सीमा शुल्क आयुक्त (आयात-II) का कार्यालय
**OFFICE OF THE COMMISSIONER OF CUSTOMS (IMPORT-II),**
नवीन सीमा शुल्क भवन, बेलार्ड इस्टेट, मुंबई- 400 001
**NEW CUSTOM HOUSE, BALLARD ESTATE, MUMBAI -400 001**

Date: 03.06.2026

F.NO. GEN/CB/607/2025-CBS

सीमाशुल्क दलाल विभाग
CUSTOMS BROKERS SECTION
04 JUN 2026
2
नवीन सीमाशुल्क गृह, मुंबई-०१
New Custom House, Mumbai - 11
Regis.

To,
The Assistant/Deputy Commissioner of Customs,
Customs Brokers Section,
New Custom House,
Ballard Estate,
Mumbai- 400 001.

Supdt, Sanjay

Sir,

Subject: Inquiry Report in the case of Show Cause Notice No. 47/2025-26 dated 25.02.2026 issued vide F.No. GEN/CB/607/2025-CBS to the CB M/s. Future Impex(CB No. PAN No.AGVPN4016CCH001) -reg.

........................

Please refer to Show Cause Notice No. 47/2025-26 dated 25.02.2026 issued for non-compliance of the responsibilities conferred in terms of the provisions of Regulation of CBLR, 2018.

In this context, it is to inform that the Principal Commissioner of Customs (General), NCH, Mumbai vide F.No. GEN/CB/607/2025-CBS dated 17.03.2026 appointed the undersigned as Inquiry Officer under Regulation 17 of CBLR, 2018.

Accordingly, considering the grounds of the case, inquiry has been conducted and the inquiry is enclosed herewith for deciding the further course of action.

Yours faithfully,
3/6/26

(Harishkumar Parmar)
(Inquiry Officer)
Asst. Commissioner of Customs,
Import-II, NCH, Mumbai

Encls: As above.

**INQUIRY REPORT IN RESPECT OF THE C.B. M/S. FUTURE IMPEX (CB PAN NO.AGVPN4016CCH001)**

## 1. INTRODUCTION

1.1 A Show Cause Notice No. 47/2025-26 dated 25.02.2026 vide F.No. GEN/CB/607/2025-CBS was issued by the Commissioner of Customs (General), Mumbai Zone - I to the Customs Broker M/s. Future Impex (CB PAN NO.AGVPN4016CCH001) under provisions of Regulation 17 of Customs Brokers Licensing Regulations, 2018 vide which an inquiry was proposed to be conduced against the said Customs Broker. The undersigned have been appointed as an Inquiry Officer.

## 2. BRIEF FACTS OF THE CASE

2.1 An Offence Report in the form of letter dated 01.12.2025 was received from Assistant Commissioner of Customs, SIIB(I), JNCH regarding filling multiple Bills of Entry under same country of Origin Certificate (COO) claim of duty exemption of FTA Notification No. 022/2022 dated 30.06.2022 by Custom Broker M/s Future Impex (AGVPN4016CCH001) on behalf of Importer M/s Candor Dates Pvt Ltd. (IEC:AAKCC3130A), for clearance of goods declared as "Wet Dates" from UAE.

2.2 The following Bills of Entry were filed for clearance of Wet Dates (UAE origin) under CTH 08041020 using the same Certificate of Origin (COO):

i. BE No. 8264337 dated 10.02.2025

ii. BE No. 8286252 dated 11.02.2025

iii. BE No. 8384938 dated 15.02.2025

The Bills of Entry numbered 8264337 (dated 10.02.2025) and 8286252 (dated 11.02.2025) were filed in advance and subsequently got purged from the system in accordance with standard procedural timelines.

2.3 As per system records and Risk Management System (RMS) alert, the COO having No. MOE-CoO-CICO-0025709-20250129 dated 29.01.2025 used in BE No. 8264337 was reused in BE No. 8286252. The RMS interdiction flagged the duplicate use of COO, and the FAG officer raised following queries on ICEGATE regarding authenticity and compliance under CAROTAR Rules, 2020:

| **Query raised by FAG Officer in B/E no. 11.02.2025** | **Reply to the Query** |
|---|---|
| This Certificate of Origin has been utilized for Bill No. 8264337 dated 10.02.2025 of INNSA1 Location. Kindly note that a COO once fully utilized is not used for other consignments. Kindly Justify the same. | Here we confirmed that we will utilize the Certificate of Origin No. MOE-COO-CICO 0025709-2 0250129 Dtd 29/01/2025 against BOE 8286252 Dt 11.02.2025 only. Copy of Certificate of origin uploaded with BOE No mentioned-on CO (IRN : 2025021200117291). Query raised about the another BOE its wrongly enter in another BOE which advance BOE will be auto deleted later.CO will deface again only one Shipment only. Consider the Explanation and assess the BOE. |

2.4 Eventually, BE No. 8384938 dated 15.02.2025 was given out of charge on 25.02.2025, for identical goods and COO details, whereas the earlier two BEs got purged from the EDI system. However, at no stage were the earlier 2 BEs were purged/cancelled/ voluntarily brought to the notice of Customs authorities, despite the filing of third separate BE for the same consignment.

2.5 During the course of investigations, statement of Shri Ajit S. Nalawde, Proprietor, Authorized Representative of Customs Broker M/s Future Impex, was recorded on 26.05.2025 under Section 108 of the Customs Act, 1962 wherein, inter alia stated that :

a. He admitted that all three Bills of Entry were filed for the same consignment.

b. He did not inform the importer that multiple BEs were filed for the same consignment.

c. He stated that all Bills of Entry reflected the same goods, value, classification, and duty.

d. He attributed the error to inexperienced staff.

e. He expressed willingness to cooperate.

2.6 Further statement of Shri Ajit S. Nalawde, Proprietor, Authorized Representative of Customs Broker M/s Future Impex, was recorded on 20.06.2025 under Section 108 of the Customs Act, 1962 wherein, inter alia:

- He reaffirmed that the second BE was filed due to lack of acknowledgment of the first Bill of Entry (However, he failed to submit any corroborating documents/records).
- He admitted failure in selecting the amendment option during conversion of Advance
- Bill of Entry to Final, leading to the filing of a third BE.
- He acknowledged lapse in informing Customs authorities and cancelling the earlier Bes
- He accepted that the mistake resulted from human/system error and was the first such
- instance for his firm.
- He stated that corrective measures have now been implemented.

2.7 From the above facts, it is evident that the Customs Broker M/s Future Impex failed to comply with Regulation 10(d), 10(e), and 10(m) of the Customs Broker Licensing Regulations, 2018:

**<u>Violation of Regulation 10(d):</u>**

> *"A Customs Broker shall advise his clients to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be."*

In the instant case, it is evident from the investigation and the statements that parallel Bills of Entry were filed for the same consignment, but at no point did the Customs Broker (CB) bring this matter to the attention of the Deputy Commissioner or Assistant Commissioner of Customs. Also, in his statement dated 26.05.2025, the CB stated that he did not inform the importer that multiple Bills of Entry were filed for the same consignment. This is violation Section 46 (1) of Customs Act, 1962, *"Entry of goods* *on importation.—(1) The importer of any goods, other than goods intended for transit or transhipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed".* Accordingly, the CB must have filed only one Bill of Entry for a particular consignment and in case of any difficulty/ deviation, he must have brought it to the knowledge of the Importer and also of the Department. Therefore, it appears that the CB has contravened the provisions of Regulation 10(d) of the Customs Brokers Licensing Regulations (CBLR), 2018 by not advising his client to comply with the provisions of the Act and not intimating the department about the violation.

**Violation of Regulation 10(e):**

*"A Customs Broker shall exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage".*

In the instant case, it is evident from the investigation and statements that the Customs Broker (CB) did not inform the importer that multiple Bills of Entry were filed for the same consignment. This conduct suggests a lack of due diligence on the part of the CB in verifying the accuracy of the information provided to the client in relation to the clearance of cargo or baggage. Consequently, it appears that the CB has contravened the provisions of Regulation 10(e) of the Customs Brokers Licensing Regulations (CBLR), 2018.

**Violation of Regulation 10(m):**

*"A Customs Broker shall discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay."*

In the instant case, it is evident from the investigation and statement that the Customs Broker (CB) failed to cancel the Bills of Entry within the time limit, indicating a lack of promptness and efficiency in the discharge of his duties. This delay suggests that the CB did not act with the required speed and efficiency. Accordingly, it appears that the CB has contravened the provisions of Regulation 10(m) of the Customs Brokers Licensing

Regulations (CBLR), 2018.

2.8 Filing of multiple Bills of Entry with the same COO and no effort to cancel the earlier filed BEs or intimate the Customs Department indicates a serious procedural and compliance lapse, amounting to misconduct on the part of the Customs Broker in terms of the CBLR, 2018. Further, the Customs Broker M/s Future Impex (AGVPN4016CCH001) by failing to comply with the provisions of sub-regulation 10(d), 10(e) and 10(m) of the CBLR 2018, have also rendered itself liable to penalty under Regulation 18 of the CBLR, 2018.

2.9 Ms. Anita S. Bagade, Deputy/Assistant Commissioner of Customs was appointed as Inquiry Officer. Subsequently, vide letter dated 17.03.2026 from the Deputy Commissioner of Customs, CBS, New Custom House, Mumbai, it was informed that the undersigned has been appointed as an Inquiry Officer.

## 3. RECORDS OF THE PERSONAL HEARING

Shri Ajit S. Nalavade appeared for PH on 16.04.2026 and submitted their written submission and asked to give some more time to further submission. Further, he submitted that he has not received offence report and other RUDs. He requested to provide the same, if possible.

## 4. CUSTOMS BROKER'S SUBMISSION

**The CB M/s. Future Impex vide their written reply dated** 15.04.2026 and 18.05.2026 submitted **that:**

### 1. Preliminary Submission

- The present SCN alleges violation of Regulation **10(d), 10(e) and 10(m)** of the Customs Brokers Licensing Regulations, 2018.
- It is submitted that the entire issue is **purely procedural and without any malafide intent or revenue implication**.
- The Noticee has a **clean track record**, and this is the **first isolated such type of incident**.

---

### 2. Detailed Facts (Background of the Case with Clarification)

1. M/s. Future Impex (PAN No. AGVPN4016CCH001), having its office at CBD Belapur, Navi Mumbai, is a licensed Customs Broker holding Licence No. 11/2395 issued by the Principal Commissioner of Customs, Mumbai under Regulation 7 of the Customs Brokers Licensing Regulations, 2018 and is duly bound by the obligations prescribed therein.
2. The present proceedings arise from an Offence Report dated 01.12.2025 received from SIIB (Import), JNCH, alleging that the Noticee had filed multiple Bills of Entry for a single consignment of "Wet Dates" imported from UAE on behalf of M/s Candor Dates Pvt. Ltd., and had used the same Certificate of Origin (COO) while claiming exemption under relevant FTA Notification.
3. The following Bills of Entry were filed:
   - BE No. 8264337 dated 10.02.2025 (Advance BE)
   - BE No. 8286252 dated 11.02.2025 (Advance BE)
   - BE No. 8384938 dated 15.02.2025 (Final BE)

   It is pertinent to note that the first two Bills of Entry were Advance BEs and were subsequently **auto-purged by the EDI system**, while only the Final Bill of Entry was processed for clearance.

4. The allegations primarily arise from the reuse of the same Certificate of Origin (COO), which was flagged by the Risk Management System (RMS), and subsequent queries raised by the FAG officer on ICEGATE.
5. At the outset, it is respectfully submitted that the entire sequence of events, as explained during investigation and in statements recorded under Section 108 of the Customs Act, 1962, clearly establishes that the occurrence was **purely procedural**, arising out of system-related issues and without any element of intention or malafide conduct.
6. The process commenced with filing of an Advance Bill of Entry on **10.02.2025.** However, due to **non-receipt of system acknowledgment and possible transmission issue**, the said filing did not reflect appropriately in the system, thereby creating uncertainty regarding its status.
7. In order to avoid delay in clearance of the consignment, which consisted of **perishable goods (Wet Dates)**, the documentation team, acting bona fide and in the interest of timely clearance, re-filed the Bill of Entry on **11.02.2025**, using **identical data without any modification** in value, classification, or duty.
8. Subsequently, on **15.02.2025**, during the process of conversion of Advance Bill of Entry into Final Bill of Entry, an **additional Bill of Entry was generated**, which was thereafter processed as the Final Bill of Entry.
9. It is an admitted and undisputed position that:
   - All Bills of Entry contained **identical particulars**
   - There was **no variation in value, classification, or duty**
   - There was **no duplication of benefit or misuse of exemption/Certificate of Origin (COO)**
10. The earlier Advance Bills of Entry were:

- **Never acted upon for clearance**
- Not utilized for any benefit
- Subsequently **auto-purged by the system** in accordance with standard EDI procedures

11. The Final Bill of Entry was duly:

- Assessed by Customs authorities
- Subjected to **physical examination**
- Granted **Out of Charge on 25.02.2025**

12. The Noticee has consistently maintained, including in statements recorded under Section 108, that:

- The duplication was **unintentional**
- It was a **first-time occurrence** in an otherwise compliant record

13. It is further submitted that:

- The importer was **completely unaware of the duplication**
- Had **no role whatsoever** in the procedural lapse

14. The Noticee has:

- Appeared before SIIB authorities as required
- Fully cooperated with the investigation
- Provided complete and candid explanation without suppression of facts

15. In view of the above factual matrix, it is respectfully submitted that the present case clearly demonstrates:

- **Absence of mens rea (guilty intention)**
- **No revenue loss to the Government**
- **No wrongful gain or misuse of exemption**

16. Therefore, the foundation of the present proceedings is based on a **technical and procedural irregularity**, rather than any deliberate or substantive violation of law.

---

## 4. Reply to Alleged Violations

### (A) Alleged Violation of Regulation 10(d)

*(Obligation to advise client and report non-compliance)*

- It is respectfully submitted that **no intentional or deliberate non-compliance** existed in the present case.
- The issue arose purely due to **system-related irregularity**, without any element of fraud or suppression.
- The importer was **unaware of the duplication**, and there was no instance of conscious violation requiring reporting to Customs authorities.
- The requirement under Regulation 10(d) to report arises only when there is

**knowledge of non-compliance of a material nature**, which is absent in the present case.

- Advance bill of entry is Subsequently **auto-purged by the system** in accordance with standard EDI procedures. After 30 days Advance bill of entry always auto delted by systems

**Supported by Case Law:**

- In Jaiswal Import Cargo Services Ltd. vs Commissioner of Customs, it was held that **specific and evidence-based violation must be established**, failing which action is not sustainable.
- In ATR Logistics India Pvt. Ltd. vs Commissioner of Customs, it was held that **absence of evidence of deliberate lapse or wrongdoing disentitles penal action.**

**Hence, no violation of Regulation 10(d) is made out.**

---

**(B) Alleged Violation of Regulation 10(e)**

*(Obligation of due diligence)*

- All particulars declared in the Bills of Entry were:
  - **Correct**
  - **Verified**
  - **Consistent across all filings**
- There was:
  - No misdeclaration
  - No incorrect advice
  - No suppression of facts
- The duplication occurred due to **system error**, and not due to any lack of diligence in verifying the correctness of information.

**Supported by Case Law:**

- In Anax Air Services Pvt. Ltd., it was held that **reasonable diligence is sufficient compliance; perfection is not required.**
- In ATR Logistics India Pvt. Ltd. vs Commissioner of Customs, it was held that **minor procedural lapses without revenue implication do not constitute violation of due diligence obligations.**

**Accordingly, no violation of Regulation 10(e) is attracted.**

---

**(C) Alleged Violation of Regulation 10(m)**

*(Obligation of efficiency and promptness)*

- The consignment involved **perishable goods (wet dates)** and was cleared:
  - **Promptly**
  - **Efficiently**
  - Without any delay in Customs process
- The Final Bill of Entry was:
  - Properly processed
  - Physically examined
  - Granted Out of Charge within normal timelines
- The alleged delay relates only to **non-cancellation of duplicate Advance BEs,** which:
  - Were not used for clearance
  - Were auto-purged by system

Such procedural aspect does not affect the **efficiency of customs clearance**, which is the essence of Regulation 10(m).

**Supported by Case Law:**

- In Safe Cargo Clearing Services vs Commissioner of Customs, it was held that **procedural lapses without substantive impact do not justify severe penal consequences.**

**Hence, no violation of Regulation 10(m) is made out.**

---

**5. Legal Support and Principle of Proportionality**

- It is a settled position of law that:
  - **Technical lapses**, without malafide intent, cannot attract harsh punishment such as revocation of licence.
- Revocation or severe penalty is justified only in cases involving:
  - Fraud
  - Misdeclaration
  - Intentional wrongdoing
  - Active facilitation of illegal activity

**Supported by Case Law:**

- In Safe Cargo Clearing Services vs Commissioner of Customs, it was held that **revocation is disproportionate for minor procedural violations.**
- In Meenu Rathore vs CCE & ST Ludhiana, it was held that **revocation is justified only where serious misconduct or fraud is established.**

**Present Case Clearly Establishes:**

- **No fraud or misdeclaration**
- **No revenue loss to the Government**
- **No wrongful gain or misuse of exemption**
- **No mens rea (guilty intention)**
- **Only arising out of system error**

---

**6. Mitigating Factors**

Without prejudice to the submissions made above, the Noticee respectfully submits the following mitigating factors for kind consideration:

1. **First-Time occurrence**
   - The present case represents a **first-time occurrence** in the entire course of operations of the Noticee.
   - There is **no history of any prior violation** under the Customs Act or the Customs Brokers Licensing Regulations, 2018.
2. **Unblemished Track Record**
   - The Noticee has been operating as a licensed Customs Broker with **consistent compliance and professional conduct**.
   - The present incident is **isolated and exceptional**, not reflective of regular practice.
3. **Absence of Mens Rea**
   - The alleged lapse occurred due to **system-related issues**, without any intention to contravene the law.
   - There was **no fraud, misdeclaration, or suppression of facts**.
4. **No Revenue Loss / No Undue Benefit**
   - The consignment was cleared with:
     - Correct classification
     - Correct valuation
     - Proper duty assessment
   - There is **no loss to the Government revenue** and no wrongful gain to any party.
5. **Full Cooperation with Investigation**
   - The Noticee has:
     - Appeared before SIIB authorities as required
     - Given statements under **Section 108 of the Customs Act, 1962**
     - Fully cooperated at every stage of investigation
6. **Importer Not Involved**
   - The importer had **no knowledge or role** in the duplication of Bills of Entry.
7. **System / Procedural Constraints**
   - The duplication arose partly due to:
     - **Non-receipt of system acknowledgment**
     - **EDI/system-related limitations**
   - The earlier Advance Bills of Entry were **auto-purged by the system**, indicating absence of any misuse.
8. **Principle of Proportionality**

- In view of the above factors, any harsh action such as **revocation of licence** would be **grossly disproportionate** to the nature of the alleged lapse.

---

### 7. Bona Fide Conduct

The Noticee respectfully submits that its conduct throughout the transaction has been **bona fide, transparent, and in good faith**, as evident from the following:

1. The Noticee has at all times:
    - Acted **honestly and in good faith** while discharging its duties as a Customs Broker
    - Followed established procedures to the best of its knowledge and ability
2. The Noticee maintains a **clean and compliant track record**, with:
    - No prior violations
    - No adverse findings under the Customs Brokers Licensing Regulations, 2018
3. There was **no intention whatsoever to violate any provision of law**, nor to:
    - Evade duty
    - Misdeclare goods
    - Derive any undue benefit
4. The entire incident arose due to:
    - **System-related procedural issues**
5. It is submitted that:
    - All declarations were **true and correct**
    - The goods were **properly examined and cleared by Customs authorities**
    - There was **complete transparency in the transaction**

In view of the above, it is respectfully submitted that the conduct of the Noticee clearly reflects **bona fide intention**, and the alleged lapse is **purely technical**, without any element of mens rea or deliberate violation.

---

### 8. Prayer

In view of the facts, submissions, legal position, and mitigating circumstances explained hereinabove, the Noticee most respectfully prays that this Hon'ble Authority may be pleased to:

1. **Drop the present Show Cause Notice proceedings** initiated against the Noticee under the Customs Brokers Licensing Regulations, 2018, as the allegations are not sustainable either on facts or in law;

**OR IN THE ALTERNATIVE**

2. Hold that **no case is made out for revocation or suspension** of the Customs

Broker Licence, as there is:

- No mens rea
- No revenue loss
- No misuse of licence
- No violation of substantive provisions

3. Without prejudice, if any penalty is proposed, the same may kindly be:
   - **Imposed in the most lenient manner**, if at all warranted
   - Considering the absence of intent, and clean past record of the Noticee
4. Grant any other relief, order, or direction as this Hon'ble Authority may deem fit and proper in the facts and circumstances of the case.

The CB further submitted that the entire case against the Noticee Customs Broker is founded upon assumptions, presumptions, and misunderstanding of EDI procedural functioning, without there being any evidence whatsoever of mala fide intent, deliberate suppression, revenue implication, wrongful gain, misdeclaration, misuse of exemption, or violation of any substantive provision of the Customs Act, 1962 or the Customs Brokers Licensing Regulations, 2018.

The CB submitted that the allegations levelled in the impugned Show Cause Notice fail both on facts and in law and therefore deserve to be dropped in entirety.

---

**1. Regulation 10(d) of CBLR, 2018**

**Statutory Provision**

"A Customs Broker shall advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be."

---

**Allegation in the SCN**

The impugned Show Cause Notice alleges that parallel Bills of Entry were filed for the same consignment and that the Customs Broker failed to inform the Department and the Importer regarding the same, thereby allegedly violating Regulation 10(d) of CBLR, 2018.

---

**Preliminary Legal Submission**

At the outset, it is respectfully submitted that Regulation 10(d) can be invoked only where:

- there exists deliberate non-compliance of law by the importer;
- the Customs Broker knowingly facilitates such non-compliance;
- the Customs Broker fails to advise the importer to comply with law; or
- despite knowledge of deliberate illegality, the Customs Broker suppresses the same from Customs authorities.

In the present case, none of the above ingredients are satisfied.

There is absolutely no evidence on record to establish that:

- the importer indulged in any deliberate violation;
- the Customs Broker advised the importer contrary to law;
- there was any suppression of material facts;
- there was any wrongful gain;
- there was any attempt to evade duty;
- there was any misuse of exemption/COO benefit;
- there was any revenue loss to the Government.

Thus, invocation of Regulation 10(d) itself is legally untenable.

---

**Factual Background of Filing of Bills of Entry**

The process commenced with filing of Advance Bill of Entry No. 8264337 dated 10.02.2025. However, due to non-receipt of system acknowledgement and possible transmission-related issue, the said filing did not appropriately reflect in the EDI system, thereby creating uncertainty regarding its operational status.

Considering that the cargo involved consisted of perishable goods namely "Wet Dates", and in order to avoid delay in clearance, detention, and deterioration of cargo, the documentation team acting bona fide re-filed the Bill of Entry on 11.02.2025 using identical particulars without any change whatsoever in:

- description,
- quantity,
- classification,
- valuation,
- exemption,
- duty structure, or
- Certificate of Origin particulars.

Accordingly, Bill of Entry No. 8286252 dated 11.02.2025 came to be generated in the EDI system.

---

**Department Was Already Informed**

The CB submitted that during assessment proceedings relating to Bill of Entry No. 8286252 dated 11.02.2025, the Customs Broker itself informed the Department through reply to query regarding existence of another Bill of Entry.

The relevant query reply submitted before Customs reads as under:

"Here we confirmed that we will utilize the Certificate of Origin No. MOE-COO-CICO 0025709-2 0250129 dated 29.01.2025 against BOE 8286252 dated 11.02.2025 only. Query raised about another BOE; it was wrongly entered in another BOE which advance BOE will be auto deleted later. COO will be defaced against only one shipment. Consider the explanation and assess the BOE."

The above communication itself completely demolishes the allegation that the Customs Broker failed to bring the matter to the knowledge of the Department.

On the contrary, the record clearly establishes:

- complete transparency,
- bona fide conduct,
- absence of suppression,
- voluntary disclosure by the Customs Broker itself.

Thus, the allegation in the SCN that "at no point" was the matter brought to the notice of Customs authorities is factually incorrect and contrary to record.

---

**Third Bill of Entry and EDI Purging**

The CB submitted that subsequently, during conversion of Advance Bill of Entry into Final Bill of Entry, another Bill of Entry bearing No. 8384938 dated 15.02.2025 came to be generated during EDI processing and the same ultimately proceeded for assessment and clearance.

The CB submitted that the EDI system automatically purges Advance Bills of Entry which are:

- not processed further, or
- not linked with IGM particulars after grant of Entry Inwards.

Since IGM details were not linked with the earlier Bills of Entry bearing Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025, the said Bills of Entry remained unprocessed and were automatically purged by the EDI system in ordinary course of system functionality.

The said fact is itself acknowledged in the impugned Show Cause Notice wherein it is recorded that:

"Eventually, BE No. 8384938 dated 15.02.2025 was given Out of Charge... whereas the earlier two BEs got purged from the EDI system."

Thus, the Department itself accepts that the earlier Bills of Entry stood automatically purged from the EDI system.

---

**No Requirement of Cancellation of Non-Existing Bills of Entry**

Once the earlier Bills of Entry had already ceased to exist in the EDI system due to automatic purging, there was neither any necessity nor any legal requirement for separate cancellation thereof.

Further, the Department was already aware of the factual position through query reply submitted during assessment proceedings itself.

Hence, the allegation that the Customs Broker failed to inform the Department is wholly baseless.

---

**No Violation of Section 46(1) of Customs Act**

The SCN further alleges violation of Section 46(1) of the Customs Act, 1962.

In this regard, it is respectfully submitted that Section 46(1) merely prescribes filing of Bill of Entry for home consumption or warehousing.

In compliance thereof, Bill of Entry No. 8384938 dated 15.02.2025 was duly filed and processed for home consumption.

Section 46(1) nowhere prohibits filing of repetitive or multiple Bills of Entry arising out of:

- EDI malfunction,
- transmission issue,
- procedural duplication,
- clerical oversight, or
- Advance Bill processing circumstances.

Further, the Department has failed to cite any:

- statutory provision,
- Rule,
- Regulation,
- Notification,
- Standing Order,
- Public Notice,
- EDI Manual, or

- Circular

which specifically prohibits such filing under circumstances of the present case.

Thus, the allegation is legally unsustainable.

---

**No Mens Rea / No Revenue Loss / No Wrongful Benefit**

It is respectfully submitted that:

- there was no misdeclaration;
- there was no undervaluation;
- there was no duplication of benefit;
- there was no misuse of COO;
- there was no excess claim;
- there was no wrongful exemption;
- there was no duty evasion;
- there was no revenue implication whatsoever.

Further, there is no allegation of any pecuniary gain to the Customs Broker.

In absence of any mens rea, suppression, or deliberate violation, invocation of Regulation 10(d) is wholly unjustified.

---

Regulation 10(d) of the Customs Brokers Licensing Regulations, 2018 provides that:

"A Customs Broker shall advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be."

At the outset, it is respectfully submitted that no violation whatsoever of Regulation 10(d) of CBLR, 2018 is made out against the Customs Broker in the present case.

The allegation in the impugned Show Cause Notice proceeds on the premise that multiple Bills of Entry were filed for the same consignment and that the Customs Broker failed to inform the Department and the importer regarding such filing. However, the said allegation is factually incorrect, contrary to the records, and legally unsustainable.

It is respectfully submitted that Regulation 10(d) can be invoked only where there exists clear and cogent evidence showing that the Customs Broker either:

(i) failed to advise the client to comply with the provisions of law; or (ii) knowingly failed to report deliberate non-compliance by the client to the Customs authorities.

In the present case, no such circumstances exist.

There is absolutely no allegation or evidence on record to establish that the Customs Broker had knowingly facilitated, advised, or abetted any violation of the Customs Act, 1962 or allied laws. Further:

- there is no allegation of misdeclaration, undervaluation, or wrongful claim of exemption;
- there is no allegation of revenue loss to the Government;
- there is no allegation of fraudulent intent or mala fide conduct;
- there is no statement from the importer, M/s Candor Dates Pvt. Ltd., alleging any improper advice or concealment by the Customs Broker.

The entire issue arose solely due to procedural and EDI-related filing circumstances in respect of an import consignment consisting of perishable goods, namely Wet Dates.

The CB submitted that the process initially commenced with filing of Advance Bill of Entry No. 8264337 dated 10.02.2025. However, due to non-receipt of proper system acknowledgment and possible transmission-related issues, uncertainty arose regarding successful reflection of the said filing in the EDI system.

In order to avoid delay in clearance of the perishable cargo, the documentation team, acting bona fide and in the interest of expeditious clearance, re-filed the Bill of Entry on 11.02.2025 using identical particulars without any change whatsoever in description, quantity, value, classification, duty structure, or Certificate of Origin details. Consequently, Bill of Entry No. 8286252 dated 11.02.2025 came to be generated.

The CB submitted that during assessment proceedings relating to Bill of Entry No. 8286252 dated 11.02.2025, the Customs Broker itself informed the Customs Department regarding existence of the earlier filing through reply to query submitted on the EDI portal. The relevant extract is reproduced below:

"Here we confirmed that we will utilize the Certificate of Origin No. MOE-COO-CICO 0025709-2 0250129 dated 29/01/2025 against BOE 8286252 dated 11.02.2025 only. Copy of Certificate of Origin uploaded with BOE No mentioned-on CO (IRN : 2025021200117291). Query raised about the another BOE its wrongly enter in another BOE which advance BOE will be auto deleted later. CO will deface again only one shipment only. Consider the explanation and assess the BOE."

Thus, the allegation in the impugned Show Cause Notice that "at no point did the Customs Broker bring the matter to the attention of the Deputy Commissioner or Assistant Commissioner" is factually incorrect and directly contrary to the documentary record relied upon in the Notice itself.

In fact, paragraph 4 of the impugned Show Cause Notice itself acknowledges that the

Customs Broker had informed the Department that another Bill of Entry had been generated and that the same would be auto-deleted later. Therefore, the Department was fully aware of the factual position during assessment proceedings itself.

Subsequently, during the process of conversion of Advance Bill of Entry into Final Bill of Entry after Entry Inwards, another Bill of Entry bearing No. 8384938 dated 15.02.2025 came to be generated during EDI processing. The said Bill of Entry thereafter became the operative Bill of Entry which was processed for assessment, examination, and clearance.

The CB submitted that, under standard EDI functionality, Advance Bills of Entry which are not linked with IGM particulars or not processed further after Entry Inwards are automatically purged by the system. Since IGM particulars were not linked with the earlier Bills of Entry Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025, the said Bills of Entry remained inactive and were automatically purged from the EDI system.

The said fact is also specifically acknowledged in the impugned Show Cause Notice itself, wherein it is stated that:

"Eventually, BE No. 8384938 dated 15.02.2025 was given Out of Charge after examination of imported goods and documents on 25.02.2025 for identical goods and COO details, whereas the earlier two BEs got purged from the EDI system."

Therefore, once the earlier Bills of Entry had already ceased to exist in the EDI system due to automatic purging, there was neither any concealment nor any requirement for separate cancellation request.

It is further alleged in the impugned Show Cause Notice that, in his statement dated 26.05.2025, the Customs Broker stated that the importer was not informed regarding multiple Bills of Entry.

In this regard, it is respectfully submitted that since the earlier Bills of Entry had already been automatically purged by the EDI system and only Bill of Entry No. 8384938 dated 15.02.2025 remained active for processing and clearance, there was no practical requirement for separate communication regarding the purged Bills of Entry which never culminated into assessment or clearance.

The allegation that filing of multiple Bills of Entry amounts to violation of Section 46(1) of the Customs Act, 1962 is also misconceived.

Section 46(1) merely prescribes the statutory requirement that imported goods must be entered for home consumption or warehousing through filing of a Bill of Entry. In compliance thereof, Bill of Entry No. 8384938 dated 15.02.2025 was duly filed and processed for home consumption.

Significantly, neither Section 46(1) nor any provision of the Customs Act, Rules, Regulations, Notifications, Public Notices, Standing Orders, or EDI procedures specifically prohibits repetitive or duplicate filing arising due to procedural or EDI-related circumstances.

Apart from reproducing Section 46(1), the Department has failed to identify any specific statutory provision allegedly violated by the Customs Broker.

It is respectfully submitted that mere procedural duplication in filing, without any element of fraud, suppression, revenue implication, or mala fide intention, cannot constitute violation of Regulation 10(d) of CBLR, 2018.

The conduct of the Customs Broker throughout has been transparent and bona fide. The Department was informed during assessment proceedings itself; the final operative Bill of Entry was properly assessed and cleared; the earlier Bills of Entry stood automatically purged; and there was no wrongful gain or prejudice caused to Revenue.

In absence of any evidence establishing deliberate misconduct, mens rea, suppression of facts, or failure to advise the importer regarding legal compliance, the allegation under Regulation 10(d) of CBLR, 2018 is wholly unsustainable and liable to be dropped.

---

## 2. Regulation 10(e) of CBLR, 2018

### Statutory Provision

"A Customs Broker shall exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage."

---

### Scope of Regulation 10(e)

Regulation 10(e) is generally invoked where the Customs Broker:

- gives incorrect advice;
- furnishes false information;
- ignores obvious discrepancies;
- negligently handles documents;
- knowingly facilitates wrong declaration.

To establish violation, the Department must prove:

- lack of due diligence,
- negligence,
- careless conduct,
- incorrect advice,
- suppression of facts, or
- furnishing of false information.

No such evidence exists in the present case.

**No Incorrect Information Given to Importer**

The entire allegation under Regulation 10(e) is based upon assertion that the importer was not informed regarding multiple Bills of Entry.

The CB submitted that the earlier Bills of Entry had already stood automatically purged from the EDI system and were never processed further.

Only Bill of Entry No. 8384938 dated 15.02.2025 remained active and operative for assessment and clearance.

Hence, there was no requirement to separately inform the importer regarding purged Bills of Entry which had already become non-existent in the EDI system.

Further:

- no false information was given to importer;
- no incorrect declaration was filed;
- no misinformation was imparted;
- no prejudice was caused to importer.

Thus, no violation of Regulation 10(e) is made out.

---

Regulation 10(e) of the Customs Brokers Licensing Regulations, 2018 provides that:

"A Customs Broker shall exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage."

At the outset, it is respectfully submitted that the allegation of violation of Regulation 10(e) of CBLR, 2018 is wholly misconceived, factually incorrect, and legally unsustainable.

Regulation 10(e) casts an obligation upon a Customs Broker to exercise due diligence in ascertaining the correctness of information imparted to the client in relation to clearance of cargo or baggage. The said provision is generally invoked in situations where the Customs Broker is alleged to have acted negligently, ignored material discrepancies, furnished incorrect advice, or facilitated filing of incorrect declarations concerning valuation, classification, description of goods, exemption claims, or statutory compliance requirements.

However, the Regulation does not impose absolute liability upon the Customs Broker for every procedural, clerical, or EDI-related irregularity. In order to establish contravention of Regulation 10(e), the Department is required to demonstrate that the Customs Broker failed to exercise reasonable professional diligence or knowingly imparted incorrect information to the client affecting customs clearance.

In the present case, no such allegation or evidence exists.

The allegation in the impugned Show Cause Notice is primarily based on the contention that multiple Bills of Entry were filed for the same consignment and that the Customs Broker did not inform the importer regarding such filings. On this basis, violation of Regulation 10(e) has been alleged.

In this regard, it is respectfully submitted that the allegation is entirely misconceived.

As already stated in the foregoing paragraphs, the earlier Bills of Entry bearing Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025 were automatically purged by the EDI system since the same were not linked with IGM particulars after Entry Inwards and were not processed further for assessment or clearance. Consequently, only Bill of Entry No. 8384938 dated 15.02.2025 remained active in the EDI system and was ultimately processed for assessment, examination, and clearance of the imported goods.

The CB submitted that at the stage of filing Advance Bills of Entry, IGM particulars are ordinarily not available and only after grant of "Entry Inwards" are such particulars required to be linked for further processing. Since the earlier Bills of Entry were not linked with IGM particulars, the EDI system automatically purged the same in accordance with standard system functionality.

The CB further submitted that the Customs Broker had already informed the Department through query reply during assessment proceedings itself that the earlier Bills of Entry would be auto-deleted by the EDI system. Thus, the Department was fully aware of the factual position and there was neither any suppression nor concealment on the part of the Customs Broker.

The CB submitted that there was no variation whatsoever in the description, quantity, classification, assessable value, duty structure, or Certificate of Origin particulars in any of the Bills of Entry. Further:

- no duplicate benefit was availed;
- no wrongful exemption was claimed;
- no misuse of Certificate of Origin occurred;
- no revenue loss was caused to the Government.

Thus, there was no violation of any provision of the Customs Act, 1962, Allied Acts, Rules, Regulations, Notifications, Public Notices, Standing Orders, or EDI procedures.

The CB submitted that Regulation 10(e) specifically concerns correctness of information imparted by the Customs Broker to the client. In the present case, the Customs Broker had not imparted any false, misleading, or incorrect information to the importer, M/s Candor Dates Pvt. Ltd. (IEC: AAKCC3130A), in relation to clearance of the imported goods.

Therefore, the essential ingredients required for invoking Regulation 10(e) are completely absent in the present case.

The CB relied upon the judgment of the Hon'ble Calcutta High Court in Commissioner of Customs (Airport & Admn.) Vs. Shipping & Clearing Agents Pvt. Ltd. wherein it has been held that Regulation 10(e) comes into operation only when false or incorrect information is imparted by the Customs Broker to the client. In absence of any allegation that false information was provided to the client, no violation of Regulation 10(e) can be sustained.

The CB relied upon Order-in-Original No. 10/CAC/PCC(G)/SJ/CBS Adj dated 12.05.2022 passed by the Hon'ble Principal Commissioner of Customs (General), New Custom House, Mumbai in the case of M/s ATC Global Logistics Pvt. Ltd. wherein multiple Bills of Entry were filed for the same consignment and one Bill of Entry was subsequently purged from the system. Despite such facts, the charges against the Customs Broker were dropped. The said order clearly supports the contention that mere filing of multiple Bills of Entry arising out of procedural or system-related circumstances does not constitute misconduct warranting penal action.

The CB relied upon the decision of the Hon'ble CESTAT in Dex Logistics Pvt. Ltd. Vs. Commissioner of Customs, New Delhi wherein the Hon'ble Tribunal held that in absence of mala fide intent, abnormal gain, or evidence of deliberate misconduct, penal action against the Customs Broker is unsustainable.

The ratio of the aforesaid judgments squarely applies to the facts of the present case.

The CB submitted that no mala fide intention whatsoever is attributable to the Customs Broker. There was no pecuniary gain, wrongful benefit, or deliberate attempt to violate the provisions of law. The entire issue arose purely due to procedural and EDI-related circumstances during processing of Advance Bills of Entry relating to perishable cargo.

The CB submitted that the Customs Broker has not violated Regulation 10(e) of CBLR, 2018 in any manner whatsoever. Accordingly, the allegation levelled in the impugned Show Cause Notice is liable to be dropped in toto.

---

**Reliance on Judicial Precedent**

Reliance is placed upon judgment of Hon'ble Calcutta High Court in:

**Commissioner of Customs (Airport & Admn.) Vs. Shipping & Clearing Agents Pvt. Ltd.**

wherein it was held that Regulation 10(e) becomes applicable only where false information is imparted by the Customs Broker to the client.

In absence of allegation of false information, no violation of Regulation 10(e) can be sustained.

Reliance is further placed upon:

**Dex Logistics Pvt. Ltd. Vs. Commissioner of Customs, New Delhi**

wherein it was held that in absence of mala fide motive or abnormal gain, proceedings against Customs Broker are unsustainable.

The ratio of the aforesaid judgments squarely applies to the facts of the present case.

---

### 3. Regulation 10(m) of CBLR, 2018

**Statutory Provision**

"A Customs Broker shall discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay."

---

**No Delay in Clearance**

The allegation under Regulation 10(m) is wholly misconceived.

The Final and operative Bill of Entry No. 8384938 dated 15.02.2025 was duly assessed, examined, and granted Out of Charge on 25.02.2025.

Thus:

- cargo was cleared in normal course;
- there was no avoidable delay;
- there was no procedural obstruction;
- there was no adverse impact on trade facilitation.

On the contrary, since the cargo consisted of perishable Wet Dates, the Customs Broker acted expeditiously to ensure prompt clearance.

---

**EDI Auto-Purge Is Routine System Functionality**

The earlier Bills of Entry were not cancelled because they were automatically purged by the EDI system itself after remaining unprocessed and unlinked with IGM particulars.

Automatic purging of unprocessed Advance Bills of Entry is a routine EDI system functionality and several such Bills of Entry are auto-purged regularly in ordinary course.

Therefore, failure to "cancel" Bills of Entry which had already ceased to exist in the EDI system cannot amount to inefficiency or delay under Regulation 10(m).

---

**Full Cooperation With Investigation**

It is further respectfully submitted that:

- the Customs Broker fully cooperated with SIIB investigation;
- statements were recorded truthfully;
- all documents and records were submitted promptly;
- there was no non-cooperation;
- there was no delay in furnishing information;
- there was no failure to appear before authorities.

There is no allegation by SIIB that the Customs Broker failed to cooperate in investigation.

Thus, the allegation under Regulation 10(m) is entirely presumptive and unsupported by evidence.

---

Regulation 10(m) of the Customs Brokers Licensing Regulations, 2018 provides that:

"A Customs Broker shall discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay."

At the outset, it is respectfully submitted that no violation whatsoever of Regulation 10(m) of CBLR, 2018 is made out against the Customs Broker in the present case.

Regulation 10(m) requires a Customs Broker to discharge customs clearance work with due speed, efficiency, and without avoidable delay. The said provision is generally invoked where the Customs Broker causes unnecessary delay in clearance of cargo, fails to respond to Customs queries in time, delays submission of documents, acts negligently in processing clearance formalities, or otherwise handles customs work inefficiently.

However, the Regulation does not impose strict or absolute liability for every EDI-related issue. In order to establish contravention of Regulation 10(m), the Department is required to demonstrate that the Customs Broker acted negligently or inefficiently in a manner which caused avoidable delay in customs clearance operations.

In the present case, no such circumstance exists.

The allegation in the impugned Show Cause Notice is that the Customs Broker failed to cancel the earlier Bills of Entry within the prescribed time and therefore did not act with the required speed and efficiency.

The said allegation is factually incorrect and legally unsustainable.

The CB submitted that the final and operative Bill of Entry bearing No. 8384938 dated 15.02.2025 was duly processed, assessed, examined, and granted Out of Charge on 25.02.2025 in the normal course of Customs procedure. Thus, the clearance of the imported consignment was completed without any avoidable delay whatsoever.

It is pertinent to mention that the imported cargo consisted of perishable goods, namely Wet Dates. Therefore, priority was given to expeditious clearance in order to avoid deterioration, detention, and commercial loss. The Customs Broker acted promptly and efficiently throughout the clearance process and ensured timely processing of the shipment.

The CB further submitted that the earlier Advance Bills of Entry bearing Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025 were not processed further because IGM particulars were not linked with the said Bills of Entry after grant of Entry Inwards.

The CB submitted that at the stage of filing Advance Bills of Entry, IGM particulars are ordinarily not available. Only after grant of Entry Inwards are the IGM details required to be linked for further processing of the Bills of Entry. Since the IGM particulars were not linked with the earlier Bills of Entry, the EDI system did not permit further processing of the said Bills of Entry and the same were automatically purged by the EDI system in accordance with standard system functionality.

The CB submitted that automatic purging/deletion of unprocessed Advance Bills of Entry is a routine EDI system feature and such purging regularly takes place in the ordinary course of system operations.

The Customs Broker submitted that they had also informed the Department through reply to query during assessment proceedings that the earlier Bills of Entry would be auto-deleted/purged from the system. Therefore, the Department was fully aware of the factual position and there was no requirement or occasion to separately seek cancellation of Bills of Entry which had already ceased to exist in the EDI system.

Thus, the allegation that failure to cancel the earlier Bills of Entry resulted in lack of efficiency or delay is entirely misconceived.

The CB submitted that only Bill of Entry No. 8384938 dated 15.02.2025 remained active and was processed by the EDI system for assessment and clearance. There was no variation whatsoever in value, classification, description, quantity, duty structure, or Certificate of Origin particulars.

Further:

- no duplicate benefit was availed;
- no wrongful exemption was claimed;
- no misuse of Certificate of Origin occurred;
- no revenue loss was caused to the Government.

Therefore, there was no violation of any provision of the Customs Act, 1962, Allied Acts, Rules, Regulations, Notifications, Public Notices, Standing Orders, or EDI procedures.

There is absolutely no evidence on record to establish that the Customs Broker caused any delay, inefficiency, negligence, or obstruction in customs clearance operations.

On the contrary, the facts clearly establish that the Customs Broker acted with due promptness, cooperated fully with the Customs authorities, and ensured timely clearance of the perishable cargo.

The CB submitted that there is no allegation whatsoever from the importer, M/s Candor Dates Pvt. Ltd. (IEC: AAKCC3130A), regarding any negligence, laxity, delay, or inefficiency on the part of the Customs Broker.

The CB submitted that they fully cooperated with the investigation conducted by SIIB (Imports), JNCH, Nhava Sheva and promptly submitted all records, documents, and information as sought by the investigating authorities from time to time.

There is no allegation that the Customs Broker failed to cooperate, delayed submission of records, avoided appearance, or failed to produce any information required by the Department during investigation.

The CB submitted that the allegation under Regulation 10(m) is based merely on assumptions and presumptions without any supporting evidence establishing delay, inefficiency, or negligence in customs clearance operations. In fact, the final operative Bill of Entry was duly assessed, examined, and granted Out of Charge within the normal course of Customs procedure, thereby conclusively establishing that the Customs Broker had discharged his duties with due speed, efficiency, and diligence.

The CB submitted that there is no violation whatsoever of Regulation 10(m) of CBLR, 2018 and the allegation levelled in the impugned Show Cause Notice is liable to be dropped in toto.

---

**Conclusion**

In view of the facts, records, legal provisions, judicial precedents, and submissions made hereinabove, it is respectfully submitted that:

- there is no evidence of mala fide intent;
- there is no suppression;
- there is no revenue loss;
- there is no misdeclaration;
- there is no wrongful gain;
- there is no deliberate violation of law;
- there is no negligence attributable to the Customs Broker.

The entire issue arose solely due to procedural and EDI-related circumstances in handling Advance Bills of Entry for perishable cargo.

Accordingly, none of the charges levelled under Regulations 10(d), 10(e), and 10(m) of CBLR, 2018 survive either on facts or in law.

The allegations levelled in the impugned Show Cause Notice are therefore liable to be held as "NOT PROVED" and the proceedings initiated against the Noticee deserve to be dropped in entirety.

## 5. DISCUSSIONS & ANALYSIS

5.1 I have gone through the Show Cause Notice No.47/2025-26 dated 25.02.2026 vide F.No. GEN/CB/607/2025-CBS along with the relied upon document. I have gone through the records of the Personal Hearings and Defense submissions made during the personal hearings & also during the Inquiry Proceedings. I have also gone through the statements of all the persons taken during the investigation. I have also gone through the alleged Articles of Charges or contraventions mentioned in Show Cause Notice as well as legal provisions reflected in CBLR, 2018.

5.2 I have already taken on record the submissions made by the CB and now I proceed to discuss all these submissions & examine their merits.

### 5.3 Article of Charge – I – Regulation 10 (d) of CBLR, 2018.

*"A Customs Broker shall advise his client to comply with the provisions of the Act, other allied Acts and the rules and regulations thereof, and in case of non-compliance, shall bring the matter to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be";*

I find that the charge of contravention of provisions of Regulation 10(d) of CBLR, 2018 is levelled against the CB M/s. Future Impex on the following grounds:

*"In the instant case, it is evident from the investigation and the statements that parallel Bills of Entry were filed for the same consignment, but at no point did the Customs Broker (CB) bring this matter to the attention of the Deputy Commissioner or Assistant Commissioner of Customs. Also, in his statement dated 26.05.2025, the CB stated that he did not inform the importer that multiple Bills of Entry were filed for the same consignment. This is violation Section 46 (1) of Customs Act, 1962, "Entry of goods on importation.—(1) The importer of any goods, other than goods intended for transit or transhipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be*

*prescribed". Accordingly, the CB must have filed only one Bill of Entry for a particular consignment and in case of any difficulty/ deviation, he must have brought it to the knowledge of the Importer and also of the Department. Therefore, it appears that the CB has contravened the provisions of Regulation 10(d) of the Customs Brokers Licensing Regulations (CBLR), 2018 by not advising his client to comply with the provisions of the Act and not intimating the department about the violation".*

I find that Regulation 10(d) of CBLR, 2018 can be invoked only where there exists clear and cogent evidence showing that the Customs Broker either:

(i) failed to advise the client to comply with the provisions of law; or

(ii) knowingly failed to report deliberate non-compliance by the client to the Customs authorities.

The Defense submission stated that that the process initially commenced with filing of Advance Bill of Entry No. 8264337 dated 10.02.2025; that due to non-receipt of proper system acknowledgment and possible transmission-related issues, uncertainty arose regarding successful reflection of the said filing in the EDI system. The defense submission further stated that in order to avoid delay in clearance of the perishable cargo, the documentation team, acting bona fide and in the interest of expeditious clearance, re-filed the Bill of Entry on 11.02.2025 using identical particulars without any change whatsoever in description, quantity, value, classification, duty structure, or Certificate of Origin details. Consequently, Bill of Entry No. 8286252 dated 11.02.2025 came to be generated. The charged CB further submitted that during the process of conversion of Advance Bill of Entry No. 8286252 dated 11.02.2025 into Final Bill of Entry after Entry Inwards, another Bill of Entry bearing No. 8384938 dated 15.02.2025 was generated; that the said Bill of Entry thereafter became the operative Bill of Entry which was processed for assessment, examination, and clearance. The CB further submitted that, under standard EDI functionality, Advance Bills of Entry which are not linked with IGM particulars or not processed further after Entry Inwards are automatically purged by the system; that since IGM particulars were not linked with the earlier Bills of Entry Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025, the said Bills of Entry remained inactive and were automatically purged from the EDI system. I find that there is force in submission of the CB.

The defense submission stated that during assessment proceedings relating to Bill of Entry No. 8286252 dated 11.02.2025, they informed the Customs Department regarding existence of the earlier filing through reply to query submitted on the EDI portal.

I find that there no allegation or evidence on record to establish that the Customs Broker had knowingly facilitated, advised, or abetted any violation of the Customs Act, 1962 or allied laws. I also find that the charged customs Broker has not given any wrong advice to their client.

As far as the customs clearance of the consignment for which the charged customs broker has filed the Bills of Entry is concerned, I find that in the impugned Show Cause Notice there is no allegation of misdeclaration, undervaluation, or wrongful claim of exemption, revenue loss to the Government by the importer M/s Candor Dates Pvt. Ltd. I find that there is no allegation or statement by the importer M/s Candor Dates Pvt. Ltd. they were given wrong advice by the charged Customs Broker.

I find that in reply to query against Bill of Entry No. 8286252 dated 11.02.2025, the charged CB has informed the Customs Department by way of reply to query that :

> "Here we confirmed that we will utilize the Certificate of Origin No. MOE-COO-CICO 0025709-2 0250129 Dated 29/01/2025 against BOE 8286252 Dated 11.02.2025 only. Copy of Certificate of origin uploaded with BOE No mentioned-on CO (IRN : 2025021200117291). Query raised about the another BOE its **wrongly enter in another BOE which advance BOE will be auto deleted later.**CO will deface again only one Shipment only. Consider the Explanation and assess the BOE".

It is evident from the para 4 of the impugned Show Cause Notice, the charged Customs broker has informed the Department that another Bill of Entry was generated and it will be auto deleted later. Hence, Department was aware the CB has filled two Bills of entry. As the system automatically purges non-processed bills of entry, there was no need to inform Department to cancel the bills of entry which were already purged in the EDI System. Thus, allegation that *at no point did the Customs Broker (CB) bring this matter to the attention of the Deputy Commissioner or Assistant Commissioner of Customs* **do not hold water.**

I find that in para 5 of the impugned Show Cause Notice wherein it is stated that:

**"Eventually, BE No. 8384938 dated 15.02.2025 was given out of charge on 25.02.2025, for identical goods and COO details, whereas the earlier two BEs got purged from the EDI system".**

The defense submission stated that during conversion of Advance Bill of Entry into Final Bill of Entry, another Bill of Entry bearing No. 8384938 dated 15.02.2025 came to be generated during EDI processing and the same ultimately proceeded for assessment and clearance; that the EDI system automatically purges Advance Bills of Entry which are:

- not processed further, or
- not linked with IGM particulars after grant of Entry Inwards.

I find that , the said two bills of entry were automatically got purged from the EDI and system and only one Bill of Entry no. 8384938 dated 15.02.2025 got processed in EDI system.

It is further alleged in the impugned show cause notice that:

*"in his statement dated 26.05.2025, the CB stated that he did not inform the importer that multiple Bills of Entry were filed for the same consignment".*

I have already discussed in foregoing paras, that EDI system automatically purged two Bills of Entry Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025 and only one bill of entry **No. 8384938 dated 15.02.2025** processed by the EDI system. Hence, informing importer about two purged bills of entry was not required as they were not processed in the EDI system.

It is alleged in the show cause notice that:

"This is violation Section 46 (1) of Customs Act, 1962, "Entry of goods on importation.—(1) The importer of any goods, other than goods intended for transit or transhipment, shall make entry thereof by presenting electronically on the customs automated system to the proper officer a bill of entry for home consumption or warehousing in such form and manner as may be prescribed".

I find that Section 46(1) of the Customs Act, 1962 has been mis-interpreted. Section 46(1) prescribes that Bill of Entry is required to be filed for home consumption or warehousing, which the charged CB have filed the Bill of Entry **No. 8384938 dated 15.02.2025 for home consumption.** It is pertinent to mention that Section 46(1) of the Customs Act, 1962 never dealt with filing of multiple bills of entry. It is pertinent to mention that apart from quoting Section 46(1) of the Customs Act, 1962, it has not been quoted in the impugned Show Cause Notice any other provisions of Act, Allied Act, Rules, Regulations, Public Notice, Standing Order Notification which bars filing multiple bill of entry for same consignment.

It is further alleged in the Show Cause Notice that:

"Accordingly, the CB must have filed the Bill of Entry for a particular consignment and in case of any difficulty/ deviation, he must have brought it to the knowledge of the Importer and also of the Department".

As discussed in foregoing paras the charged CB has given intimation to the department that earlier bills of entry got purged in system by way of reply to query through EDI to Custom Authorities. Hence, Department was aware about the same and there was no need to inform Department to cancel the bills of entry which were already going to purged in the EDI System. Hence, there is no lapse on part of the charged CB. I find that filing multiple bills of entry is not an offense, otherwise there would have been punitive action prescribed in any Act, Allied Act, Rules, Regulations, Public Notice, Standing Order or Notification.

I find that there no evidence on record to establish that:

- the importer indulged in any deliberate violation;

- the Customs Broker advised the importer contrary to law;
- there was any suppression of material facts;
- there was any wrongful gain;
- there was any attempt to evade duty;
- there was any misuse or multiple use of exemption and COO benefit;
- there was any revenue loss to the Government by any way.

Accordingly, I hold the Article of Charge alleging violation of Regulation 10 (d) of the CBLR, 2018 as "**Not Proved**".

5.4 **Article of Charge – II**

**Regulation 10(e) of the CBLR, 2018**

*"A Customs Broker shall exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage";*

I find that the charge of contravention of provisions of Regulation 10(e) of CBLR, 2018 is levelled against the CB M/s. Future Impex on the following ground:

> "In the instant case, it is evident from the investigation and statements that the Customs Broker (CB) did not inform the importer that multiple Bills of Entry were filed for the same consignment. This conduct suggests a lack of due diligence on the part of the CB in verifying the accuracy of the information provided to the client in relation to the clearance of cargo or baggage. Consequently, it appears that the CB has contravened the provisions of Regulation 10(e) of the Customs Brokers Licensing Regulations (CBLR), 2018".

I have discussed in foregoing paras, that EDI system automatically purged two Bills of Entry Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025 and only one bill of entry **No. 8384938 dated 15.02.2025** processed by the EDI system. I find that informing importer about two purged bills of entry was not required as they were not processed in the EDI system. I find that the charged CB has intimation to the department through reply to the query that earlier bills of entry got purged in system by way of reply to query. Hence, Department was aware same and there was no need to inform Department to cancel the bills of entry which were already purged in the EDI System. As such only bill of entry **No. 8384938 dated 15.02.2025** processed by the EDI system, wherein there was **no variation in value, classification, or duty. Also,** there was **no duplication of benefit or misuse of exemption/Certificate of Origin (COO). Thus, was no violation of any** Act, Allied Act, Rules, Regulations, Public Notice, Standing Order or Notification.

I find that the charged CB has relied upon Order-in-Original No. 10/CAC/PCC(G)/SJ/CBS Adj dated 12.05.2022 passed by Hon'ble Principal Commissioner of Customs (General), New Custom House, Mumbai, wherein Customs Broker M/s. ATC Global Logistics Pvt. Ltd. had filed two bills of entry viz. 7123590 dated 05.07.2018 and 8011628 dated 11.09.2018. Out of the above said two bills of entry 7123590 dated 05.07.2018 was purged in the system. Accordingly, the said Customs Broker filed another bill of entry No. 8011628 dated 11.09.2018 for same consignment, which of processed in the system. Hon'ble Principal Commissioner of Customs (General), New Custom House, Mumbai drop the charges levelled against the said Customs Broker. It is pertinent to mention that if filing of multiple bills of entry for same consignment is an offense, the Hon'ble Principal Commissioner of Customs ought to have taken punitive action. However, charges levelled against the Customs Broker were dropped.

I find that Regulation 10(e) of CBLR, 2018 requires the Customs Broker to exercise due diligence to ensure that any information which the Custom Broker gives to the client with regard to clearance of the cargo is correct. I find that the charged CB has not imparted any incorrect information to their client M/s Candor Dates Pvt Ltd. (IEC:AAKCC3130A) with regard to the clearance of the import cargo and therefore there is no contravention of Regulation 10(e) of CBLR, 2018.

The Charged CB relied upon the decision of the Hon'ble High Court Calcutta in case of Commissioner of Customs (Airport & Admn.) Vs. Shipping & Clearing Agents Pvt. Ltd. reported in 2023 (386) E.L.T. 544 (Cal.) wherein the Hon'ble High Court observed that :

"**29.** Before going into Article II of the charge under Regulation 11(e) of the Customs Brokers Licensing Regulations, 2013 it is necessary to consider the said regulation.

**30.** As per Regulation 11(e) Customs Broker shall exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage.

**31.** Thus the charge of violation of Regulation 11(e) comes into operation when information is given by Customs Broker to his client and there is allegation that the information given is false. When there is allegation that the Customs Broker did not advise the client to comply the provisions of the Act there is no question of giving information to client which is not true, when there is no allegation by the client/exporter. Thus there is no breach of the said provision".

I have taken cognizance of the above case laws; I find that ratio of the judgement is applicable in the instant case.

The Charged CB further submit that no mala-fide intention is attributable in as much as the no pecuniary gain occurred to them in the instant case. For the above proposition following case law is relied upon:

(i) Dex Logistics P. Ltd. Vs. Commissioner of Customs, New Delhi reported in 2019 (369) E.L.T. 1168 (Tri. Del.) , wherein the Hon'ble Tribunal held that :

> *"8......................... The allegations of the Revenue are based on investigation and the statements of Mr. B.K. Goyal. Although Director of the appellant have also stated that the said importer were introduced to him through Shri B.K. Goyal, but it is not established that appellant handled the work of clearance with any mala fide motive, or any motive to abnormal gain. We also find that there is no allegation of the appellant having made any abnormal profits in connivance with the said Mr. B.K. Goyal. We further find that the impugned order is bad in the absence of any offence report. The proceedings have been initiated much later in the day after passing of Order-in-Original dated 28-4-2017, which have already set aside by this Tribunal*

*as regards this appellant and its Director.*

*9. In this view of the matter we find that the charges levelled against the appellant CHA are not maintainable. Accordingly, we set aside the impugned order and allow the appeal. The Ld. Commissioner General is directed to restore the licence of the appellant CHA within the period of three weeks of the receipt of the copy of this order".*

I have taken cognizance of the above case laws; I find that ratio of the judgement is applicable in the instant case.

As discussed in foregoing paras the charged CB has given intimation to the department that earlier bills of entry got purged in system by way of reply to query. Hence, Department was aware about the same and there was no need to inform Department to cancel the bills of entry which were already purged in the EDI System. Hence, there is no lapse on part of the charged CB. I find that filing multiple bills of entry is not an offense, otherwise there would have been punitive action prescribed in any Act, Allied Act, Rules, Regulations, Public Notice, Standing Order or Notification.

I find that there no evidence on record to establish that:

- the importer indulged in any deliberate violation;
- the Customs Broker advised the importer contrary to law;
- there was any suppression of material facts;
- there was any wrongful gain;
- there was any attempt to evade duty;
- there was any misuse of exemption/COO benefit;
- there was any revenue loss to the Government.

Accordingly, I hold the Article of Charge alleging violation of Regulation 10 (e) of the CBLR, 2018 as "**Not Proved**".

## 5.5 Article of Charge – III Regulation 10(m) of the CBLR, 2018 :

"A customs Broker shall discharge his duties as a Customs Broker with utmost speed and efficiency without any delay".

I find that the charge of contravention of provisions of Regulation 10(m) of CBLR, 2018 is levelled against the CB M/s. Future Impex on the following ground :

*"In the instant case, it is evident from the investigation and statement that the Customs Broker (CB) failed to cancel the Bills of Entry within the time limit, indicating a lack of promptness and efficiency in the discharge of his duties. This delay suggests that the CB did not act with the required speed and efficiency. Accordingly, it appears that the CB has contravened the provisions of Regulation 10(m) of the Customs Brokers Licensing Regulations (CBLR), 2018".*

I have discussed in foregoing paras, that EDI system automatically purged two Bills of Entry Nos. 8264337 dated 10.02.2025 and 8286252 dated 11.02.2025 and only one bill of entry **No. 8384938 dated 15.02.2025** processed by the EDI system. I find that the charged CB has intimation to the department through reply to the query that earlier bills of entry got purged in system by way of reply to query. Hence, Department was aware same and there was no need to inform Department to cancel the bills of entry which were already purged in the EDI System. As such only bill of entry **No. 8384938 dated 15.02.2025** processed by the EDI system, wherein there was **no variation in value, classification, or duty. Also,** there was **no duplication of benefit or misuse of exemption/Certificate of Origin (COO). Thus, was no violation of any** Act, Allied Act, Rules, Regulations, Public Notice, Standing Order or Notification.

I find that it is alleged in that "*In the instant case, it is evident from the investigation and statement that the Customs Broker (CB) failed to cancel the Bills of Entry within the time limit". I find that no specific provision regarding cancellation of bills of entry with specific time limit has been quoted in the present article of charge.*

I find that filing multiple bills of entry is not an offense, otherwise there would have been punitive action prescribed in any Act, Allied Act, Rules, Regulations, Public Notice, Standing Order or Notification.

I find that there is no allegation of any kind from the importer M/s Candor Dates Pvt Ltd. (IEC:AAKCC3130A) regarding laxity and delay in clearance of consignments. Also, there has been no lapse in discharging our duties towards the department. I find that the charged CB has fully cooperated with the investigation of the case. There is no allegation by SIIB (I), JNCH, Nhava Sheva that charged CB had not cooperated or had not responded or delayed submission of any information desired by them or had failed to produce importer or any other person required by them. I find that allegation of violation of Regulation 10(m) of CBLR, 2018 levelled against charged is based on assumption and presumption. The charge of violation of Regulation 10(m) of CBLR, 2018 is merely a conjuncture and pure assumption that they had not discharged our duties with utmost speed and efficiency.

I find that there no evidence on record to establish that:

- the importer indulged in any deliberate violation;
- the Customs Broker advised the importer contrary to law;
- there was any suppression of material facts;
- there was any wrongful gain;
- there was any attempt to evade duty;
- there was any misuse of exemption/COO benefit;
- there was any revenue loss to the Government.

Accordingly, I hold the Article of Charge alleging violation of Regulation 10 (e) of the CBLR, 2018 as "**Not Proved**".

## 6. SUMMARY OF THE FINDINGS:

From the aforesaid discussions as mentioned above, I conclude the findings as under :

| Sr. No. | Charges against the CB | Findings |
|---|---|---|
| 1. | Violation of Regulation 10(d) of the CBLR, 2018 | Not proved |
| 2. | Violation of Regulation 10(e) of the CBLR, 2018 | Not proved |
| 3. | Violation of Regulation 10(m) of the CBLR, 2018 | Not proved |

3/6/26

**(Harishkumar Parmar)**
**Inquiry Officer**