

C. No. 6700/2022/Audit - 1090

Dated: 11.7.2023

Mr. Ghulam Mustafa (Chairman),  
M/s AHG Flavours,  
118-C, Model Town, Lahore.

Mr. Jibran Mustafa (CEO),  
M/s AHG Flavours, 118-C, Model  
Town, Lahore.

**Subject: Audit Observation - Serious Violation of the Customs Act, 1969 by M/s AHG Flavors Pvt. Ltd. in Connivance with M/s Interlink Corporation**

Please refer to subject noted above.

2. Our recent audit investigation of M/s AHG Flavors Pvt. Ltd. (NTN 7409330) and M/s Interlink Corporation (NTN 3026149) has uncovered severe violation of the Customs Act, 1969 on the import of ice cream flavors from M/s Dunkin Brands International (Robin Baskin). It has come to our attention that said two companies have connived to deliberately evaded duty taxes on the import of ice cream flavours by submitting concocted commercial invoices managed through a Dubai-based company M/s Interlink Trading FZC. It is leant that M/s Interlink Corporation Pakistan and M/s Interlink Trading FZC Dubai are owned by same person namely Mr. Abid Bhatti who played instrumental role in managing issuance of invoices at lower values from Dubai that also led to transfer of import remittances from Pakistan to Dubai. Such acts gravely infringe upon the customs regulations set forth by the aforementioned Act.

3. Upon further examination, this Directorate has discovered that a total of 31 sales invoices were falsely presented and accepted as legitimate invoices for the purpose of filing 31 Goods Declarations (GDs) as enlisted at (Annex-A). The submission of these fraudulent invoices at much lower values has enabled your company to evade an estimated Rs. 150 million in duty taxes that should have been paid in accordance with the law (Annex-A).

4. What is even more concerning is that one of your business partners, acting as a whistle-blower, has provided us with critical information and original purchase invoices actually issued by M/s Dunkin Brands International USA that substantiate these allegations. A letter dated 27.4.2020 of M/s Dunkin Brands International also confirms that M/s AHG flavours Pvt Ltd purchases ice cream from Baskin Robbins at US\$ 27.04 per 6.15 Kg tub that comes to be US\$ 4.4 per Kg that is much higher than the values mentioned in the concocted sales invoices issued by M/s Interlink Trading FZC Dubai. Thus, the actual invoices for the imported ice cream flavours were of significantly higher values than those fraudulently presented. Such actions not only constitute a serious breach of the Customs Act, 1969 but also reflect negatively on the integrity of your organization.

5. Through this notice, this Directorate urges you to immediately rectify this egregious misconduct and undertake necessary remedial measures to cover the loss caused to the national exchequer. Failure to do so may result in serious consequences, including legal action for fiscal fraud in terms of Section 32A of the Customs Act, 1969. It is hoped that this

unfortunate incident does not reflect the customary standards upheld by your organization and that you will take immediate corrective action to rectify this situation to restore trust and credibility of your organization within the business community.

6. We look forward to receiving a detailed explanation from your end regarding the discrepancies identified during our audit investigation. Please note that in case no reply is received in response to this notice, then this Directorate will be constrained to take further action under the relevant provisions of law.

Enclosed: (As above)

O/L

(Saima Zaib Butt)  
Deputy Director