प्रधान आयुक्त, सीमाशुल्क (सामान्य) का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (GENERAL),
नवीन सीमाशुल्क भवन,बेलार्ड इस्टेट, मुंबई -400001.
NEW CUSTOM HOUSE, BALLARD ESTATE, MUMBAI – 400001.

संचिका सं /.F. No. GEN/CB/484/2024–CBS आदेश दिनांक/Date of Order: 07.09.2026

CAO No.36/2026-27/CAC/PCC(G)/AKP/Adj-CBS जारी दिनांक/Date of issue:08.09.2026

संख्या:

DIN:- 20260977NO00006F2F79

द्वारा जारी : अजय कुमार पाण्डेय
प्रधान आयुक्त, सीमाशुल्क (सामान्य)
मुंबई - 400 001

Issued By : Ajay Kumar Pandey
Pr. Commissioner of Customs (Gen.)
Mumbai – 400 001

ORDER-IN-ORIGINAL मूल आदेश

ध्यान दीजिए/ N.B. :

1. यह प्रति उस व्यक्ति को निजी उपयोग हेतु निःशुल्क प्रदान की जाती है, जिसे यह जारी की जा रही है। This copy is granted free of Charge for the private use of the person to whom it is issued.

2. इस आदेश के विरुद्ध अपील माँगे गए राशी के **7.5%** के भुगतान पर सीमाशुल्क अधिनियम, 1962 129 की धाराA(1B)(i) के संबंधमें सीमाशुल्क, केंद्रीय उत्पाद शुल्क एवं सेवाकर अपील अधिकरण में स्वीकार्य है, जहाँ शुल्क या शुल्क एवं जुर्माना विवादित हों, या जुर्माना, जहाँ सिर्फ जुर्माना ही विवादित हो।यह अपील इस आदेश के संप्रेषण की तारीख के तीन महीने के अंदर दायर की जाएगी। यह अपील सीमाशुल्क, केंद्रीय उत्पाद शुल्क एवं सेवाकर अपील अधिकरण नियमावली (कार्यविधि), १९८२, के प्रावधानों के अंतर्गत, यथोतखंडपीठ में स्वीकार्य है।
An appeal against this order lies with the Customs, Central Excise and Service Tax Appellate Tribunal in terms of section 129A(1B)(i) of the Customs Act, 1962, on payment of **7.5%** of the amount demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute. It shall be filed within three months from the date of communication of this order. The appeal lies with the appropriate bench of the Customs, Central Excise and Service Tax Appellate as per the applicable provisions of the Customs, Excise and Service Tax Appellate Tribunal (Procedure) Rules, 1982.

3. यह सूचित किया जाता है की इस आदेश के अमल में आते ही,न्याय निर्णयन अधिकारी का अधिकार क्षेत्र समाप्त होता है और सीमाशुल्क, केंद्रीय उत्पाद शुल्क एवं सेवाकर अपील अधिकरण, पश्चिम क्षेत्री यखंडपीठ, के M/s Knowledge Infrastructure Systems Pvt. Ltd. & Others vs ADG, DRI, Mumbai के संदर्भ में जारी आदेश क्रमांक A/86617-86619/2018 दिनांक के अनुसार न्यायिक आदेश तदोउ 31.05.2018 प्रांत न्याय निर्णयन अधिकारी‘ *functus officio* ’बन जाता है
It is informed that the jurisdiction of the Adjudicating Authority stands alienated with the conclusion of the present adjudication order and the Adjudicating

Authority attains the status of '*functus officio*' as held by Hon'ble CESTAT, Mumbai in its decision in the case of M/s Knowledge Infrastructure Systems Pvt. Ltd. & Others vs ADG, DRI, Mumbai vide Order No. A/86617-86619/2018 dated 31.05.2018.

4. यदि एक ही प्रकरण में उसी पक्षकार के विरुद्द कई कारण बताओ नोटिस लगाकर आदेश पारित किया जाता है तो प्रत्येक प्रकरण में अलग अपील दायर की जाए।
In case where an order is passed by bunching several show cause notices on an identical issue against the same party, separate appeal may be filed in each case.

5. यह अपील फॉर्म C.A.-3 में दायर की जानी चाहिए जो कि सीमाशुल्क नियमावली (अपीलस), १९८२ के नियम में उल्लेखित व्यक्ति 2 के उपनियम 3 के तहत निर्धारित है एवं उसी नियमावली के नियम 6 द्वारा हस्ताक्षरित एवं सत्यापित की जाएगी।
The Appeal should be filed in Form C.A.-3 prescribed under Rule 6 of the Customs (Appeals) Rules, 1982 and shall be signed and verified by the person specified in sub-rule 2 of rule 3 rules ibid.

6. (i) यदि प्रतिवादित आदेश, जिसके विरुद्ध अपील की गई है, में शुल्क एवं मांगे गए ब्याजवलगाएगए जुर्माने की राशि रु-/1000 .पाँच लाख या इस से कम होतो रु ., (ii)यदि यह राशि रुपाँच लाख से अधिक .) एवं -/5000 .हो किंतु पचास लाख से अधिक न होतो रुiii) यदि यह राशि रुपचास लाख से अधिक होतो . के शुल्क -/10000 .रु का भुगतान क्रॉस्ड बैंक ड्राफ्ट के माध्यम से अधिकरण की खंडपीठ के सहायक पंजीयक के पक्ष में जिस स्थान पर खंडपीठ स्थित है, के किसी भी राष्ट्रीय क्रत बैंक की शाखा में किया जाए एवं डिमांड ड्राफ्ट अपील के साथ संलग्न किया जाए।
A fee of (i) Rs. 1000/- in case where the amount of duty and interest demanded and the penalty imposed in the impugned order appealed against is Rupees Five Lakhs or less, (ii) Rs. 5000/- in case where such amount exceeds Rupees Five Lakhs but not exceeding Rupees Fifty Lakhs and (iii) Rs. 10000/- in case where such amount exceeds Rupees Fifty Lakhs, is required to be paid through a crossed bank draft in favour of the Assistant registrar of the Bench of the Tribunal on a branch of any nationalized bank located at the place where the bench is situated and demand draft shall be attached to the Appeal.

7. अपील की एक प्रति में कोर्ट फी अधिनियम, 50 .के तहत निर्धारित रु 6 की अनुसूची मद 1870 का कोर्ट फी स्टैम्प लगा होना चाहिए एवं इसके साथ संलग्न इस आदेश की उक्त प्रति में रु 50 .का कोर्ट फी स्टैम्प लगा होना चाहिए।
One copy of the Appeal should bear a Court Fee Stamp of Rs. 50 and said copy of this order attached therein should bear a Court Fee Stamp of Rs. 50 as prescribed under Schedule item 6 of the Court Fee Act, 1870, as amended.

<u>Brief Facts of the Case</u>:

M/s Global Clearance & Logistics (AAWFG7760P) (CB No. 11/2730) having office address at 308, 3rd Floor, Building No. 4, Sangrila CHS, Near Punjab National Bank, 90 Feet Road, Sakinaka, Andheri (East), Mumbai-400072 (hereinafter referred to as the Customs Broker/CB) is a holder of Customs Broker License No. 11/2730 (PAN No. AAWFG7760P), issued by the Commissioner of Customs, Mumbai under Regulation 7(2)(b) of the Customs Brokers Licensing Regulation (CBLR), 2018, and as such they are bound by the regulations and conditions stipulated therein.

2. An Offence Report in the form of letter F. No. SG/Inv-210/2023-24/D-Cell/SIIB (1)/JNCH dated 22.08.2024 with respect to the role of the CB M/s Global Clearance & Logistics (AAWFG7760P) (CB No. 11/2730) was received by Customs Broker Section, NCH from SIIB (Import), JNCH, which reported as below:

2.1 Based on information received from Group-II, JNCH, an inquiry was initiated by the SIIB(Import), JNCH, against M/s Shree Chemopharma Ankleshwar Pvt. Ltd. (hereinafter referred to as the Importer), in the case of import of Ortho Chloro Benzoic Acid from China. During enquiry it was found that the importer, imported the goods Ortho Chloro Benzoic Acid vide three Bs/E 4077237/01.01.2023, 4111392/10.01.2023 & 4338818/24.01.2023. For clearance of these consignments, they appointed Custom Broker (CB) M/s Global Clearance & Logistics (operated by Shri Kiran Bhanushali, Shri Darshil Bhanushali and Shri Pravin Bhanushali) and forwarded the relevant documents to them for clearance, who subsequently forwarded them to another CB, M/s Pavitra Impex Ltd., whose CB licence was used to file the documents. The importer M/s Shree Chemopharma Ankleshwar Pvt. Ltd. forwarded the actual invoice bearing value @3.6 USD per kg to the present CB firm, however, the CB forged the documents and presented an invoice bearing value @ 0.7 USD per kg to clear the goods vide the subject Bills of Entry. As informed by the importer the authorized CB was M/s Global Clearance & Logistics, however, the documents were filed on the CB licence of M/s. Pavitra Impex Ltd.

2.2 Thus, it appeared that the importer authorized M/s Global Clearance & Logistics for the clearance of goods, however M/s Global Clearance & Logistics forged the documents and these forged documents were presented before the Customs for clearance through M/s. Pavitra Impex Ltd. The said forgery apparently resulted in evasion of customs duty to the tune of Rs. 42,17,586/- (Rupees Forty-Two lakhs Seventeen thousand Five hundred and Eighty Six only).

2.3 As informed by the importer they had forwarded the actual invoice of the goods bearing valued @ 3.6 USD per kg and other documents to their appointed CB - Global Clearance & Logistics. Subsequently, the CB gave the importer a check list of the consignments as per the actual invoice. Based on the check list the importer made the payment of full duty amount to the CB. Despite clearance of the consignment, the importer noticed that full GST credit was not reflecting on the GST portal. Upon inquiry, the CB stated that there was some problem with the portal and GST credit would be visible shortly. However, even after few months when the GST credit was not visible on the GST portal the importer visited the CB's office at Sakinaka and Ghatkopar, however they were unable to contact them. Upon inquiry they learnt that the CB had forged the invoices of the original sales contract from @ 3.6 USD per kg to @ 0.7 USD per kg, thus mis-declaring the value and causing duty evasion. These forged documents with mis-declared value were presented for clearance of the goods by CB M/s. Pavitra Impex Ltd.

2.4 The details and declaration of the three bills of entry filed for the clearance are as under:

BE No.	**Date**	**Description of the goods**	**Value declared per KG in USD**	**Filed by**
4077237	01.01.2023	Ortho Chloro Benzoic Acid	0.7	M/s. Pavitra Impex Ltd
4111392	10.01.2023	Ortho Chloro Benzoic Acid	0.7	M/s. Pavitra Impex Ltd
4338818	24.01.2023	Ortho Chloro Benzoic Acid 99%	0.7	M/s. Pavitra Impex Ltd

2.5 The importer, vide letter dated 25.08.2023 immediately informed Appraising Group 2A, JNCH about the matter and requested them to reassess the subject Bills of Entry and to allow them to pay the differential duty alongwith applicable interest. The importer also filed a police complaint in the said matter. The following documents were submitted by the importer alongwith the aforesaid letter:

i. Import Purchase Order of Shree Chemopharma.
ii. Sales Contract (Sales Confirmation).
iii. Covering letter, sent to CHA M/s Global Clearance & Logistics alonwith;
   a. Bill of Lading.
   b. Invoice.
   c. Packing List.
   d. Certificate of Origin.
   e. Certificate of Insurance.
   f. Certificate of Analysis.
iv. Checklist as per actual invoice.

2.6 The CB had informed the importer that the CB M/s. Pavitra Impex Ltd was also their company. M/s. Pavitra Impex Ltd knew the importer only through M/s. Global Clearance & Logistics, they had no direct contact with the importer. M/s. Pavitra received the documents from the CB via email and filed the Bills of Entry based on the approved documents/declaration received from M/s. Global Clearance & Logistics. Further, all the charges including DO, CFS, Duty etc. were paid by M/s Global Clearance & Logistics and they were only handling physical part of the clearance. Finally, the cleared documents were forwarded by them to M/s Global Clearance & Logistics, which was further forwarded to the importer.

2.7 The Appraising Group 2A, JNCH, vide their letter dated 23.11.2023 forwarded the submission made by the importer, alongwith attached documents to SIIB(I), JNCH for short payment of duty and investigation of the forged invoices alongwith past imports.

3. **Investigation by SIIB (I), JNCH**

3.1 During the course of investigation, it was noticed that in the subject Bills of Entry the invoice of the goods were presented @ 0.7 USD per kg, however, the importer had submitted the Sales Contract invoices @ 3.6 USD per kg. Further, it was observed that the importer M/s Shree Chemopharma Ankleshwar Pvt. Ltd. had imported identical goods in the past and declared the value of goods approximately at 3.6 USD per kg. Likewise, the data of other importers were retrieved to verify the authenticity of the value submitted by the importer. It appeared that the other importers were importing identical goods i.e. Ortho Chloro Benzoic Acid from China, at a much lower value. Therefore, it appeared that the invoice re-submitted by the importer for valuation of the item in question, appeared to be acceptable for re-valuation of the goods imported vide the subject three bills of entry.

3.2 **Duty difference between declared value and actual value are as under**:

BE No.	Date	Description of the goods	QTY in KGs	Invoice Value	Total Assessable Value declared	Duty paid@ 27.735% (7.5+10+18)	Actual Assessable Value	Applicable duty	Duty Difference
4077237	01.01.2023	Ortho Chloro Benzoic Acid	21000	0.7	1230390	341249	6327720	1754993.14	1413744.44
4111392	10.01.2023	Ortho Chloro Benzoic Acid	21000	0.7	1230390	341249	6327720	1754993.14	1413744.44
4338818	24.01.2023	Ortho Chloro Benzoic Acid 99%	21000	0.7	1209810	335541	6221880	1725638.42	1390097.52
					3670590	1018038.3	18877320	5235624.702	4217586.402

3.3 Further, during the ongoing investigation, the office of Dy. Commissioner of Customs, Div-VIII, Ankleshwar, Gujarat were requested to intimate whether any case was ongoing/pending against the importer. Accordingly, vide their office letter dated 12.04.2024, it was intimated that there was no case pending against M/s Chemopharma Ankleshawar Pvt. Ltd.

3.4 **Statements recorded during investigation**

3.4.1 **Statement of Shri Jay Dave, Director of M/s Chemopharma Ankleshawar Pvt. Ltd**, was recorded on 19.12.2023 under section 108 of the Customs Act, wherein he had inter alia stated that:

i. M/s Shree Chemopharma Ankleshwar Pvt. Ltd. is a manufacturer of intermediates for pharmaceuticals and pigments and the manufacturing facility is located in Ankleshwar.

ii. They had imported 3 containers of Ortho Chloro Benzoic Acid through the CB M/s Global Clearance & Logistics. Their authorized CB was M/s. Global Clearance & Logistics and they were in touch with all the three persons, namely Praveen Bhanusali, Kiran Bhanusali and Darshil Bhanusali of M/s Global Clearance & Logistics. However, the documents were filed on the CB licence of M/s Pavitra Impex as the CB had informed that M/s Pavitra Impex was also their company.

iii. They had transferred Custom duty as per actual invoice and checklist to the CB. On clearing of the consignment the CB had shared the Custom Payment Receipt and BE with them.

iv. After a lapse of sometime when full GST credit was not reflected on the GST portal, they continuously reminded the CB about the partial credit. In response the CB mentioned that there is some problem with the portal and GST credit will be visible shortly. Even after few months when GST credit was not visible on the GST portal, they visited the CB's office at Sakinaka and Ghatkopar, but they found both the premises closed and were unable to contact the CB.

v. Owing to the circumstance, they got suspicious and requested another CHA to check if the filing process of the subject consignments were done properly. Upon inquiry they learnt that the CB M/s Global Clearance and Logistics had duped them by misdeclaring the value of the goods and thus undervaluing the goods. The CB had collected the full amount of duty from them but had misdeclared the value of goods.

vi. As an immediate measure they, vide letter dated 25.08.2023 informed the Dy. Commissioner of Customs, Appraising Group 2A, JNCH, Nhava Sheva, about the matter and requested to allow them to pay the differential duty along with applicable interest. They also lodged a police complain in the matter.

vii. They did not meet any person from the CB, M/s Pavitra Impex, until the present matter arose. As informed at a later date by Mr. Satish Katekar of M/s Pavitra Impex, the CB M/s. Global Clearance & Logistics used to forward the documents related to import of Ortho Chloro Benzoic Acid, which was uploaded as received in e-sanchit.

3.4.2 **Statement of Shri Jay Dave, Director of M/s Chemopharma Ankleshawar Pvt. Ltd,** was recorded on 17.01.2024 under section 108 of the Customs Act, wherein he had inter alia stated that:

i. They did not raise any objection over M/s. Pavitra Impex clearing the documents as the CB M/s. Global Clearance & Logistics had verbally told them that it was also their company. However, they did not see the name of M/s. Pavitra Impex in the check list sent for approval or in the final Bills of Entry.

ii. It is reiterated that they used to get the check list full amount and accordingly, made the full payment to M/s Global Clearance & Logistics. Further, the CB would also give Bills of entry for the full amount alongwith customs receipts and customs duty charges bills.

iii. They accepted that the documents filed on behalf of the company with respect to the subject Bills of Entry were forged by the CB appointed by them namely, M/s Global Clearance & Logistics.

3.4.3 **Statement of Shri Prabhakar Dhondiba Wayadande, G Card Holder of CB M/s Pavithra Impex** was recorder on 17.01.2024 under Section 108 of the Customs Act, 1962 wherein he had inter alia stated that:

i. On being asked if he knew why he had been summoned, he stated that he knew that Customs duty had been evaded by forging the invoice vide the three bills of entry number 4077237/01.01.2023, 4111392/10.01.2023 & 4338818/24.01.2023 of Shree Ankleshawar Pvt. Ltd. filed by their CB firm. He also knew that a Police FIR was also filed by Shree Ankleshawar Pvt. Ltd. against three persons namely Shri Darshit Bhanusali, Pravin Bhanushali and Kiran Bhanushali along with forwarders M/s Global Clearance & Logistics for forgery.

ii. They did not have any direct contact with the importer M/s. Shree Ankleshawar Pvt. Ltd. Their proprietor Shri Satish Katekar knew Shri Darshit Bhanusali, Pravin Bhanushali and Kiran Bhanushali and he brought the clearance work of the consignments belonging to Shree Ankleshawar Pvt. Ltd.

iii. That they used to receive the documents for clearance from Darshit Bhanushali and Kiran Bhanusali and used to send back/receive the checklist from M/s Global Clearance & Logistics by e-mail address gelpravin@gmail.co. and info@globalclearance.in. It is also stated that they used to receive the charges from M/s Global Clearance & Logistics by online method.

iv. M/s Global Clearance & Logistics, namely, Darshit Bhanusali, Kiran Bhanusali and Praveen Bhanusali forged the documents and handed over the forged documents to them and they filed the same in Customs.

v. They never met any person belonging to the importer nor were they connected directly to Shree Anldeshawar Pvt. Ltd. The business was being conducted only through Freight Forwarders M/s Global Clearing and Logistics.

3.4.4 **Statement of Shri Satish Katekar, Partner in M/s PAVITHRA IMPEX** [AASFP5574G (CB No. 11/2580)] was recorded on 29.02.2024 under Section 108 of the Customs Act, 1962, wherein he had inter alia stated that:

i. They came to know about the importer, M/s Shree Chemopharma Ankleshwar Private Limited through Shri Pravin Bhanusali, freight forwarder of M/s. Global Clearance & logistics, in relation to the custom clearance work.

ii. They had verified all the KYC documents of the importer viz GSTIN registration certificate, IEC on DGFT website online and verified the address of importer physically.

iii. They had no knowledge of duty evasion and fake invoice document. Their role was only limited to Customs clearance.

iv. They received all the relevant documents of the said consignment from M/s Global Logistics through the email. Further, they would send back documents for approval of the content of the declaration to M/s Global Logistics and also forward the cleared documents to M/s Global Logistics.

v. They were in touch only with M/s Global Logistics. All charges including, DO, CFS, Duty etc. were paid by M/s Global Logistics and that they were only handling the physical part of the clearance.

3.4.5 **Shri Praveen Bhanusali, Shri Kiran Bhanusali and Shri Darshil Bhanusali of M/s CB Global Clearance and Logistics** were summoned thrice but they did not turn up for recording of their statement.

4. **Role of the CB, M/s Global Clearance and Logistics**

On scrutiny of the Offence report and the facts as discussed above, it appeared that Shri Darshit Bhanusali, Pravin Bhanushali and Kiran Bhanushali of M/s Global Clearance and Logistics (CB No. 11/2730. PAN No. AAWFG7760P) were instrumental in forgery of invoices and related documents. They failed to adhere to the provisions of CBLR, 2018 on the following grounds:

i. The importer M/s Shree Chemopharma Ankleshwar Pvt. Ltd. forwarded the actual invoice @ 3.6 USD per kg to CB M/s Global Clearance & Logistics. However, the CB forged the documents and forwarded an invoice @0.7 USD per kg to M/s. Pavitra Impex Ltd so that the same may be presented before the Customs for clearance.

ii. In their statement the importer had stated that they received check list for the full amount. It appeared that the CB manipulated the checklist received from M/s. Pavitra Impex before forwarding the same to the importer. Thus, it was evident that the CB kept both the importer and M/s. Pavitra Impex Ltd oblivious and forged the documents every time it was forwarded to either of the party.

iii. The checklist forwarded by M/s. Pavitra Impex to the CB was on the basis of the forged documents (invoice value 0.7 USD per kg). However, the checklist received by the importer from the CB was for the full amount (invoice value @3.6 USD per kg). Accordingly, the importer made full payment to M/s Global Clearance & Logistics, also the CB would give the importer bills of entry which showed full amount, alongwith the customs receipts and customs duty charges bills. However, the Custom duty paid to the exchequer was as per the forged documents. It appeared that the CB not only duped the importer but also the exchequer by misdeclaring the value of goods and thereby resulting in evasion of applicable customs duty and causing loss to the exchequer.

iv. When the importer noticed that the GST credit reflecting on the GST portal was not for the full amount, the CB tried to mislead the importer by stating there was some problem with the portal and the GST credit would be visible shortly. Subsequently, when the importer visited the CB's office at Sakinaka and Ghatkopar, they found both the premises closed and were unable to contact them. Thus, the CB has exhibited non-adherence towards the responsibilities entrusted to them by the importer.

v. Shri Praveen Bhanusali, Shri Kiran Bhanusali and Shri Darshil Bhanusali of CB M/s Global Clearance & Logistics were summoned thrice but they did not turn up for recording of the statement. The CB failed to co-operate in the investigation process and delayed the whole proceedings.

5. **Summary of the Investigation.**

5.1 From the above, it appeared that Shri Darshit Bhanusali, Pravin Bhanushali and Kiran Bhanushali along with the CB M/s Global Clearance & Logistics were instrumental in forgery of invoices as stated in aforesaid statements.

5.2 As per the offence report F. No. SG/Inv-210/2023-24/ D-Cell/SIIB (1)/JNCH dated 22.08.2024 the case appeared to be that of forgery of documents presented for clearance of the goods by CB M/s Global Clearance & Logistics (CB No. 11/2730) alongwith Shri Darshit Bhanusali, Pravin Bhanushali and Kiran Bhanushali. The said act by the CB resulted into evasion of appropriate Customs duty. Therefore, owing to the omissions and commissions, CB M/s Global Clearance & Logistics alongwith Shri Darshit Bhanusali, Pravin Bhanushali and Kiran Bhanushali, have been made noticee in the case and penalty under the provisions of Section 112a and 114AA of the Customs Act, 1962 has been proposed.

5.3 Further, on detailed scrutiny of the said Investigation Report, it appeared that the CB, M/s Global Clearance & Logistics was instrumental in forgery of invoices and had failed to fulfil the obligations of a CB under Regulations 10(e), 10(g), 10(k), 10(m) and 10(q) of CBLR, 2018.

5.4 The CB License of M/s. Global Clearance & Logistics (CB No. 11/2730) was already under suspension in a different offence, vide Suspension Order No. 04/2024-25 dated 17.04.2024 and the same was continued vide Suspension Continuation Order No. 20/2024-25 dated 11.06.24 under Regulation 16 of CBLR, 2018. Further, SCN No. 20/2024-25 dated 24.06.2024 had also been issued in the matter. So, a deterrence has already been created against the CB from indulging in transaction of business as far as customs is concerned.

5.5 In view of the above facts and finding of the investigation, it appeared that the CB M/s Global Clearance & Logistics (CB No. 11/2730) alongwith Shri Darshit Bhanusali, Pravin Bhanushali and Kiran Bhanushali failed to comply with the following regulations of the CBLR, 2018:

i. Regulation 10 (e) of 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*"

From the Offence Report, it was observed that the CB forged the actual invoice received from the importer and forwarded the same to M/s. Pavitra Impex Ltd so that it may be presented before the Customs for clearance. This act of the CB led to misdeclaration and undervaluation of the goods. Likewise, the checklist, Bills of Entry, customs receipts and customs duty charges bills forwarded by the CB to the importer was for the full amount. Thus, the CB gave fabricated information to the importer and collected full amount from them. Therefore, it appeared the CB not only forged the documents that he received from the importer but also the documents that he received from M/s. Pavitra Impex Ltd and Customs before forwarding to the same to the importer. The Regulation 10(e) of CBLR, 2018 casts a duty on the CB to exercise due diligence in communicating correct information to a client with reference to any work related to clearance of cargo. In the instant case, it appeared that the CB committed forgery by fabricating the documents and thus failed in his duty as mandated in Regulation 10(e) of CBLR, 2018.

ii. Regulation 10(g) of CBLR, 2018:

"*A Customs Broker shall promptly pay over to the Government, when due, sums received for payment of any duty, tax or other debt or obligations owing to the Government and promptly account to his client for funds received for him from the Government or received from him in excess of Governmental or other charges payable in respect of cargo or baggage on behalf of the client*;"

From the offence report, it was observed that the invoice forwarded by the importer to the CB was for the value of @ 3.6 USD per kg, however the CB forged the documents and forwarded an invoice of value @ 0.7 USD per kg. to M/s. Pavitra Impex Ltd., so that the same may be presented before the Customs for clearance. Furthermore, the checklist, bills of entry, customs receipts and customs duty charges bills submitted by the CB to the importer was for the full amount. In accordance with the documents received from the CB, the importer made full payment to CB. However, the Custom duty paid to the exchequer was as per the forged documents on the misdeclared value of the goods i.e. @0.7 USD per kg. It was observed that the said forgery resulted in evasion of customs duty and loss to the exchequer, to the tune to Rs. 42,17,586/-. It appeared that the CB not only duped the importer but also the exchequer. It is the moral duty of the CB to ensure that any sums received for payment of any duty owing to the Government are promptly paid. However, in the said case it was seen that the CB forged the documents, misdeclared the value and duped the Government and the importer. The CB is very important person between Customs and importer, such gross mis-doings indicated that there was a deliberate attempt by the CB not only to dupe the importer and the Government, but also be the sole beneficiary of the subject import. Thus, the CB failed to perform their duty as obligated under Regulation 10(g) of CBLR, 2018.

iii. Regulation 10(k) of CBLR, 2018:

"A Customs Broker shall maintain up to date records such as bill of entry, shipping bill, transhipment application, etc., all correspondence, other papers relating to his business as Customs Broker and accounts including financial transactions in an

orderly and itemised manner as may be specified by the Principal Commissioner of Customs or Commissioner of Customs or the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;"

From the offence report, it was seen that neither the CB nor his authorized employees had produced themselves for statement before Customs authorities. Thus, it was evident that they failed to submit any relevant Bills of Entry or documents which were essential for a detailed investigation. Such negligence towards the duties as the CB indicated that the observations made in the offence report that the CB forged the invoices, duped the Government and the importer and benefited from the subject import are indeed factual. Thus, it appeared that the CB failed to perform due obligation by not maintaining up to date records and accounts including financial transactions in an orderly and itemised manner as mandated under Regulation 10(k) of CBLR, 2018.

iv. Regulation 10(m) of the CBLR, 2018:

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

From the Offence Report, it was seen that the CB was summoned thrice, thus giving an opportunity to be heard and produce evidences in their defence. However, the CB failed to appear for the hearing and in the process delayed the investigation proceedings. The CB is an agent authorized by the importer to work on their behalf and they are entrusted with discharging their duty with utmost speed and efficiency. Therefore, it appeared that the CB failed to comply with the duty mandated in Regulation 10(m) of CBLR. 2018.

v. Regulation 10 (q) of the CBLR, 2018:

"*A Customs Broker shall co-operate with the Customs authorities and shall join investigations promptly the event of an inquiry against them or their employees"*

From the Offence Report, it was noticed that the CB M/s Global Clearance & Logistics did not appear for recording of statement despite repeated summons. Therefore, it was evident that the CB has not co-operated with the investigation agency and exhibited non-adherence towards the responsibilities, with which they are entrusted with, under Regulation 10(q) of the CBLR, 2018. Therefore, the CB M/s. Global Clearance &

Logistics, had neither co-operated with the Customs authorities nor joined investigation proceedings and thus, appeared to have violated Regulation 10(q) of CBLR, 2018.

6. The evidence on record clearly indicated that the CB was working in a seriously negligent manner and was found in violation of the obligations casted upon them under the CBLR, 2018. The outcome of the investigation clearly brought out the role of the CB in forging documents and the CB appeared to have misappropriated the customs duty which was payable to the Government. A lot of trust is kept in CB by the Government Agencies, but by their acts of omissions and commissions it appeared that the said CB had violated Regulations 10(e), 10(g), 10(k), 10(m) and 10(q) of the CBLR, 2018 and rendered themselves liable for penal action under Regulations 14, 17 &18 of CBLR, 2018.

7. In view of the above, a Show Cause Notice No. 60/2024-25 dated 12.11.2024 was issued to the CB M/s. Global Clearance & Logistics (CB No. 11/2730) under the provisions of Regulation 17 of CBLR, 2018 calling them to show cause as to why:

i. The Customs Broker License bearing No. 11/2730 issued to them should not be revoked under Regulation 14 read with Regulations 17 & 18 of the CBLR, 2018.

ii. Security deposited by them should not be forfeited and/or penalty should not be imposed upon them under Regulation 14 read with Regulation 17 of the CBLR, 2018

iii. Penalty should not be imposed upon them under Regulation 18 read with Regulation 17 of the CBLR, 2018.

7.1 Shri Rohit Bhaisare, Deputy Commissioner was appointed as Inquiry Officer to conduct the inquiry proceedings against the CB, M/s Global Clearance & Logistics (CB No. 11/2730) under Regulation 17 of the CBLR, 2018. However, due to his promotion to the post of Joint Commissioner, Shri Indra Prakash, Assistant Commissioner, was appointed as Inquiry Officer (hereinafter referred to as the ‘IO’) on 27.01.2026 to conduct the inquiry proceedings against the CB M/s Global Clearance & Logistics (CB No. 11/2730) under Regulation 17 of the CBLR, 2018.

INQUIRY REPORT:

8. The IO concluded the inquiry proceedings and submitted the Inquiry Report dated 27.04.2026, wherein, all the charges levelled against the CB vide Show Cause Notice No. 60/2024-25 dt 12.11.2024, were held as proved.

9. **FINDINGS OF THE IO: -**

9.1 The IO submitted that he had carefully examined the Show Cause Notice No. 60/2024-25/CBS dated 12.11.2024 issued to CB M/s Global Clearance & Logistics (AAWFG7760P) (CB No. 11/2730), along with relied upon documents. The IO stated that the CB was granted multiple opportunities for personal hearing in the matter scheduled on 27.03.2026, 06.04.2026 & 13.04.2026, in accordance with the principle of natural justice. However, despite due intimation of the said hearing dates, the CB failed to appear on any of the scheduled occasions and did not avail themselves of the opportunity to present their case or make submission in the matter. Thus, the IO opined that adequate and reasonable opportunities had already been given to the CB and hence he proceeded with the inquiry ex-parte.

9.2 The IO submitted he had also perused the Articles of charges, the alleged contravention therein, and the relevant provisions of the CBLR, 2018. The IO has stated that upon consideration of the records and documentary evidence available on record, the following facts emerged:

10. ANALYSIS OF CHARGES:

10.1 Article of Charge-I - In reference of violation of Regulation 10(e) of CBLR, 2018:

The IO found that the CB forged the original invoice received from the importer and forwarded a manipulated invoice to M/s Pavitra Impex Ltd. for presentation before Customs, resulting in misdeclaration and undervaluation of the goods. Simultaneously, the CB furnished the importer with checklists, Bills of Entry, and duty payment documents reflecting the full value, thereby providing false and misleading information and collecting the full amount from the importer. It is thus, evident that the CB fabricated documents at multiple stages, both in relation to M/s Pavitra Impex Ltd. and the importer. The IO found that Regulation 10(e) of the CBLR, 2018, which mandates a CB to exercise due diligence to ensure the correctness of information communicated to the client, has been clearly violated in the present case, as the CB deliberately fabricated and misrepresented documents. In view of the foregoing discussion and the material available on record, the IO held that the Article of Charge relating to the violation of Regulation 10(e) of the CBLR, 2018 stands proved.

10.2 Article of Charge II. In reference of violation of Regulation 10(g) of CBLR, 2018:

Regulation 10(g) of the CBLR, 2018 mandates that a CB shall promptly remit to the Government all sums received towards duty and duly account to the client for such funds. The IO found that the CB forged the invoice value from USD 3.6 per kg to USD 0.7 per kg for filing before Customs, while collecting the full duty amount from the importer based on the actual value. However, the duty remitted to the exchequer was on the undervalued amount, resulting in evasion of duty and loss to the exchequer amounting to Rs. 42,17,586/-. He found that the CB, having collected the full duty from the importer, failed to remit the correct amount to the Government and misappropriated the differential amount, thereby violating Regulation 10(g) of CBLR, 2018. Further, considering that the CB has been involved in similar misconduct in the past and had been suspended earlier, the present case reflects a repeated and deliberate breach. Accordingly, the IO held that the Article of Charge under Regulation 10(g) of the CBLR, 2018 stands proved.

10.3 Article of Charge III - In reference of violation of Regulation 10(k) of CBLR, 2018:

Regulation 10(k) of the CBLR, 2018 requires the CB to maintain and produce up-to-date records, including Bills of Entry, correspondence, and financial accounts, in an orderly and itemised manner. In the present case, the IO found that the CB and his authorised representatives failed to appear before the investigating authority as well as inquiry authority and did not produce any records or documents when called upon during the investigation and course of inquiry. Such non-production of essential records clearly establishes that the CB neither maintained nor accounted for the prescribed records as required under the said Regulation. Therefore, the IO found that the CB has failed to comply with the obligations under Regulation 10(k) of CBLR, 2018, and accordingly, the Article of Charge stands proved.

10.4 Article of Charge IV - In reference of violation of Regulation 10(m) of CBLR, 2018:

Regulation 10(m) of the CBLR, 2018 mandates that a CB shall discharge his duties with utmost speed and efficiency and without delay. The IO observed that in the present case, despite being summoned on three occasions, the CB failed to appear and did not participate in the proceedings, thereby delaying the investigation. Further, three opportunities for personal hearing granted during the course of inquiry were also not availed. Such conduct has resulted in delay of the investigation proceedings as well as inquiry proceedings. Therefore, the IO found that the CB has failed to discharge his duties in a timely and efficient manner, in contravention of Regulation 10(m) of CBLR, 2018. Accordingly, the Article of Charge stands proved. Accordingly, the IO held that the Article of Charge under Regulation 10(m) of the CBLR, 2018 stands proved.

10.5 Article of Charge V - In reference of violation of Regulation 10(q) of CBLR, 2018:

Regulation 10(q) of the CBLR, 2018 mandates that a CB shall cooperate with the Customs authorities and promptly join investigations. The IO found that despite repeated summons for recording of statements and three opportunities for personal hearing granted during the course of inquiry, the CB failed to appear and did not participate in the proceedings, thereby exhibiting wilful non-cooperation and obstructing the investigation and inquiry proceedings. Further, M/s Global Clearance & Logistics (CB No. 11/2730) is already under suspension in a separate matter vide Suspension Order No. 04/2024-25 dated 17.04.2024, continued vide Order No. 20/2024-25 dated 11.06.2024, indicating a pattern of repeated non-compliance. Accordingly, the IO found that the CB has violated Regulation 10(q) of CBLR, 2018, and the Article of Charge stands conclusively proved.

11. From the aforesaid discussions as mentioned above, the IO finally concluded his findings as under: -

Sr. No	Charges against the CB	Findings
1.	Violation of Regulation 10(e) of the CBLR, 2018	Proved
2.	Violation of Regulation 10(g) of the CBLR, 2018	Proved
3.	Violation of Regulation 10(k) of the CBLR, 2018	Proved
4.	Violation of Regulation 10(m) of the CBLR, 2018	Proved
5.	Violation of Regulation 10(q) of the CBLR, 2018	Proved

RECORDS OF PERSONAL HEARING: -

12. The Inquiry Report submitted by the IO was accepted by the Principal Commissioner of Customs (General) and Personal Hearing (PH) was granted on 29.06.2026, however, the CB has not appeared before the adjudicating authority. Therefore, two more PH were granted to CB on 07.07.2026 and 24.07.2026. However, neither the CB nor any authorised representative of the CB appeared on the mentioned dates. It is observed that the CB has also not appeared during the investigation, inquiry and adjudication proceedings. He failed to present his case before any of the authorities.

DISCUSSIONS AND FINDINGS: -

13. I have gone through the facts and records of the case; the offence report received in the form of letter F. No. SG/Inv-210/2023-24/D-Cell/SIIB(I)/JNCH dated 22.08.2024; the Show Cause Notice No. 60/2024-25 dated 12.11.2024 issued under Regulation 17 of CBLR, 2018 and the Inquiry Report dated 27.04.2026. I find that the CB was granted multiple opportunities for Personal Hearing as elaborated in the foregoing paras but he failed to appear and also did not make any written submission. Therefore, I am constrained to proceed with the adjudication of the case ex-parte, on the basis facts and evidences on available on record.

13.1 I find that an investigation was initiated by the SIIB (Import), JNCH, against M/s Shree Chemopharma Ankleshwar Pvt. Ltd., in the case of import of Ortho Chloro Benzoic

Acid from China. During the investigation it was found that the importer, imported the goods Ortho Chloro Benzoic Acid vide three Bs/E 4077237/01.01.2023, 4111392/10.01.2023 & 4338818/24.01.2023. For clearance of these consignments, they appointed CB M/s Global Clearance & Logistics and forwarded the relevant documents to them for clearance, who subsequently forwarded them to another CB, M/s Pavitra Impex Ltd., whose CB licence was used to file the documents. The importer M/s Shree Chemopharma Ankleshwar Pvt. Ltd. forwarded the actual invoice bearing value @3.6 USD per kg to the present CB firm, however, the CB forged the documents and presented an invoice bearing value @ 0.7 USD per kg to clear the goods vide the subject Bills of Entry. As informed by the importer the authorized CB was M/s Global Clearance & Logistics, however, the documents were filed on the CB licence of M/s. Pavitra Impex Ltd. Thus, it appeared that the importer had authorized CB M/s Global Clearance & Logistics for the clearance of goods, however, CB M/s Global Clearance & Logistics forged the documents and these forged documents were presented before the Customs for clearance through M/s. Pavitra Impex Ltd. The said forgery apparently resulted in evasion of customs duty and loss to the exchequer to the tune to Rs. 42,17,586/- (Rupees Forty Two Lakhs Seventeen Thousand Five Hundred and Eighty Six Only). The CB, M/s Global Clearance & Logistics, was charged for forgery of invoices and thus appeared to have failed to fulfil the obligations of a CB as mandated under regulation 10(e), 10(g), 10(k), 10(m) and 10(q) of CBLR, 2018 and rendered themselves liable for penal action under the CBLR, 2018.

14. I find that charge of violation of Regulation 10(e) of the CBLR, 2018 has been levelled against the CB on the grounds that the CB forged the actual invoice received from the importer and forwarded the same to M/s. Pavitra Impex Ltd, so that it may be presented before the Customs for clearance. This act of the CB led to misdeclaration and undervaluation of the goods. Likewise, the checklist, Bills of Entry, customs receipts and customs duty charges bills forwarded by the CB to the importer was for the full amount. Thus, the CB gave fabricated information to the importer and collected full amount from them. Therefore, I find that the CB not only forged the documents that he received from the importer but also the documents that he received from M/s. Pavitra Impex Ltd and

Customs before forwarding to the same to the importer. In the instant case, the CB had committed forgery by fabricating the documents and thus failed in his duty as mandated in Regulation 10(e) of CBLR, 2018.

14.1 I find that, the IO in this regard observed that the CB forged the original invoice received from the importer and forwarded a manipulated invoice to M/s Pavitra Impex Ltd. for presentation before Customs, resulting in mis-declaration and undervaluation of the goods. Simultaneously, the CB furnished the importer with checklists, Bills of Entry, and duty payment documents reflecting the full value, thereby providing false and misleading information and collecting the full amount from the importer. It is thus evident that the CB fabricated documents at multiple stages, both in relation to M/s Pavitra Impex Ltd and the importer. The IO found that Regulation 10(e) of the CBLR, 2018, which mandates a CB to exercise due diligence to ensure the correctness of information communicated to the client, has been clearly violated in the present case, as the CB deliberately fabricated and misrepresented documents. In view of the foregoing discussion and the material available on record, he held that the Article of Charge relating to the violation of Regulation 10(e) of the CBLRs, 2018 stands proved. Accordingly, the allegations regarding contravention of Regulation 10(e) of the CBLR, 2018 are duly substantiated, both on facts and in law.

14.2 Having taken into cognizance, the facts of the case and the inquiry report, I find that the CB, M/s Global Clearance & Logistics has forged the original invoice and forwarded the undervalued invoice to M/s Pavitra Impex Ltd, which resulted in loss of the revenue to the exchequer. Further, the CB M/s Global Clearance & Logistics furnished the importer with checklists, Bills of Entry, and duty payment documents reflecting the full value, thereby providing false and misleading information and collecting the full amount from the importer and misappropriated the same. The CB is saddled with the responsibility to 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. However, the CB, M/s Global Clearance & Logistics has miserably failed in performing his duty laid down in CBLR, 2018. In light of these findings, I uphold the charge of violation of Regulation 10(e) of the CBLR, 2018 levelled against the CB.

15. I find that charge of violation of Regulation 10(g) of the CBLR, 2018 has been levelled against the CB on the grounds that the invoice forwarded by the importer to the CB was for the value of @ 3.6 USD per kg, however the CB forged the documents and forwarded an invoice of value @ 0.7 USD per kg. to M/s. Pavitra Impex Ltd., so that the same may be presented before the Customs for clearance. Furthermore, the checklist, bills of entry, customs receipts and customs duty charges bills submitted by the CB to the importer was for the full amount. In accordance with the documents received from the CB, the importer made full payment to CB. However, the Custom duty paid to the exchequer was as per the forged documents on the misdeclared value of the goods i.e. @0.7 USD per kg. It is observed that the said forgery resulted in evasion of customs duty and loss to the exchequer, to the tune to Rs. 42,17,586/. It appeared that the CB not only duped the importer but also the exchequer. It is the moral duty of the CB to ensure that any sums received for payment of any duty owing to the Government are promptly paid. However, in the said case it is seen that the CB forged the documents, misdeclared the value and duped the Government and the importer. The CB plays a crucial role as an intermediary between Customs authorities and the importer. The nature and extent of gross irregularities indicate a deliberate attempt on the part of the CB not only to mislead the importer and the Government but also derive and undue and exclusive benefit from the subject import. Thus, the CB has failed to perform due obligation under Regulation 10(g) of CBLR, 2018.

15.1 I find that in this regard, the IO observed that the CB forged the invoice value from USD 3.6 per kg to USD 0.7 per kg for filing before Customs, while collecting the full duty amount from the importer based on the actual value. However, the duty remitted to the exchequer was on the undervalued amount, resulting in evasion of duty and loss to the exchequer amounting to Rs. 42,17,586/-. He found that the CB, having collected the full duty from the importer, failed to remit the correct amount to the Government and misappropriated the differential amount, thereby violating Regulation 10(g) of CBLR,

2018. Further, considering that the CB had been involved in similar misconduct in the past and had been suspended earlier, the present case reflects a repeated and deliberate breach. Accordingly, the IO hold that the Article of Charge under Regulation 10(g) of the CBLR, 2018 stands proved.

15.2 Having taken into cognizance, the facts of the case and the inquiry report, I find that the CB M/s Global Clearance & Logistics forged the invoice value from USD 3.6 per kg to USD 0.7 per kg for filing before Customs. However, the CB collected the entire duty amount from the importer based on the original invoice value further pocketing the differential duty amount. The CB M/s Global Clearance & Logistics has misappropriated the duty amount received from the Importer which should have been paid to the department. I observe that Regulation 10(g) mandates that the CB is bound to promptly pay over to the Government, when due, sums received for payment of any duty, tax or other debt or obligations owing to the Government and promptly account to his client for funds received for him from the Government or received from him in excess of Governmental or other charges payable in respect of cargo or baggage on behalf of the client. However, the CB's conduct is in complete violation of the mandate of the said Regulation. In light of these findings, I uphold the charge of violation of Regulation 10(g) of the CBLR, 2018 levelled against the CB.

16. I find that neither the CB nor his authorized employees had produced themselves for statement before Customs authorities. Thus, it is evident that the CB failed to submit the relevant Bills of Entry and other documents essential for conducting a detailed investigation. Such negligence and failure to discharge the duties and responsibilities entrusted to the CB lend substantial credence to the observations recorded in the offence report, particularly the allegations that the CB forged the invoices, misled and defrauded both the Government and the importer, and derived an undue benefit from the subject import. Thus, it appeared that the CB has failed to perform due obligation by maintaining up to date records and accounts including financial transactions in an orderly and itemised manner as mandated under Regulation 10(k) of CBLR, 2018.

16.1 I find that in this regard, the IO observed that the CB and his authorised representatives failed to appear before the investigating authority as well as inquiry authority and did not produce any records or documents when called upon during the investigation and course of inquiry. Such non-production of essential records clearly establishes that the CB neither maintained nor accounted for the prescribed records as required under the said Regulation. Therefore, the IO found that the CB has failed to comply with the obligations under Regulation 10(k) of CBLR, 2018, and accordingly, the Article of Charge stands proved.

16.2 Having taken into cognizance, the facts of the case and the inquiry report, I find that CB, M/s Global Clearance & Logistics did not produce any records or documents when called upon during the investigation, course of inquiry by IO and at the adjudication stage. Thus, the CB M/s Global Clearance & Logistics has completely failed to fulfil the obligation mandated under Regulation 10(k) of CBLR, 2018. Therefore, I uphold the charge of violation of Regulation 10(k) of the CBLR, 2018.

17. I find that the CB was summoned thrice during investigation, thus giving an opportunity to be heard and produce evidences in their defence. However, the CB failed to appear for the hearing and in the process delayed the investigation proceedings. The CB is an agent authorized by the importer to work on their behalf and they are entrusted with discharging their duty with utmost speed and efficiency. Therefore, it appeared that the CB failed to comply with the duty mandated in Regulation 10 (m) of CBLR. 2018.

17.1 In this regard, the IO has observed that despite being summoned on three occasions, the CB failed to appear and did not participate in the proceedings, thereby delaying the investigation. Further, three opportunities for personal hearing granted during the course of inquiry were also not availed. Such conduct has resulted in delay of the investigation proceedings as well as inquiry proceedings. Therefore, the IO found that the CB has failed to discharge his duties in a timely and efficient manner, in contravention of Regulation 10(m) of CBLR, 2018. Accordingly, the Article of Charge stands proved. Accordingly, the

IO held that the Article of Charge under Regulation 10(m) of the CBLR, 2018 stands proved.

17.2 Having taken into cognizance, the facts of the case and the inquiry report, I find that CB, M/s Global Clearance & Logistics was given ample opportunity for hearing the during course of investigation, inquiry and also adjudication. However, the CB failed to avail any of the opportunities granted to them. The CB M/s Global Clearance & Logistics is bound to discharge his duties with utmost speed and efficiency and without any delay as envisaged under Regulation 10(m). Therefore, I uphold the charge of violation of Regulation 10(m) of the CBLR, 2018.

18. I find that the charge of violation of Regulation 10(q) has been levelled on the grounds that the CB M/s Global Clearance & Logistics did not appear for recording of statement despite repeated summons. Therefore, it was evident that the CB has not co-operated with the investigation agency and exhibited non-adherence towards the responsibilities, with which they are entrusted with, under Regulation 10 (q) of the CBLR, 2018. Therefore, the CB M/s. Global Clearance & Logistics, which neither co-operated with the Customs authorities nor joined investigation proceedings, appeared to have violated Regulation 10 (q) of CBLR, 2018.

18.1 In this regard, the IO observed that despite repeated summons for recording of statements and three opportunities for personal hearing granted during the course of inquiry, the CB failed to appear and did not participate in the proceedings, thereby exhibiting wilful non-cooperation and obstructing the investigation and inquiry proceedings. Further, the license of M/s Global Clearance & Logistics (CB No. 11/2730) is already under suspension in a separate matter vide Suspension Order No. 04/2024-25 dated 17.04.2024, continued vide Order No. 20/2024-25 dated 11.06.2024, indicating a pattern of repeated non-compliance. Accordingly, the IO found that the CB has violated Regulation 10(q) of CBLR, 2018, and the Article of Charge stands conclusively proved.

18.2 Having taken into cognizance, the facts of the case and the inquiry report, I find that the CB M/s Global Clearance & Logistics failed to appear before the investigation agency, inquiry officer as well as during the adjudication proceedings. Regulation 10(q) of CBLR, 2018 mandates that the CB shall co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees. However, as evident from the foregoing records the CB failed to co-operate in the investigation and chose to remain elusive during the entire proceedings. The CB's conduct stands in clear violation of Regulation 10(q) of the CBLR, 2018. Thus, I am of the considered view that the CB has violated Regulation 10(q) of the CBLR, 2018 and accordingly, I uphold the charge of violation of Regulation 10(q) of the CBLR, 2018.

19. I find that a CB occupies a very important position in the Custom House and is supposed to safeguard the interests of both the importers/exporters and the Customs Department. A lot of trust is kept in CB by the Government Agencies; however, by their acts of omissions and commissions, the CB M/s Global Clearance & Logistics (CB No. 11/2730) has violated Regulations 10(e), 10(g), 10(k), 10(m) and 10(q) of the CBLR, 2018. I find that for the violation of obligations provided under the CBLR, 2018 and for their acts of omissions and commissions, the CB M/s Global Clearance & Logistics have rendered themselves liable for penal action under the CBLR, 2018. Hence, while deciding the matter, I rely on the following case laws:

a) **The Hon'ble Supreme Court in the case of Commissioner of Customs V/s. K.M. Ganatra and Co.** in civil appeal no. 2940 of 2008 upheld the observation of Hon'ble CESTAT Mumbai in M/s. Noble Agency V/s. Commissioner of Customs, Mumbai that:

"the CB occupies a very important position in the Custom House. The Customs procedures are complicated. The importers have to deal with a multiplicity of agencies viz. carriers, custodians like BPT as well as the Customs. The importer would find it impossible to clear his goods through these agencies without wasting valuable energy and time. The CB is supposed to safeguard the interest of both the importers and the Customs. A lot of trust is kept in CB by the importers/exporters as well as by the government agencies. To ensure appropriate discharge of such trust, the relevant regulations are framed. Regulation 14 of the CB Licensing Regulations lists out obligations of the CB. Any contravention of such obligations even without intent would be sufficient to invite upon the CB the punishment listed in the Regulations".

b) **The Hon'ble CESTAT Delhi in case of M/s. Rubal Logistics Pvt. Ltd. Versus Commissioner of Customs (General)** wherein in (para 6.1) it is opined that: -

"6.1 These provisions require the Customs Broker to exercise due diligence to ascertain the correctness of any information and to advice the client accordingly. Though the CB was accepted as having no mensrea of the noticed mis-declaration /under- valuation or mis-quantification but from his own statement acknowledging the negligence on his part to properly ensure the same, we are of the opinion that CHA definitely has committed violation of the above mentioned Regulations. These Regulations caused a mandatory duty upon the CB, who is an important link between the Customs Authorities and the importer/exporter. Any dereliction/lack of due diligence since has caused the Exchequer loss in terms of evasion of Customs Duty, the original adjudicating authority has rightly imposed the penalty upon the appellant herein."

(c) **In case of M/s Cappithan Agencies Versus Commissioner Of Customs, Chennai-Viii, (2015(10) LCX 0061)**, the Hon'ble Madras High Court had opined that: -

"(i) *The very purpose of granting a licence to a person to act as a Customs House Agent is for transacting any business relating to the entry or departure of conveyance or the import or export of goods in any customs station. For that purpose, under Regulation 9 necessary examination is conducted to test the capability of the person in the matter of preparation of various documents determination of value procedures for assessment and payment of duty, the extent to which he is conversant with the provisions of certain enactments, etc. Therefore, the grant of licence to act as a Custom House Agent has got a definite purpose and intent. On a reading of the Regulations relating to the grant of licence to act as CHA, it is seen that while CHA should be in a position to act as agent for the transaction of any business relating to the entry or departure of conveyance or the import or export of goods at any customs station, he should also ensure that he does not act as an Agent for carrying on certain illegal activities of any of the persons who avail his services as CHA. In such circumstances, the person playing the role of CHA has got greater responsibility. The very description that one should be conversant with the various procedures including the offences under the Customs Act to act as a Custom House Agent would show that while acting as CHA, he should not be a cause for violation of those provisions. A CHA cannot be permitted to misuse his position as CHA by taking advantage of his access to the Department. The grant of licence to a person to act as CHA is to some extent to assist the Department with the various procedures such as scrutinizing the various documents to be presented in the course of transaction of business for entry* *and exit of conveyances or the import or export of the goods. In such circumstances, great confidence is reposed in a CHA. Any misuse of such position by the CHA will have far reaching consequences in the transaction of business by the customs house officials. Therefore, when, by such malpractices, there is loss of revenue to the custom house, there is every justification for the Respondent in treating the action of the Petitioner Applicant as detrimental to the interest of the nation and accordingly, final order of revoking his licence has been passed.*

(ii) In view of the above discussions and reasons and the finding that the petitioner has not fulfilled their obligations under above said provisions of the Act, Rules and Regulations, the impugned order, confirming the order for continuation of prohibition of the licence of the petitioner is sustainable in law, which warrants no interference by this Court. Accordingly, this writ petition is dismissed."

(d) In the case of Pundole Shahrukh & Co. V/s. Commissioner (General), Mumbai [2012 TIOL 925 CESTAT-MUM] the Hon'ble Tribunal observed that: *the maximum punishment prescribed in the CHALR is attracted in cases of major involvement in aiding and abetting fraudulent exports leading to substantial loss of revenue to the exchequer*.

20. As discussed above, I conclude that the CB M/s Global Clearance & Logistics (CB No. 11/2730) is guilty of violating Regulations 10(e), 10(g), 10(k), 10(m) and 10(q) of the CBLR, 2018. In view of the foregoing detailed discussions and findings, it is irrefutably established that the CB has displayed a profound and systemic disregard for the statutory responsibilities mandated under the CBLR, 2018. The detailed findings of the investigation and the inquiry proceedings conclusively establish that the CB M/s Global Clearance & Logistics (CB No. 11/2730), committed forgery and breached the core trust reposed in them as a licensed CB. The CB forged the original invoice which resulted in evasion of customs duty and loss to the exchequer to the tune of Rs. 42,17,586/-. The CB has not only duped the importer but also the exchequer. It is the moral duty of the CB to ensure that any sums received for payment of any duty owing to the Government are promptly paid. The CB misappropriated the duty amount received from Importer, which led to a loss to the exchequer. Such acts demonstrate a complete lack of integrity and professional ethics, rendering the CB entirely unfit to continue operating within the Customs clearance framework. Hence, under the factual matrix of the case I am inclined to revoke the license,

forfeit the security deposit and impose a penalty on M/s Global Clearance & Logistics (CB No. 11/2730) under the CBLR, 2018.

21. I find that Shri Rohit Bhaisare, Deputy Commissioner was appointed as IO to conduct the inquiry proceedings against the CB, M/s Global Clearance & Logistics (CB No. 11/2730) under Regulation 17 of the CBLR, 2018. He granted three (03) PH opportunities to the CB, however, no response was received from the CB. Due to promotion of Shri Rohit Bhaisare, Deputy Commissioner to the post of Joint Commissioner, Shri Indra Prakash, Assistant Commissioner, was later appointed as IO on 27.01.2026. The IO Shri Indra Prakash, Assistant Commissioner concluded the inquiry proceedings and submitted the Inquiry Report dated 27.04.2026. I find that the CB was granted multiple Personal Hearing opportunities, the last being on 24.07.2026, but they failed to appear. Finally, the matter was taken up for adjudication ex-parte and on the basis of available facts and evidences on record. I observe that the proceedings were thus delayed due to the aforementioned reasons. Further, with respect to the timelines prescribed under Regulation 17 of the CBLR, 2018, relying on the following case laws, I observe that the timelines under CHALR/CBLR are directory in nature and not mandatory:

a) Hon'ble High Court of Judicature at Bombay in the case of Principal Commissioner of Customs (General), Mumbai Versus Unison Clearing P. Ltd. reported in 2018 (361) E.L.T. 321 (Bom.), which stipulates that:

> *"15. In view of the aforesaid discussion, the time limit contained in Regulation 20 cannot be construed to be mandatory and is held to be directory. As it is already observed above that though the time line framed in the Regulation need to be rigidly applied, fairness would demand that when such time limit is crossed, the period subsequently consumed for completing the inquiry should be justified by giving reasons and the causes on account of which the time limit was not adhered to. This would ensure that the inquiry proceedings which are initiated are completed expeditiously, are not prolonged and some checks and balances must be ensured. One step by which the unnecessary delays can be curbed is recording of reasons for the delay or non-adherence to this time limit by the Officer conducting the inquiry and making him accountable for not adhering to the time schedule. These reasons can then be tested to derive a conclusion whether the deviation from the time line prescribed in the Regulation, is "reasonable". This is the only way by which the*

provisions contained in Regulation 20 can be effectively implemented in the interest of both parties, namely, the Revenue and the Customs House Agent."

(b) The Hon'ble High Court of Telangana, in the matter of M/s. Shasta Freight Services Pvt. Ltd. vs Principal Commissioner Of Customs, [Writ Petition No. 29237 of 2018] held that:-

"42. Therefore, if the tests laid down in Dattatreya Moreshwar, which have so far held the field, are applied, it would be clear (i) that the time limit prescribed in Regulation 20 (7) is for the performance of a public duty and not for the exercise of a private right; (ii) that the consequences of failure to comply with the requirement are not spelt out in Regulation 20(7) (iii) that no prejudicial consequences flow to the aggrieved parties due to the non-adherence to the time limit; and
(iii) that the object of the Regulations, the nature of the power and the language employed do not give scope to conclude that the time limit prescribed is mandatory. Hence, we hold that the time limit prescribed in Regulation 20 (7) *is not mandatory but only directory."*

(c) The Hon'ble High Court of Karnataka, in the matter of The Commissioner of Customs vs M/s. Sri Manjunatha Cargo Pvt Ltd on 12 January [C.S.T.A. No. 10/2020] held that:-

"13. A reading of Regulation 17 of the C.B.L.R., 2018 makes it very clear that though there is a time limit stipulated in the Regulations to complete a particular act, non-compliance of the same would not lead to any specific consequence.

14. A reading of the Regulation 17 would also go to show that the Inquiry Officer during the course of his inquiry is not only required to record the statement of the parties but also to give them an opportunity to cross-examine and produce oral and documentary evidence. In the event of the respondents not co- operating, it would be difficult for the Inquiry Officer to complete the inquiry within the prescribed period of 90 days, as provided under Regulation 17(5). Therefore, we find force in the argument of the learned counsel for the appellant that the Regulation No.17 is required to be considered as directory and not mandatory. Though the word "shall" has been used in Regulation 17, an overall reading of the said provision of law makes it very clear that the said provision is procedural in nature and non-compliance of the same does not have any effect. If there is no consequence stated in the Regulation for non-adherence of time period for conducting the inquiry or passing an order thereafterwards, the time line provided under the 22 statute cannot be considered as fatal to the outcome of inquiry.

15. Under the circumstances, we are of the considered view that the provisions of Regulation 17 of the C.B.L.R., 2018 is required to be considered as directory and not mandatory and accordingly, we answer the substantial questions of law Nos.1 to 3 in favour of the appellant and against the respondent."

(d) The Hon'ble CESTAT Mumbai in the matter of M/s. Muni Cargo Movers Pvt. Ltd. Vs. Commissioner of Customs (General), Mumbai [Order No. A/996/13CSTB/C-I dated 23.04.2013] held that:-

"Para 4.2:- As regards the third issue regarding non-adherence to the time-limit prescribed in CHALR, there is some merit in the argument. But nevertheless, it has to be borne in mind that time-limit prescribed in the law though required to be followed by the enforcement officers, at times could not be adhered to for administrative reasons. That by itself does not make the impugned order bad in law".

22. In view of the above discussed facts and for their acts of omissions and commissions, the CB M/s Global Clearance & Logistics (CB No. 11/2730) is held liable and guilty for violating the provisions of the CBLR, 2018. I hold that the CB has failed to discharge his duties cast upon them with respect to Regulations 10(e), 10(g), 10(k), 10 (m) and 10(q) of the CBLR, 2018 and is liable for penal action. Accordingly, I pass the following order:

ORDER

23. I, Principal Commissioner of Customs (General), in exercise of the power conferred upon me under Regulation 17(7) of the CBLR, 2018, pass the following order:

(i) I, hereby order for revocation of the CB license held by M/s Global Clearance & Logistics (CB No. 11/2730) under Regulation 14 of the CBLR, 2018.

(ii) I, hereby order for forfeiture of the entire amount of the security deposit furnished by the CB M/s Global Clearance & Logistics (CB No. 11/2730) under Regulation 14 of the CBLR, 2018.

(iii) I, hereby impose a penalty of Rs. 50,000/- (Rupees Fifty Thousand only) on the CB M/s Global Clearance & Logistics (CB No. 11/2730) under Regulation 18(1) of the CBLR, 2018.

(iv) I, hereby order that the CB immediately surrender the original License as well as all the F, G & H cards issued thereunder.

This order is passed without prejudice to any other action that may be taken or purported to be taken against the Customs Broker and their employees under the Customs Act, 1962, or any other act for the time being in force in the Union of India.

7.9.26

(AJAY KUMAR PANDEY)
Principal Commissioner of Customs (G)
NCH, Mumbai-I

To,
M/s Global Clearance & Logistics (AAWFG7760P)
(CB No. 11/2730)
308, 3rd Floor, Building No. 4,
Sangrila CHS, Near Punjab National Bank,
90 Feet Road, Sakinaka, Andheri (East),
Mumbai - 400 072.

Copy to:

1. The Pr. Chief Commissioner/ Chief Commissioner of Customs, Mumbai - I, II, III.
2. The Commissioner of Customs, NS-V, Mumbai - II.
3. EDI of NCH, ACC & JNCH
4. ACC (Admn), Mumbai with a request to circulate among all departments.
5. JNCH (Admn) with a request circulate among all the concerned.
6. Cash Section.
7. Notice Board.
8. Office copy