported to Alineo Shipbreaking yard for scrap sale to small buyers within yard. In case of some foreign broker, it is broker who handles for the truck and I agree that the trucks might for such only after the gate is furnished.

Question - 16: How can you say that your agency does not intend trucks on your plot number which are not intended to be loaded from your yard?

Answer - 16: I do not know that our agency always puts its trucks on our plot number. Because certain trucks loaded on our plot have not reached our plot and not issued from our plot. I presume this could be due of the yard being.

Question - 17: You have seen the Annexure-TR 1. Do you agree that 64 entries appearing in these pertains to invoices for trucks made by you in some of the cases and in most of the cases brokers have indexed the trucks?

Answer - 17: I have once again seen the Annexure-TR 1 and I confirm that based on the data available in transactions' registers, if it correct, however, I cannot confirm whether these trucks in fact were received and put No. 92 and got loaded on that day.

Question - 18: You have seen the Annexure-TR 1. Do you agree that out of 64 entries appearing in these pertaining to invoices for trucks to load scrips from your unit, to 24 trucks trucks are issued by your unit?

Answer - 18: I agree once again seen the Annexure-TR 1 and I confirm that on comparing the entries of trucks supplied by the transactions with invoices issued by my unit, it is correct.

Question - 19: What can be the reason for no invoices appear to be issued in case of remaining 20 entries?

Answer - 19: I have again searched in these cases, the trucks have not come to our pier No. 92 and no goods were cleared through these trucks from our pier.

Question - 20: Do you know Sun Chand Shaha of Dharmagam who is working as a broker of ship brokering materials? How do you do any business or sale of ship brokering scrips of your company through him?

Answer - 20: Yes, I know Sun Chand Shaha. He is one of the major brokers in Dharmagam. We have sold scrips through him.

Question - 21: Do you know Sun Vinod Patel and Sun Nether Patel of Dharmagam who are engaged in business of ship brokering materials or inter-mediate?

Answer - 21: Yes, I do know them. They are brokers of ship brokering materials in Dharmagam.

Question - 22: The office of DIG (S), Dharmagam conducted search in the residence and business premises of Sun Vinod Patel and Sun Nether Sun Nether Patel on 21/01/2001. During the search, certain private records including airtels were recovered from his premises and neighborhood by the officers. The details maintained by Sun Vinod Patel are written in approved and sealed manner. To get the explanation about the details written in the said document, statements of Sun Vinod Patel were recorded during my investigation. He is ready to be interrogated the details written by him in the above said entries. You are being advised all the statements of Sun Vinod Patel after going through the same, please give your comments.

Answer - 22: I have gone through the explanations given by Sun Vinod Patel and after having the records and details therein, I agree with finding in respect of the airtels seized.

Question - 23: You are being shown one page no. 57 of airtel No. 2001/1800. The entry appears at right hand side below row marked by asterisk.

1800. 28/22      Muzumdar

B. No. DC-107, 257, 27-280, 2012-11

Reviewing of the above entry it can be seen that 1000 meters Su 200,000/- received, 25/11 is the date of receipt of 25-11-2009. Attach means name of the person of M/s. Kiron Ship Breaking Company and (22) means Plot No. 22 of ship breaking yard, along of M/s. Kiron Ship Breaking Company. This entry shows that cash of Rs. 1,00,000/- was paid by Shri Vinod Patel to M/s. Kiron Ship Breaking Company.

Why did Shri Vinod Patel paid your company No. 200,000/- on 25-11-2009? Do you agree that the above amount was paid in cash to your company against the sale of ship breaking material sold directly through Shri Vinod Patel?

Answer - 23: I have seen the above entry in private diary A/S of Shri Vinod Patel. In this connection I state that we have not received any cash amount from Shri Vinod Patel. We do not have any employee or person in the name of Shri Vinod Patel. Therefore, I have no comment on the entry made by Shri Vinod Patel in his diary.

Question - 24: You are being shown one page no. 45 of diary no. 424. The entry appears in German as under:

Left side	Right side
20000 / 7/10 / Kiron Ship	20000 / 7/10 / Pragma

From reviewing of the above entry it can be seen that on left hand side 20000 meters Su 20,00,000/- received, 7/10 is the date of receipt, Kiron means M/s. Kiron Ship Breaking Company, 22 denotes Rajarati Amba, refers to Angara. On the right hand side 20000 meters Su 20,00,000/- paid to Pragma, which is an Angara company by Rajarati Amba.

Why did you pay Rs. 20,00,000/- to Rajarati Amba on 07-10-2009? Why was it to be delivered? Do you agree that the above amount was paid in cash to Rajarati Amba against payment received in cheque for sale of industrial material?

Answer - 24: I have seen the above entry in private diary A/S of Shri Vinod Patel. In this connection I state that I have not paid any amount to Shri Vinod Patel. I cannot offer comment on the entry made in his diary.

Question - 25: You may please Pages No. 74 of Postal Diary marked as 'A/7' seized from Shri Vinod Patel on 26-02-2010. On the basis of information available in the said diary, Question - A/2 is proposed. As per this entry, your company had supplied material but no Central Excise Invoice was raised. Do you agree?

Answer - 25: I have seen Page No. 74 of postal diary marked 'A/7' of Shri Vinod Patel. I do not have any knowledge regarding any cash payment provided to Shri Vinod Patel. Moreover, I have no comments to offer on the entry made in his private diary.

Question - 26: You may please page No. 72 & 73 of Postal Diary marked as 'A/9' seized from Shri Vinod Patel on 26-02-2010. In these pages, Shri Vinod Patel has shown purchase of materials from your plant.

A. No. 12/743 (9-09/2017) dt. 20.03.2018

broaching yard No. 82. No Central Excise Invoice was issued on those dates for these materials. Do you agree?

Answer - 26: I have seen Page No. 61 to 75 of pocket diary marked 14/10 of Shri Vinod Patel. I do not have any knowledge regarding any such material supplied to Shri Vinod Patel. Moreover, I have no comments to offer on the entries made in his private diary.

Question - 27: You may peruse page No. 18 of Pocket Diary marked as 14/10 of Shri Vinod Patel on 30-08-2010. In these pages, Shri Vinod Patel has shown purchase of materials from your ship broaching yard No. 82. No Central Excise Invoice was issued on those dates for these materials. Do you agree?

Answer - 27: I have seen Page No. 18 of pocket diary marked 14/10 of Shri Vinod Patel. I do not have any knowledge regarding any such material supplied to Shri Vinod Patel. Moreover, I have no comments to offer on the entries made in his private diary.

Question - 28: As per the information received from Shri Vinod Patel (contained in CD) on 26-02-2010, your company has supplied 'White Iron' (propeller) on 01-04-2008 to M/s. General Metal Industries, Bhavnagar through Shri Vinod Patel. This is Central Excise Invoice No. 1015 issued for the consignment. Do you agree?

Answer - 28: I state that as per my knowledge, the above said ship and propeller viz. 'White Iron' is M/s. Vinod Patel's property, Bhavnagar through Shri Vinod Patel. This material was shipped under Invoice No. 252 dated 1-04-2008. The date above is 01-04-2008 is not correct. We have paid Central Excise duty on discharge of the consignment.

10.7.4.3 Shri. Kishu Kishore Jain who peruse the above page No. 65 of the diary A/5 and he was asked about the nature of work transacting with according to statement of 20.11.2017. The questions put to him and the answers given to him are reproduced herein below:-

Question - 29: You may peruse page no. 45 of diary no. 82. The ship's company will have made an entry

Expenditure - 1 year 1000/-  
2000/- 2/10, 10000/- 10/10, 10000/- 10/10

Recording of the above entry it can be seen that in April 2000y material No. 20000000- received, 7000 is the cost of material. Shri Vinod Patel, Shri Vinod Patel Broaching Company, 11, Shri Vinod Patel, Agoda, Agoda. On the 15th June 2000 received No. 20000000- part of 1000000, which is the material supplied by Shri Vinod Patel. This is not the material. On 15.06.2000 in Agoda, the CD No. 20000- the cost of 1000000. Do you agree that the above account was paid in cash to Shri Vinod Patel against payment received in cheque for cost of material without supplying receipt?

Answer - 29: I have seen the above entry in private diary A/5 of Shri Vinod Patel. In this connection I state that I have not paid any amount to Shri Vinod Patel. I cannot offer comment on the entry made in the diary.

*[Handwritten signature]*



6.2 Statements of brokers, namely, Suresh Toay Sharda on 23.8.2011, Suresh Gupta on 24.8.2011, Pham Sharma on 24.8.2011, Vinod Bhanuani on 24.8.2011, Manoj Gupta on 24.8.2011, Jagan Agrawal on 24.8.2011, Pradip Gupta on 25.8.2011, Chammundra H. Sanghvi on 25.08.2011 and Indrapal Yadav on 25.8.2011 were recorded under Section 14 of the Act who were involved in the unaccounted clearances of the excisable goods of Appellant No. 1 wherein they have signed their respective statements recorded under Section 14 of the Act which has been summarized at Para 4.9.13 of the Show Cause Notice as under :

4.9.13. Out-come of investigation from brokers with reference to CTR registers -

4.9.13(a) On perusal of the statements of the various brokers, as mentioned above, it is revealed that these brokers are doing the business of booking of ship-breaking cargo for more than 5 to 10 years and some of them are dealing with ship-breaking cargo for more than 30 years and as such they have vast and in-depth knowledge of business of booking in the said business. These brokers have stated & given the names/details of the ship-breaking units to whom they acted as broker, which includes M/s. KTRM Ship Breaking Company. They have given the names of Rolling Mills/ Industrial Furnace units/traders to whom the scrap/plates were sold by the ship-breaking units through their brokers. They have also given the details of transporters who have transported the goods from ship-breaking yard to the respective

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statements of the transporter, without they have also provided the details about the invoices for forwarding the order to supply of cargo trucks for general trucking used in loading. The transporter is providing of trucks to the specific plot of ship-breaking yards.

4.9.18 (ii) From the trip/booking register maintained by the transporters as discussed hereinabove, it is observed that these trip/booking registers contain the details such as date on which truck was sent to respective ship-breaking unit, truck number, destination, name of the broker, weight of the goods to be transported, description of the goods, plot number of the ship-breaking unit, etc. The key persons of the transporters have also independently submitted in their respective statements that the truck was travelling under the plot number of the ship-breaking unit mentioned therein and the goods were transported on the respective dates to the destinations mentioned in the ship-book registers.

4.9.18 (iii) Now, when the details of ship-breaking units with which the trucks used to deal with are stated by them in their respective statements, as compared with the details of ship-breaking units mentioned in the trip/booking registers against the respective brokers, it is observed that both the details are found to be identical. It is therefore clear that the details mentioned in the trip/booking registers maintained by the different transporters regarding the transportation of cargo/trucks from the respective ship-breaking units through other details are true and correct and of such veridicalness or these trip/booking registers are beyond beyond doubt. The voluntarily statements of the brokers further corroborated the details mentioned in the said trip/booking registers & the statements of the respective transporters.

6.3 The statements of transporters, namely, M/s. R. K. Transport Company on 7.4.2011, 15.6.2011; M/s. Bhumi Transport on 4.10.2010, 6.4.2011, 15.6.2011 and M/s. Bikaner Brijan Haryana Roadlines on 6.4.2011, 15.6.2011, M/s. Daluda Jampur Carriers on 6.4.2011, 29.6.2011, M/s. New Jeebhakar Transport on 4.10.2010, 6.4.2011, 6.7.2011, M/s. Vardhman Transport on 6.4.2011, 25.6.2011, M/s. Street Gunjwara Road Carriers on 24.2.2011, 6.4.2011, M/s. Udharu Gujarat Roadlines on 6.4.2011, 15.6.2011, etc. were recorded under Section 14 of the Act and these statements revealed that Appellant No. 1 was involved in clearance of unaccounted and non-duty paid taxable goods; that the transporters did not have their own trucks and they supplied trucks to Appellant No. 1 on commission basis; that they noted down truck number, plot number of ship-breaker, in their Booking / Trip / Day Registers along with the corresponding invoices, however,

where no invoice was issued, nothing was mentioned in their registers. I find that the records recovered from transporters have been decoded, explained and summarized in very elaborate manner by incorporating scanned images of documents/records from Page No. 7 to Page No. 57 of the Show Cause Notice. The investigation also gathered details from the register maintained at the gate by the officials of Gujarat Maritime Board and the cover adjudicating authority has recorded as under :-

3.7.1 The investigation conducted with transporters and from the statements recorded of different transport operators revealed that whenever the entries were made in the registers of transport operators, the goods were certainly loaded from the ship breaking yard. The details are entered in the following register maintained by the transporters and trucks provided by them to the ship breaking units (wagon having weight from 24 MT to 28 MT) were transported. The loading of truck and its entry in Alang ship breaking yard was further confirmed by the registers maintained by the GMB. Shri Ram Krishna Jain, Partner of M/s Kiran gave statement before DGCEI, he was confronted with the entries found in the registers of the transporters where no corresponding invoices were found to be issued by them or by their group of companies but he could not tender any tangible explanation and in turn stated that trucks were not loaded from units and such entries were cancelled. Shri Ram Krishna Jain stated in his statement that the truck bookings were cancelled in few cases however, his reply regarding cancellation of trucks did not stand any firm ground and answers given during the recording of the statement were not satisfactory.

3.7.2 As per the prevailing practice for transport of scrap from Alang, the drivers pay entry fee to GMB and bring their trucks inside ship recycling yard only when they are sure of getting full truck load and agreed freight charges. Further from the statement of the transporters it is clear and undisputed fact that the tenders for trucks were always placed after the sale deal was finalized so as to avoid any kind of unnecessary charges to be paid to the truck owners. Further, I find that there is no scope or any other truck to get the goods for loading directly in the event of cancellation by some ship breakers. Therefore, I find that once the deal is finalized between buyer and seller, then only the transporter operators are contacted and truck is booked for loading of goods from the intended ship recycling yard. The facts is further supported by the entry made in the GMB register and fees paid by the truck owner for entering in the ship recycling yard, Alang. The statements of transport operators are supported by the entries in the GMB registers and further corroborated by non satisfactory reply given by Shri Ram Krishna Jain in this regard. Further, Shri Ram Krishna Jain was not able to give any satisfactory proof regarding cancellation of trucks and deals with the buyers regarding entries that have not been cancelled with the owner of GMB and entries in the register of transport operators. Thus, from the procedure prepared on the basis of registers of transporters, registers of GMB and on the basis of average load carried by the truck from the premises of M/s. Kiran I find that excisable goods as worked

out in Annexure 1A 1.2, obtained from ship breaking yard was removed clandestinely without issuance of proper Central Excise invoice and without payment of proper Central Excise duty.

3.7.3 It is note-worthy to mention that the Trip/Booking Registers are maintained by the transporters in their ordinary course of business and Truck Number and Name of the Broker mentioned in the Trip Register are also tallied with the details of the invoices issued by the Ship Breakers. Thus, authenticity of Trip / Booking Registers maintained by them cannot be called in question in view of its corroboration with the records of GMR. I, therefore, find that in respect of those entries contained in Trip/Booking Registers, pertaining to M/s Kiran where no corresponding invoices are issued, goods have been cleared clandestinely without payment of Central Excise duty by M/s Kiran. Accordingly, allegation in the Show Cause Notice that M/s Kiran has cleared the ship-breaking goods is proved. I, therefore, find that in respect of those entries contained in Trip/Booking Registers pertaining to M/s. Kiran where no corresponding invoices are issued, goods have been cleared clandestinely without payment of Central Excise duty by M/s Kiran. Therefore, from the outcome of the investigation with transporter and evidences obtained from GMR, I find that M/s. Kiran has evaded Central Excise duty by clandestine removal of excisable goods.

3.8 The DGCEI also conducted inquiry with Transporters, Brokers, GMR authorities, research agencies with regard to valuation of scrap and Advance Inv. I etc. to unearth the illicit activities of clandestine removal of goods, supply of proxy invoices, diversion of goods and undervaluation of goods. The perusal of statements of Angelia revealed that they were engaged in transfer of cash amounts pertaining to Ship breaking unit and its related units. They have accepted that they were used to transfer amounts on behalf of ship breaking units, rolling mill units, furnace units, dealers, traders and brokers. The Trip/Booking registers, maintained by the transporters mentions about deployment of vehicles for loading at various ship-breaking units. The register maintained by GMR at Alang is containing details of arrival of vehicles at the respective port as per the entries available in Trip/Booking Registers maintained by the Transporters and thereby supporting the entries maintained by Transporters.

6.4 Appellant No. 1 has contended that the lower adjudicating authority has not allowed cross-examination of the transporter, Shri Mahendrabhai Rana etc. and therefore, the principles of natural justice have been violated. In this regard, I find that the lower adjudicating authority has held as under:-

“3.11.1 I further find that there is no provision in the Central Excise Law for seeking cross-examination. *Harika Mehta, High Court in the case of K. Raju vs. Govt. of India reported in 1982 ELT(DT)350/Mehta*, has held that right to cross-examination is not necessarily a part of reasonable opportunity and depends upon the facts and circumstances of each case. It largely depends upon the adjudicating authority, who is not guided by the rules of evidence as

such who must offer such opportunity to the party concerned as would assure him proper opportunity to defend himself. The case of *K. Balan Vs Govt. of India* reported in 1982 E.L.J.(10)186 was distinguished by Hon'ble Tribunal Ahmedabad in *ANNA HIRLES Pvt. Ltd. Versus COMMISSIONER OF C. EX., AHMEDABAD-II* reported at 2014 (311) E.L.T. 529 (Tri. - Ahmd.) wherein it was held as under:-

"11. In *K. Balan's* case (supra), the Hon. the Madras High Court states that the necessity of cross examination depends upon the facts and circumstances of each case. The Adjudicating Authority has to give an opportunity to the party concerned as would assure him proper opportunity to defend himself. Opportunity of cross examination is given wherever it is relevant, justified and genuine and is not for protracting the proceedings. The decision in *GIL Industries case* (supra) is again to the effect that cross examination cannot be granted as a matter of routine and is to depend upon the facts of each case. This Tribunal's decision cited in its letter of 13-10-2008 are also to similar effect - that cross examination is not always a mandatory procedure to be adopted in all cases, the request should not be dismissed arbitrarily or without exercising its discretion in the facts of each case. The Adjudicating Authority may refuse cross examination for justifiable reasons..."

3.11.2 Similarly, in the case of *Kankalwan Piy-De-Wal Pvt. Ltd vs. Comm. of Cus. & C. Ex., Ahmedabad* reported at 2004 (177) E.L.T. 1150 (Tri. Mumbai), Hon'ble Tribunal, in their order, in para 6, has held as under:

"6..... Their convictions that principles of natural justice are violated inasmuch as cross examination of persons whose statements are relied upon, has to be weighed in the light of the facts that all the statements relied upon were placed before them. They had all the opportunity to denounce these statements during the proceedings. Cross-examination cannot be granted as a matter of right in departmental proceedings,

3.11.3 Further, the Hon'ble Tribunal, in the case of *M/s. Remy Dyes v. CCE, Chennai* reported in 2001 (106) E.L.T. 112 (Tri. Chennai) has observed that Non-susceptibility of admissions for cross-examination not a fatal flaw when the findings are based on documents about which there is no credible explanation and nothing on record to show statements not voluntary or effectively renacted within close proximity of the time these were obtained.

3.11.4 In view of above facts, I find that request for cross-examination Ministry does not merit consideration and hence cannot be acceded to."

[Emphasis supplied]

6.4.7 I find that Appellant No. 2, Appellant No. 3 and Appellants No. 4 who tendered their elaborate statements under Section 74 of the Act during investigation,

have admitted (on being confronted with the incriminating Entries/Books etc.) that the entries showing transactions and not tallying with their statutory returns are related to the goods cleared in clandestine manner without payment of CE duty. Further, records recovered from Gujarat Maritime Board, capturing movement of Trucks, also corroborate the details of transactions for which no CE duty was paid. Further, records recovered from Gujarat Maritime Board, capturing movement of trucks, also corroborate the details of transactions for which no CE duty was paid. I also find that Appellant No. 5 in his statement dated 1.1.2011 on being confronted with seized records admitted that sheets containing title "MM" were containing transactions pertaining to his firm, M/s. Marut Meta Industries. I find that Appellant No. 1 is trying to link hot and cold together. Inasmuch as on one hand they are admitting that they have diverted the impugned goods clandestinely and on the other hand they are contesting duty revision without any evidence in their favour and merely on technical grounds. Therefore, I find that Findings of the lower adjudicating authority are appropriate in this regard and cross-examination do not have any bearing on the outcome of the case, especially when there are notwithstanding documentary and oral evidences against Appellant No. 2. I would like to rely upon judgment of the Hon'ble Madras High Court in the case of M/s. Lower Textile Mills Pvt. L. reported as 2016-TIO-1974-Hon'ble CESTAT-MAD CO wherein it has been held as under :

*"30. The above facts will clearly show that the allegation is one of clandestine removal. It may be true that the burden of proving such an allegation is on the Department. However, clandestine removal with an intention to evade payment of duty is always done in a secret manner and not as an open transaction for the Department to immediately detect the same. Therefore, in case of clandestine removal, where seizures involved, there may be cases where direct documentary evidence will not be available. However, based on the overall picture, if the Department is able to prima facie establish the case of clandestine removal and the assessee is not able to give any plausible explanation for the same, then the allegation of clandestine removal has to be held to be correct. In other words, the standard and degree of proof, which is required in such cases, may not be the same, as in other cases where there is an allegation of clandestine removal."*

[Emphasis supplied]

6.5 In this case, the incriminating private records seized during investigation, now under duty consideration by Appellant No. 2, Appellant No. 3, Appellant No. 4 brokers, Transporters, Agents, records of Gujarat Maritime Board, therefore, upheld demand of Central Excise duty of Rs. 12,13,856/- as detailed in Annexure – TR.1.2 and Rs. 1,64,458/- as detailed in Annexure – KDS-1 in the Show Cause Notice.

10/01/2011

6.6 I find demand of CE duty of Rs. 5,46,770/- ( Rs. 4,65,475/- Annexure - VK - 1, Rs. 97,528/- Annexure VK-2 and Rs. 82,415/- as per Para 10.12 of the Show Cause Notice ) has been arrived at on the basis of entries found in Diary/Note book / Pen drive / CD retrieved from Appellant No.3 and Appellant No. 4. The details contained in the said Diary/Note books mention dates of clearances, quantity, rate, address of port number of Appellant No. 1 as Port No. (S2) etc. from where the said transactions of clandestine removal were recorded. Authenticity and veracity of the diaries, private records and storage media have been established and corroborated in the instance case vide statements of Appellant No. 3 dated 19.04.2010, dated 20.4.2010, dated 22.12.2010, dated 23.12.2010, dated 3.1.2011; statements dated 20.4.2010, dated 17.9.2010 and dated 1.12.2010 of Appellant No. 4 and statement dated 1.1.2011 of Appellant No. 5. The answers in Question No. 21 to Question No. 25 of the Statement dated 23.11.2012 of Appellant No. 2 also lend credence to the authenticity of the unexamined transactions in this regard. The inescapable inference that can be drawn from the transactions recorded in the recovered Diary/Note books / storage media are genuine and not imaginary or rough details or estimates as has been attempted to be made out by the Appellants and therefore, importance of private diaries, etc. and confessional statements recorded in connection with these diaries / storage media cannot be nullified down by bald submissions of Appellant No. 1. The impugned order has findings on the basis of appreciation of the relevant pages of diary marked as serial nos. A/7, A/9, A/10 and CD containing details of clandestine removal at Para 3.14 of the impugned order. Many statements of Appellant No. 3 and Appellant No. 4, both brokers have also been recorded wherein *modus operandi* and decoding of details of diaries / storage media has been explained at length.

6.6.1 In view of above evidences and statements of Appellant No. 2, Appellant No. 3 and Appellant No. 4, I find that demand of CE duty of Rs. 5,46,770/- has been correctly confirmed by the lower adjudicating authority.

6.7 I find that CE duty demand of Rs. 20,25,134/- is on account of clandestine removals as detailed in Annexure TR-1.2, Annexure - VK - 1, Annexure -VK-2 and Para 10.12 of the Show Cause Notice, and the statements recorded during course of investigation are substantial piece of evidences, duly corroborated, which have not been contradicted at any stage by the statement makers and therefore, as per the settled legal position sanctity of the same cannot be undermined by bald arguments only. I

further find that the authenticity of the records seized from the premises of Appellant No. 1 and other premises have been duly corroborated and filled with the records of Appellant No. 1 and CE duly on the clandestine clearances of the goods and accounted for in the record of Appellant No. 1 have been raised. The Hon'ble CESTAT in the case of *Laxmi Textiles Mills Pvt. Ltd.* reported as 2018 (10) 1974 HC-MAD-CX has held as under:-

*"30. The above facts will clearly show that the allegation is one of clandestine removal. It may be true that the burden of proving such an allegation is on the Department. However, clandestine removal with an intention to evade payment of duty is always done in a secret manner and not as an open transaction for the Department to immediately detect the same. Therefore, in case of clandestine removal, where entries involved, there may be cases where direct documentary evidence will not be available. However, based on the seized records, if the Department is able to prove facts establish the case of clandestine removal and the assessee is not able to give any plausible explanation for the same, then the allegation of clandestine removal has to be held to be proved. In other words, the standards and degree of proof, which is required in such cases, may not be the same, as in other cases where there is no allegation of clandestine removal."*

*"31. As noted above, the reassessor has not denied any of the allegations, which have been put forth except for simple and direct retraction. If the reassessor had sufficient records to establish their incorrectness, certainly as per the Mysore Director he was to write against the contractor. There was no attempt made by the reassessor to state their case by coming forward to give a statement and producing records. The allegation of parallel invoicing has not been disproved in the manner known to law. Thus, we find that the Appraising Authority, the Appellate Authority as well as the Tribunal concurred on facts and each of them has given independent reasons for their conclusion."*

*"32. Thus, in the absence of any perversity in the finding, the Court cannot interfere with the factual finding recorded by the authorities as well as the Tribunal, as the scope of the appeal before this Court under Section 30A of the Central Excise Act is to decide on a substantial question of law. We find there is no question of law, much less a substantial question of law arising for consideration in the instant case. Thus, the appeal filed by the assessee is dismissed."*

[Emphasis supplied]

6.8 Appellant No. 1 has argued that demand of duty cannot be confirmed on the basis of private records and third party statements without support of other evidence like production, statement of buyers, transportation, etc. In this regard, I find that both the key persons of Appellant No. 1, transporter, brokers, Angadias, and carting, Partners, etc. have categorically admitted and identified the entries in



the private incriminating records. Further, brokers and transporters have admitted to have sold/transported goods belonging to Appellant No. 1 without CE invoices and without payment of duty. I also find that the demand has been computed on the basis of Accounts prepared during investigation based on private incriminating records recovered during searches carried out at the premises of Appellant No. 1 and same have also been tallied with the statutory record of Appellant No. 1 and all vital links involved in the case have corroborated the evidences gathered during investigation and therefore, demand cannot be said to be confirmed without concrete evidence and third party statements.

6.9 The fact that no statement has been recorded and hence, the statements have sufficient evidentiary value. I find that all evidences in the case are vital and hard evidences and are sufficiently proving the case against the appellants. In this regard, I rely upon the decision of the Honble CESTAT in the case of *Om Prakash Agarwal* reported as 2017 (346) ELT 175 (Trib.) wherein it has been held as under:-

*"5. I note that in both the proceedings almost identical set of facts were involved. The allegation was that based on evidences collected from the suppliers' side, unaccounted receipt and further manufacture of dutiable items by the appellant was sought to be sustained. Essentially, the case is not only based on the material evidence collected from the supplier's end and also as corroborated by the reasonable persons of the supplier's end. The receipt and use of the sum unaccounted raw materials for further manufacture has been expressly been admitted by the appellants and the duty short paid has also been discharged during the course of investigation itself. The appellants' great emphasis on non-availability of the further corroboration by any of details of transport, money receipt, etc. In the present case the material collected from the supplier's side is categorical and cannot be disputed. The private records of the suppliers have been corroborated and admitted for the correctness of their contents by the persons who were in-charge of the supplier's units. When such evidence was brought before the partner of the appellant's unit, he categorically admitted unaccounted clearance of dutiable items. However, he did not name the buyers to whom such products were sold. In such situation, it is strange that the appellants have taken a plea that the respondent has not established the details of buyers and transport of the finished goods to such buyers. It is clear that the records maintained by the suppliers, which were affirmed by the persons in-charge of the supplier's unit, it is not the case of the appellant that the suppliers maintained such records only to falsely implicate the appellant. In fact, the supply of unaccounted raw materials has been corroborated by the partner of the appellant's firm. In such situation, it is not tenable for the appellant to, dear at the appeal stage, raise the plea by requirement of cross-examination, etc. Admittedly, none of the private records or the statements given have been retained or later contested for their*

*authenticity. In the appeal before the Tribunal, the appellant is making a detailed assertion that the statement by the partner of the appellant is not authentic. Various facts have relied upon by the appellants are not of any support in the present case. In the cases involving unquantified manufacturing, the evidence of each case are to be appreciated for conclusion. As noted already, the third party's records at the supplier's site as attested by the person in-charge and further corroborated by the appellant cannot be discounted only on the ground of further evidence. The transportation and receipt of money has not been proved. In a clandestine manufacture and clearance, each stage of operation cannot be established with precision. On careful consideration of the grounds of appeal and the findings in the impugned order, I find no reason to interfere with the findings recorded by the lower authority. Accordingly, the appeals are dismissed."*

[Emphasis supplied]

6.10 It is settled law that in cases of clandestine removal, the Department is not required to prove duty evasion with mathematical precision. By this view is duly supported by judgments of the Honble Supreme Court in the cases of *Shri Shan G. Ramani* reported as 1983 (3) ELT 531 (SC) & *Asikl Textiles (I) P. Ltd.* reported as 2009 (215) FT 587 (SC).

6.11 The statements, if not restricted, are legal and valid in the eyes of law and have to be considered as corroborative evidences as held in the cases of *Narshi J. Sukhawan* reported as 1996 (89) ELT 258 (SC) and *Rakesh Kumar Gery* reported as 2016 (331) ELT 321 HC Delh. I find that Statements admitting clearances of goods without payment of Central Excise duty and without issuing invoices are impugned and specific and not belated and hence, admissible as held in the case of *M/s. L. Tech Abrasives Ltd.* reported as 2017 (346) ELT 606 (T1-Del.)

*"14. On careful consideration of the facts and circumstances as outlined above, I find that the statement of Director is the basis for the demand. The statement is mandatory and is specific. The Director clearly admitted that the department/private records recovered by the officers contained details of procurement of raw materials as well as clearance of finished goods with and without payment of duty. This fact is further strengthened by the observation that many entries in the private documents are covered by the invoices issued by the assessee on which duty is not paid. The Director has clearly admitted the truth of the charge as well as clandestine clearance of goods covered by the entries in the private documents which are not covered by the invoices. Such admission is corroborative evidence as has been held by the Apex Court in the case of *Satyam & Company's P. Ltd. (Supra)*. The evidence of clandestine nature is required to be proved by sufficient positive evidence. However, the goods procured in such impugned case are required to be retained and examined independently. The department in this case has relied upon the confidential statement of the Director which*

*is also supported by the mentioned entries in the private records. There is no averment that the statement has been taken under duress ...*

*15. In view of the foregoing, I find that the Commissioner (Appeals) has erred in taking the view that there is not enough evidence of clandestine removal of goods. Even though the statement of Shri Sanjay Kapoor, who is said to be the author of the private records recovered has not been recorded, it stands admitted by Shri Tejinder, Director about the truth of the contents of the private notebooks. Consequently, I find no reason to disturb this piece of evidence."*

*[Emphasis supplied]*

6.12 I also rely on the decision in the case of M/s. Haryana Steel & Alloys Ltd. reported as 2017 (355) ELT 451 (Tri. Del.) wherein it has been held that private records seized from the possession of appellant's employee at the time of search showing entries for accounted as well as unaccounted goods which have been explained in detail and disclosed by GM of the factory to the investigating officer is trustworthy; that statement of employee running into several pages and containing detailed knowledge to be considered reliable. I also rely on the decision in the case of M/s. Ranichandru Kovins Pvt. Ltd. reported as 2014 (302) ELT 961 (S.C.) wherein similar view has been taken by the Hon'ble Supreme Court.

6.13 I am of the considered view that the admitted facts itself not has proved as has been held by the Hon'ble CESTAT in the cases of Aves Industries reported as 2008 (230) ELT 0073 (Tri-Mumbai) and M/s. Divine Solutions reported as 2006 (206) ELT 1005 (Tri. Chennai). Hon'ble CESTAT in the case of M/s. Karon Engg. Works reported as 2004 (106) ELT 3/3 (Tri. Del.) has also held that Admission/Confession is a substantial piece of evidence, which can be used against the maker. Therefore, the Appellant's reliance on various case laws are not applicable in light of the positive and tangible evidences available in this case as discussed above and in the impugned order. Hon'ble CESTAT in the case of M/s. N R Sponge P Ltd reported as 2015 (328) ELT 453 (Tri-Del) has also held that when preponderance of probability was against the Appellant, pleading of no statements recorded from buyers, no excess electricity consumption found, no raw material purchase found unaccounted and no input output ratio prescribed by law is of no use.

6.14 In view of above, I find that the contentions raised by Appellant No. 1 are of no help to them and the Department has adduced sufficient material and documentary

comprehensive evidence in demerit that the Appellants were engaged in clandestine removal of the goods. I, therefore, find that the confirmation of demand of Rs. 20,25,134/- by the lower adjudicating authority is correct, legal and proper.

6.15 It is natural consequence that confirmed demand of Rs. 20,25,134/- is required to be paid along with interest at applicable rate under Section 118A of the Act. I, therefore, uphold order of recovery of interest under the impugned order.

6.16 I find that this is a case of clandestine clearances of the goods which has been established. The ingredient for imposing extended period of demand and imposing penalty under provision in Section 118C of the Act are also available in the case as held by the Hon'ble CESTAT in the case of Sun Microsystems India P. Ltd, reported as 2016 (350) E.L.T. 475 (Int. - Bang.) and hence, the impugned order has correctly imposed equal penalty of Rs. 20,25,134/- under Section 118C(1) of the Act on Appellant No. 1. The lower adjudicating authority has also correctly granted option of reduced penalty of 25 % on the conditions, as per Section 118C of the Act to Appellant No. 1.

7. Regarding confirmation of demand of duty of Rs. 56,87,447/- (Annexure – UV 1 to the SCN) on the ground of under-valuation, Appellant No. 1 submitted that the said charge has been confirmed on the basis of the rates obtained by them from various market research agencies which were higher than rates declared by Appellant No. 1 in its Central Excise Invoices; that as per Section 4 of the Act, price prevailing at the time and place of removal is relevant for the purpose of assessment of duty and the transaction value charged by Appellant to different customers for assessment purpose must be accepted; that the demand raised by the department by selecting the transaction value on the basis of rates obtained from market research agencies is liable to be set aside.

7.1 The lower adjudicating authority has confirmed the charge of under-valuation inter alia, giving findings as under :

*"3.15 The Show Cause Notice alleged evasion of Central Excise duty by way of under valuation of the goods obtained out of breaking up of ships. It is not in dispute that various Research Agencies circulate the prices considering all the factors of demand and supply and there is no reason that prices circulated by such agencies are unrealistic one. It is in this backdrop that even Ship Brokers/Dealers are also subscribe to such market research agencies to have an idea of*

prevailing prices so as to enable them to sell their goods at maximum rate. It is also not in dispute that the unreliable plates ranging from size 8mm (4 1/2") to 25mm (1 3/4") are consumed out of breaking up of ships and the majority of unreliable plates consumed at breaking of ships are of 12 mm size. In order to substantiate this allegation, the DCEI conducted inquiry with various marketing research agencies including M/s Major & Minor with reference to pricing data of various months revealed that day to day price of 12mm size of plates is almost equivalent to the average cost of all size within the range of 8mm to 25mm.

3.16 On comparison of the price mentioned in the invoices of M/s Paras vs. & vs of the price recorded by M/s. Major & Minor, it was also revealed that in many cases the transaction value declared by the M/s Paras were far less than the actual value prevailing in the market during the respective period. The ship-breakers have, by not declaring the actual size / thickness of the plates cleared by them, undervalued M/s. R's reliable plates so as to enable them to declare only part of the value of such goods in the invoices and collect the differential value over and above the declared invoice value, by way of unaccounted cash receipts.

3.17 I, therefore, find the negligence in the adoption of undervaluation in the present shows even when particularly when officers seized from Sri Vinay Patel and Sri Kishan Patel always maintaining details of cash transactions with various Brokers / Staffs / Agencies had the opportunity of proper valuation but not correct, they could not have been in receipt of quantity of huge amount of cash which is a large part of the undervalued cost of ship breaking materials.

3.18 In view of the above, I agree with the contention of the DCEI that minor variation in price is obvious considering various factors like payment terms, Quantity & Quality of the goods, relation with buyers, demand and supply situation, therefore, 2% difference in price is considerable one. As stated above, brokers / Ship Breakers / Buyers take the reference of the price quoted by market research agencies like M/s. Major and Minor. I, therefore, find and hold that there is no reason to doubt that price quoted by M/s. Major and Minor is actual one variation of (+/- 2%) i.e. rates of Plates and Scrap 2% lesser than the rate of M/s. Major and Minor is considerable. I, therefore, fully agree with the view adopted by DCEI that duty short paid on account of variation of price more than 7% is an account of undervaluation of the goods and rightly recoverable from M/s. Kiran. Further, I also find that a large number ship breaking units, dealers from Mang and brokers were member of M/s. Steel rate, and were receiving day to day updated on the duty price rates of ship breaking materials through SMS alerts and emails. It is also revealed that M/s. Steevates were selecting the most scientific and appropriate analysis of the data gathered by them. The Ship Breakers were fully aware of the rates of the scrap generated from ship breaking and intentionally undervalued the goods with intent to evade payment of Central Excise duty. Further inquiry was conducted from Karm Karm Committee, Kolkata

and I find that in India, Joint Plan Committee is the only institution which is empowered by the Ministry of Steel for the purpose of formulating guidelines for production, allocation, pricing and distribution of iron & steel materials in the country as well as to function as the official regulator of the industry. JPC was constituted in 1964 by the Government of India under the powers conferred by clause 17 of The Iron & Steel Control Order, 1956. JPC consist of members and representatives from the Ministry of Steel, steel Authority of India Ltd., Tata Steel Ltd., Rashtriy Ispat Nigam Ltd., etc. With its authority and vast experience, JPC has maintained a comprehensive database which is considered to be the most authentic and reliable information on Indian steel industry. This database includes capacity, production and stock of all the major steel products of the country, domestic market price of iron & steel, FOB and CIF prices and landed cost of steel products, export-import data on iron & steel products, production and price revenues for various materials for steel making, state-wise and category-wise details of distribution of iron & steel, etc. Apart from the regular use by researchers, academicians, marketing/business strategists of entrepreneurs, financial analysts by the FIs and banks, some of the key uses of the JPC database includes duty formulation on customs, excise, export, formulation of GDP, Industrial Production Index, understanding of price trends, defend trade cases, formulation of Five Year Plans, economic surveys and union budgets, State-wise flow of materials and logistics, etc. In short, the domestic price data on iron & steel products maintained by JPC is considered as the most authentic data of the type for the steel industry. Thus Mr. Kinnar had undervalued their exportable goods with intent to evade payment of Central Excise duty & thus based on the calculation done by DGCI I find that Mr. Kinnar have evaded Central Excise Duty of Rs. 58,67,447/-

[emphasis supplied]

7.2 I find that amount of Rs. 58,67,447/- has been confirmed on the ground that Appellant No. 1 was fully aware of actual rates of the scrap generated from ship breaking and intentionally undervalued the goods with intent to evade payment of CF duty. The lower adjudicating authority has affirmed the valuation as per rates available from the reputed market research agency.

7.2.1 I also find that valuation of goods has been arrived at after scientific analysis of the data released by Joint Plan Committee, an institution empowered by Ministry of Steel, Govt. of India and market research agencies i.e. M/s. Major & Minor and M/s. Steelpro. Appellant has not disputed the said analysis, however, contended that no excess payment over and above invoiced prices was received by them. I find that Appellant No. 1 in his statement dated 23.11.2012 has admitted that they did not mention the thickness of the plates in the invoices. Relevant Q.32 and its

Answer read as under :-

\*Q:32 Do you examine the thickness of plates in the invoices? If yes, since when?

A:32 We were not mentioning the thickness of the plates in the invoices issued by under Section. However from August, 2016, we have started declaring the thickness of the plates in the invoices.

7.2.2 The contention that transaction value declared in the invoices under Section 4 of the Act cannot be rejected does not have force, when Appellant No.1 is involved in clandestine clearances and they did not specify the grade/quality of the goods in the invoice and duties seized from Shri Appellant No. 3 (i.e. Vinod Patel) and Appellant No. 4 (i.e. Kishore Patel) already containing details of cash transactions with various Brokers / Transporters / Angadias, etc. I am therefore of the view that appellant failed to establish the grade and quality of the goods cleared to justify the lower prices adopted by them and hence I find impugned order legal and proper and therefore, I uphold confirmation of CE duty of Rs. 58,57,447/- along with interest and imposition of equal penalty under Section 11AC of the Act.

7.3 In view of above, I do not find the impugned order improper and accordingly, uphold confirmation of CE duty of Rs. 58,57,447/- along with interest thereon and equivalent penalty under Section 11AC of the Act. In this regard, I rely upon the case laws as under :-

(i) TSM Ltd. 2017(6) 851 290 (Tri-Mum)

17. Hon'ble High Court of Madras had an occasion to decide the issue whether discharge of duty before seizure of show cause notice shall grant immunity from penalty under Section 11AC of Central Excise Act, 1944, in the case of *CCE, Madurai v. Metal Powder Co. Ltd.*, 2011 (303) E.L.T. 71 (Mad.). It is held that the penalty is punishment for an act of deliberate evasion by an assessee with the intent to evade duty adopting any of the means mentioned in Section 11AC of the Central Excise Act, 1944. The facts and circumstances of the case as well as the modus operandi followed by the appellants in the present case demonstrate that they had deliberate intention to evade duty without inclusion of dutiable value amount in the assessable value of goods. This could not have been noticed without investigation. Therefore, the appellant does not deserve any consideration of leniency. Accordingly, penalty imposed under Section 11AC is confirmed."



(i) OSH Manufacturing P. L. 2017 (335) E.L.T. 369 (A1)

"15. Having found that the imposition of extended period is justified, the provision of Section 11AC will statutorily require to be invoked and hence penalty equal to the duty or differential duty determined will necessarily have to be imposed. In arriving at this conclusion, we draw sustenance from the ratio laid down by the Hon'ble Apex Court in the landmark judgment of *UTI v. Dharamendra Textile Processors - 2008 (231) E.L.T. 3 (S.C.)* and the subsequent judgment in *COE v. Rajivikan Spinning & Weaving Mills - 2009 (258) E.L.T. 3 (S.C.)*. Accordingly, we hold that appellants viz., OSH Textile Manufacturing cannot escape the penalty of Rs. 2,12,64,347 imposed on them under Section 11AC of the Central Excise Act, 1944 as required by the adjudicating authority. The said penalty is therefore upheld."

8. The Final Rule 25(1) of the Central Excise Rules, 2002 reads as follows :-

'Rule 25. Penalty for certain offences. -

(1) Any person who receives possession of, or is in any way concerned in transporting, removing, depositing, keeping, concealing, selling or purchasing, or in any other manner deals with, any excisable goods which he knows or has reason to believe are liable to confiscation under the Act or these rules, shall be liable to a penalty not exceeding the duty on such goods or two thousand rupees, whichever is greater.  
....."

8.1 Appellant No. 2 is a lien partner of Appellant No. 1 and has concerned himself in removing and selling the taxably paid goods, which were liable to confiscation, and penalty imposed is also proportionate and reasonable. Therefore, penalty of Rs. 8 lakhs imposed on him under Rule 25(1) is justified and I uphold this penalty as correct, legal and proper.

9. Regarding imposition of penalty equal to Central Excise of Rs. 7,79,320/- under Rule 25(2)(c) of CER on Appellant No. 1 for wrongly paying an Excise credit, Appellant No. 1 contended that sale of MS scrap, etc. was made by Appellant No. 1 ex-factory gate and delivery thereof was given at factory gate. Appellant No. 1 also submitted that if a consignment of the goods is subsequently diverted, it is the responsibility of Appellant No. 1 as they had handed over delivery of the goods to the buyers at the factory gate of Appellant No. 1.

9.1 Para 10.6.3 of the impugned order has read as under :-



30.9.4.3 The claimant's claim was allowed for amount Rs. 10,00,000/- and the balance amount of Rs. 2,00,000/- was allowed for interest on the amount of Rs. 10,00,000/- for the period from 01.01.2013 to 31.03.2014.

30.9.4.4 The claimant's claim was allowed for amount Rs. 10,00,000/- and the balance amount of Rs. 2,00,000/- was allowed for interest on the amount of Rs. 10,00,000/- for the period from 01.01.2013 to 31.03.2014.

30.9.4.5 During the course of hearing, the claimant submitted that the amount of Rs. 10,00,000/- was paid to the claimant on 01.01.2013 and the balance amount of Rs. 2,00,000/- was allowed for interest on the amount of Rs. 10,00,000/- for the period from 01.01.2013 to 31.03.2014.

30.9.4.6 The claimant's claim was allowed for amount Rs. 10,00,000/- and the balance amount of Rs. 2,00,000/- was allowed for interest on the amount of Rs. 10,00,000/- for the period from 01.01.2013 to 31.03.2014.

30.9.4.7 During the course of hearing, the claimant submitted that the amount of Rs. 10,00,000/- was paid to the claimant on 01.01.2013 and the balance amount of Rs. 2,00,000/- was allowed for interest on the amount of Rs. 10,00,000/- for the period from 01.01.2013 to 31.03.2014.

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P. No. EOGSI/2013/20-21/2013-14

The following table shows the details of the amount of Rs. 10,00,000/- which was paid to the claimant on 01.01.2013 and the balance amount of Rs. 2,00,000/- was allowed for interest on the amount of Rs. 10,00,000/- for the period from 01.01.2013 to 31.03.2014.

Date	Sl. No.	Code No. of Paper	Actual Name of Paper	Code No. of Paper	Actual Name of Paper	Amount of Paper	Amount in Rs.
01.01.2013	1	XXXX	XXXX	XXXX	XXXX	10,00,000	10,00,000
01.01.2013	2	XXXX	XXXX	XXXX	XXXX	2,00,000	2,00,000
			TOTAL				12,00,000

30.9.4.8 The claimant's claim was allowed for amount Rs. 10,00,000/- and the balance amount of Rs. 2,00,000/- was allowed for interest on the amount of Rs. 10,00,000/- for the period from 01.01.2013 to 31.03.2014.

9.2 In view of above, I find that the Department has sufficiently discharged onus of proving passing of fraudulent Canal credit of Rs. 2,29,320/- with help of documentary evidences. I, therefore, uphold imposition of penalty of Rs. 2,29,320/- under Rule 25(2) of the CER on Appellant No. 1.

9.3 Regarding imposition of penalty of Rs. 2,29,320/- on Appellant No. 2 under Rule 26(2) of the CER, I would like to reiterate Rule 26(2) of the CER which reads as follows :-

*" Rule 26. Penalty for certain offences. -*

*(1) . . . . .*

*(2) Any person who knowingly (i) an excise duty invoice without delivery of the goods specified therein or abets in making such invoice or*

*(ii) any other document or abets in making such document, on the basis of which the user of said invoice or document is likely to take or has taken any ineligible benefit under the Act or the rules made there under like claiming of CDMIT credit under the CDMIT Credit Rules, 2004 or refund, shall be liable to a penalty not exceeding the amount of such benefit or five thousand rupees, whichever is greater."*

*[Emphasis supplied]*

9.3.1 As discussed above in this order, Appellant No. 2 has indulged himself in issuance of CE invoices without accompanying the said goods and with the aid of such invoices has professedly availed ineligible benefit of Canal credit and thus, I hold that penalty has been correctly imposed on him and I uphold the imposition of penalty of Rs. 2,29,320/-.

9.4 Regarding imposition of penalty of Rs. 6,16,770/- under Rule 26(1) of the CER and Rs. 2,29,320/- under Rule 26(2) of the CER on Appellant No. 3 and Appellant No. 4, I find that Appellant No. 3 has admitted his involvement in duty evasion vide his statements dated 19.04.2010, dated 20.4.2010, dated 20.12.2010, dated 23.12.2010, dated 3.1.2011 and 26.2.2011. I also find that Appellant No. 4 has also admitted that he aided and abetted Appellant No. 3 in CE duty evasion and his confessional statements dated 20.1.2010, dated 17.9.2010, dated 1.12.2010 and 26.2.2011 bear ample testimony to this fact. The passing of Canal credit fraudulently has also been found correct. I, therefore, hold that Appellant No. 3 and Appellant No. 4 have played instrumental role and concerned themselves in removing and setting off the non-duty paid goods, which were liable to confiscation

and hence, I uphold penalty imposed on Appellant No. 3 (Shri Vinod Patel) and on Appellant No. 4 (Shri Kishore Patel) under Rule 26(1) and also under Rule 26(2) of the CER in the impugned order.

11. Regarding imposition of penalty of Rs. 4,25,478/- under Rule 26(1) of the CER on Appellant No. 5, I find that from Question/Answer Nos. 18 to 29 in his statement dated 1.1.2011 he has admitted his offence purchasing goods without duly paying documents and hence, penalty imposed on him does not require any interference.

12. In view of my above findings, I uphold the impugned order and reject appeals filed by Appellant No. 5.

13. अपीलकर्ता द्वारा दल को नई असेल का निपटारा उपरोक्त तरीके से किया जाता है.

13. The Appeals filed by all 5 Appellants are dismissed off in above terms.

(कुमार सतीश)  
जलयुक्त (अपीलर)

By R.P.A.D.

To.

1. M/s. Kisan Ship Breaking Co., Plot No. 67,  
Ship Breaking Yard, Mang. Post-Munari,  
Dist. Bhavnagar.

2. Shri Kamal Krishna Jain, Partner of M/s. Kisan  
Ship Breaking Co., Plot No. 67, Ship Breaking Yard,  
Mang. Post-Munari, Dist. Bhavnagar.

3. Sri Maheshai Amarsibhai Patel, Plot No. 102,  
Ishan Mega City, Opposite Victoria Park, / Plot No.  
20, Sashish Park Society, Sushashnagar,  
Bhavnagar.

4. Sri Kishore Anansingh Patel, Proprietor of M/s.  
Shree Krishna Enterprises, 304, Shoppers Point,  
Farinal Chowk, Waghwadi Road,  
Bhavnagar - 364 001.

5. Sri Mahendra Ambela Rana, Partner M/s.  
Naguli Metal Industries, A-209, Leela Office,  
Waghwadi Road, Bhavnagar - 364 001.

प्रति :-

- 1) DE. In मुख्य सेवाएं वस्तु एवं सेवा कर एवं केन्द्रीय उत्पाद शुल्क, गुलशान क्षेत्र, अहमदाबाद से आमंत्रित हेतु।
- 2) आ. युवरा. वस्तु एवं सेवा कर एवं केन्द्रीय उत्पाद शुल्क, कच्छ आगुस्तान, भावनगर को आमंत्रित करने के लिए आमंत्रित करने हेतु।
- 3) सहायक आगुस्तान, वस्तु एवं सेवा कर एवं केन्द्रीय उत्पाद शुल्क, मण्डल - II, भावनगर।
- 4) भाई एच.ए.