OFFICE OF THE PR. COMMISSIONER OF CUSTOMS (GENERAL),
CUSTOM BROKER SECTION, NEW CUSTOM HOUSE,
BALLARD ESTATE, MUMBAI - 400 001.
Email-Id: cbsec.nch@gov.in

F. No. GEN/CB/313/2026-CBS Date: 25.08.2026
DIN: 20260877NO0000935539

ORDER No07/2026-27
UNDER REGULATION 16(2) OF THE CUSTOMS BROKERS LICENSING REGULATIONS, 2018

M/s Impex Shipping (India) Pvt. Ltd. (PAN No. AACCI0846B) (CB No. 11/590), having registered address: Office No. 523, 5th Floor, Grohitam, Plot No. 14, Sector-19, Vashi, Navi Mumbai, Maharashtra-400703 (hereinafter referred to as 'the Custom Broker' or 'the CB') is holder of Customs Broker License No. 11/590, issued by the Commissioner of Customs, Mumbai under Regulation 8 of CHALR, 1984, [Now regulation 7(2) of 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. DRI/MZU/CI/INT-56/2026 dated 06.06.2026 received from the Directorate of Revenue Intelligence, Mumbai Zonal Unit regarding the offence made by the Customs Broker. The report, inter alia, conveyed the following information;

<u>BRIEF FACTS OF THE CASE:</u>

3. An intelligence developed by DRI, MZU indicated that an importer namely M/s Vogue Vision Traders (IEC: KBQPK8714J) has smuggled restricted items such as Firecrackers by concealing the same in mis-declared consignment of Study Table imported in container no. TLLU6861614. The Bill of Entry No. 8853663 dated 23.04.2026 was filed by the Customs Broker namely M/s. Impex Shipping (India) Private Limited, CB No. 11/590 (PAN AACCI0846B).

4. Acting on the said intelligence, the container was placed on hold and examined under Panchanama proceedings dated 25.04.2026. During the examination, it was found that along with the declared goods i.e. Study Table, various types of concealed Chinese firecrackers were found.

Goods declared in the Bill of Entry			Goods found upon examination		
Description of goods	**Quantity (In PCS)**	**No. Of Cartons**	**Description of goods**	**Quantity (In PCS)**	**No. Of Cartons**
Study Table	7704	856	Study Table	510	51
			Birthday candles/Sparkle Candles	21600	12
			288 Gatling Fireworks/Hand Fire Sky Shots	41460	691
			Silver Spring fountain fireworks	6480	27
			AC Banquet Silver fountain	9120	38
			Raystorm Pyrotechnics fireworks	9000	25
Total	**7704**	**856**		**88170**	**844**

5. Further, the import of firecrackers is Restricted' under ITC (HS) Classification of Foreign Trade Policy and requires licenses from Petroleum and Explosives Safety Organisation (PESO) under the Explosive Rule, 2008. The goods were mis-declared and concealed in the Bill of Entry no. 8853663 dated 23.04.2026.

6. Shri. Nimesh Joshi, F-card holder and authorised representative of customs broker M/s. Impex Shipping (India) Private Limited was called upon via e-mail dated 24.04.2026 to be present during the examination of Container No. TLLU6861614 imported vide Bill of Entry No. 8853663 dated 23.04.2026. Shri Nimesh Joshi did not appear for the examination, and authorised Shri Sitaram Tambe for the examination proceedings.

7. Further, Shri. Nimesh Joshi was summoned on 25.04.2026, 27.04.2026, 08.05.2026 & 27.05.2026 for recording of statement in the instant case, but he did not appear on all the four occasions. Thereafter, he appeared before this office on 02.06.2026, wherein his statement was recorded under Section 108 of the Customs Act, 1962.

8. Shri. Nimesh Joshi in his voluntary statement informed that he did not know the importer namely M/s. Vogue Vision Trading and its proprietor Shri. Adil Vahid Khan. The work related to the said consignment was brought to him by Shri Chandresh Peer, G-Card Holder in customs broker firm Tamil Nadu Shipping Services and who in turn got the documents from Shri Sitaram Tambe (the person who was authorised by Shri Nimesh Joshi for examination of the consignment). He has not done any independent verification regarding genuineness of the importing firm and also the address details of the firm. Also, he has not given any Power of Attorney to Shri Chandresh Peer for collecting the import related documents from the importer.

9. Therefore, in view of the above said offence report and investigation conducted so far, it is observed that violations of following provisions of CBLR, 2018 have been committed by the Customs Broker, M/s. Impex Shipping (India) Pvt. Ltd.

a. **Regulation 10(a) of the Customs Brokers Licensing Regulations, 2018**which read as *"obtain an authorisation from each of the companies, firms or individuals by whom he is for the time being employed as a Customs Broker and produce such authorisation whenever required by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;"*

In this case, Shri Sitaram Shantaram Tambe, Customs clearing agent in his voluntary statement accepted that the documents related to the importer Vogue Vision Traders were received through Shri Vijay Parse, and not through the proprietor of Vogue Vision Traders, namely Shri Adil Vahid Khan, and the same were forwarded to Shri. Chandresh Peer, and who in turn forwarded the same to Shri. Nimesh Joshi, F-card holder. Further, Shri Nimesh Joshi, F-Card Holder, Impex Shipping (India) Pvt. Ltd. in his voluntary statement accepted that he has not obtained the documents viz. IEC, GSTIN and other KYC documents of the importer from Shri Adil Vahid Khan, proprietor of M/s. Vogue Vision Traders, and rather accepted the said documents from Shri Chandresh Peer. Also, Shri Nimesh Joshi accepted that he has not done any independent verification regarding the genuineness of the documents so obtained. Further, he stated that he has not complied with the requirements stipulated under Regulation 10(a) of the CBLR, 2018. Thus, it is evident that the CB has not complied with the requirements stipulated under Regulation 10(a) of the CBLR, 2018.

b. **Regulation 10(d) of the Customs Broker Licensing Regulations, 2018**which read as *"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;"*

In this case, Shri Nimesh Joshi in his voluntary statement accepted that as he did not know the importer personally, and so he has not given any advice to the importer to comply with the provisions of Customs Act, 1962. Further, while filing the Bill of Entry by the customs broker, the ICEGATE portal gave the message that the GST registration of the said firm is cancelled. Despite knowing this, he did not inform this to the Customs department, and instead went on to file the Bill of Entry. Thus, it is evident that the CB has not complied with the requirements stipulated under Regulation 10(d) of the CBLR, 2018.

c. **Regulation 10(e) of the Customs Brokers Licensing Regulations, 2018** which read as *"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, as the Customs broker was entirely dependent on middleman for the receipt of documents as well as for any clarification sought by the Customs department from the importer in the form of queries to the Bills of Entry. Shri Nimesh Joshi, in his voluntary statement accepted that since they did not know the importer, they never tried to ascertain the genuineness of the import documents supplied by the middleman, nor did they impart any information to the importer regarding the import of restricted items by mis-declaration. Thus, it is evident that the CB has not complied with the requirements stipulated under Regulation 10(e) of the CBLR, 2018.

d. **Regulation 10(m) of the Customs Brokers Licensing Regulations, 2018** which read as *"discharge his duties as a Customs Broker with utmost speed and efficiency and without any delay;"*

In the instant case, Shri Nimesh Joshi in his voluntary statement accepted that he did not appear for the examination of said consignment, despite being called upon to do so. Also, he did not appear before this office in response to multiple summons, for tendering oral evidence, and hence he has grossly violated Regulation 10(m) of CBLR, 2018. Thus, it is evident that the CB has not complied with the requirements stipulated under Regulation 10(m) of the CBLR, 2018.

e. **Regulation 10(n) of the Customs Brokers Licensing Regulations, 2018** which read as *"verify correctness of Importer*

Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN),identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information"

In the instant case, Shri Nimesh Joshi in his voluntary statement accepted that he did not verify the genuineness of the credentials of the importer as he did not know or try to contact the importer. He got the work related to the import of M/s Vogue Vision Traders through a middleman namely Shri Chandresh Peer, and also received the related customs documents through the Shri Chandresh Peer only and not through the importer himself. He never verified the address of the importer. Thus, it is evident that the CB has not complied with the requirements stipulated under Regulation 10(n) of the CBLR, 2018.

f. Regulation 10(q) of the Customs Brokers Licensing Regulations, 2018 which read as *"co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees"*

In the instant case, Shri Nimesh Joshi failed to join the investigation, despite being called repeatedly by issuance of summons on 25.04.2026, 27.04.2026, 08.05.2026 & 27.05.2026. He only joined much later on 02.06.2026. Further, by being not present during the examination proceedings of the consignment despite being specifically called upon via e-mail, clearly shows his non-cooperation in the ongoing investigation by this office, in violation of Regulation 10(q) of CBLR, 2018. Thus, it is evident that the CB has not complied with the requirements stipulated under Regulation 10(q) of the CBLR, 2018.

10. The Customs Broker, M/s. Impex Shipping (India) Private Limited, CB No. 11/590 failed to comply with the obligations under the Customs Brokers Licensing Regulations, 2018 which led to the smuggling of restricted items such as firecrackers under ITC(HS) Classification of Foreign Trade Policy which requires licenses from DGFT and Petroleum and Explosives Safety Organization (PESO) under the Explosives Rules 2008. These omissions constitute serious violations of Regulations 10(a), 10(d), 10(e), 10(m), 10(n) and 10(q) of CBLR, 2018 by M/s. Impex Shipping (India) Private Limited, CB No. 11/590 and its employee, which has made them unfit to transact any business at Mumbai Customs and also in other Customs Stations and also the CB M/s Impex Shipping (India) Private Limited, CB No. 11/590 has committed a gross offence and their negligence may not be ignored.

11. Accordingly, an interim Suspension Order No. 06/2026-27 dated 25.06.2026 was passed by the Principal Commissioner of Customs (General), Mumbai under Regulation 16(1) of CBLR, 2018, suspending the CB License with immediate effect due to prima-facie failure to fulfill statutory obligations under Regulations 10(a), 10(d), 10(e), 10(m), 10(n), and 10(q) of CBLR, 2018.

12. In terms of Regulation 16(2) of CBLR, 2018, a Personal Hearing (PH) was scheduled on 08.07.2026 at 12.30 PM, but neither CB nor its authorized representative attended the PH and informed, vide e-mail dated 07.07.2026, that due to some family medical emergency in his village he is not able to reach Mumbai and requested to fix Personal hearing on 17.06.2026.

A further opportunity of personal hearing was thereafter fixed on 24.07.2026 at 12.45 PM, however, neither CB nor its authorized representative attended the PH and informed, vide mail dated 23.07.2026, that he could not attend hearing due to sadly demise of his uncle.

Further, the next date hearing was fixed on 11.08.2026 at 12.45PM and shri Nimesh Jayanti Lal Joshi, director of M/s. Impex shipping (India) Pvt. Ltd. and Prashant V. Kubal, authorized representative appeared in Personal Hearing held on 11.08.2026 at 12.45 PM before the Principal Commissioner of Customs (G), Mumbai and submitted his written submissions dated 07.08.2026.

RECORD OF PERSONAL HEARING AND WRITTEN SUBMISSION OF THE CUSTOMS BROKER:

13. Pursuant to issuance of Suspension Order No. 06/2026-27 dated 25.06.2026, shri Nimesh Jayanti Lal Joshi, director of M/s. Impex shipping (India) Pvt. Ltd. and Prashant V. Kubal, authorized representative appeared in Personal Hearing held on 11.08.2026 at 12.45 PM. The Vakalatnama/authority submitted by the CB records the appointment of Shri Prashant V. Kubal as its Consultant/Authorised Representative to act, appear and plead in the proceedings. The CB was thus heard on 11.08.2026 through its authorised representative. Accordingly, the written submission dated 07.08.2026 as well as the submissions made during the personal hearing on 11.08.2026 have been duly considered, along with the offence report/investigation material and the suspension order.

14. On 11.08.2026, the CB did appear and attended the personal hearing along with its authorised representative, Shri Prashant V. Kubal, Consultant. The Vakalatnama/authority submitted by the CB records the appointment of Shri Prashant V. Kubal as its Consultant/Authorised Representative to act, appear and plead in the proceedings. The CB was thus heard on 11.08.2026 through its authorised representative. Accordingly, the written submission dated 07.08.2026 as well as the submissions made during the personal hearing on 11.08.2026 have been duly considered, along with the offence report/investigation material and the suspension order.

15. The written submission of the CB, in substance, contains the following principal contentions:

15.1 That the suspension was based only on a preliminary DRI report and that no Show Cause Notice had yet been issued in the underlying Customs investigation.

15.2 That the observations in the suspension order were only prima-facie observations and that suspension under Regulation 16 is an exceptional/emergent measure requiring immediate necessity.

15.3 That the allegations were vague and unsupported by cogent evidence and that there was no material establishing active involvement, connivance or deliberate misconduct by the CB.

15.4 That the CB had obtained authorisation, KYC documents and other documents of M/s. Vogue Vision Traders and therefore had complied with Regulation 10(a).

15.5 That there is no requirement for a Customs Broker to obtain documents directly from the proprietor/IEC holder or to personally meet the importer, and reliance was placed upon various decisions concerning intermediaries and KYC documentation.

15.6 That there was no violation of Regulation 10(d), as there was no requirement of a personal meeting with the importer and there was no material to show that the CB was aware of any intended mis-declaration.

15.7 That there was no violation of Regulation 10(e), as the CB filed the Bill of Entry on the basis of documents supplied to it and could not ascertain the actual contents of the cargo without examination by Customs.

15.8 That Regulation 10(m) was not violated because Shri Nimesh Joshi ultimately appeared before the Department, authorised another person for examination and the CB claimed to have otherwise cooperated with DRI.

15.9 That Regulation 10(n) was complied with because IEC, GSTIN, PAN, bank documents, electricity bill, leave and licence agreement and other KYC documents were stated to have been verified through Government portals/documents.

15.10 That Regulation 10(q) was not violated because the CB claimed to have cooperated with DRI and submitted documents/information as required.

15.11 That Instruction No. 24/2023 dated 18.07.2023 required the Commissioner to record reasons as to why immediate suspension was necessary and that the suspension order was premature/mechanical.

15.12 That reliance was placed upon various decisions including Rubee Air Freight Ltd., N.C. Singha & Sons, M/s. Hind Ship Airways, Sea Queen Shipping Services and other cases concerning immediate suspension.

15.13 That there was no pending or contemplated inquiry under Regulation 17 and therefore suspension could not be continued.

15.14 That there was no corroborative evidence of intentional facilitation, connivance or monetary benefit to the CB and that the livelihood of the CB and its employees would be affected.

DISCUSSIONS AND FINDINGS:

16. I have carefully gone through the facts and records of the case, the offence report and investigation material, the suspension order dated 25.06.2026, the written submission dated 07.08.2026 and the record regarding opportunities of personal hearing. The contentions raised by the CB have been considered issue-wise. The relevant facts and findings have been outlined in the preceding paragraphs and will not be reiterated here for sake of brevity.

16.1 The primary issue for determination at this stage is whether the suspension of the Customs Broker licence vide Order No. 06/2026-27 dated 25.06.2026 under Regulation 16(1) of CBLR, 2018 requires to be continued or revoked pending under Regulation 16(2) of the CBLR, 2018 pending inquiry proceedings under Regulation 17.

16.2 As regards the contention that the suspension order was based only on a preliminary DRI report and that no Show Cause Notice had been issued, I find that the contention does not merit acceptance. The power under Regulation 16 is a preventive power intended to operate where immediate action is considered necessary and where an inquiry against the Customs Broker is pending or contemplated. At the stage of suspension/continuation, the authority is not required to finally adjudicate the underlying Customs offence. The final determination of the alleged violations of the CBLR, 2018 is to be made in the proceedings contemplated under Regulation 17. The absence of a final adjudication of the underlying Customs case, therefore, does not by itself render continuation of suspension unwarranted.

16.3 I find that, the CB's contention that the allegations are merely prima-facie and therefore cannot justify continuation of suspension is also not acceptable. The very nature of proceedings under Regulation 16 is preventive and temporary. The material available in the present case is not confined to a bare allegation. The offence report is supported by the examination of the container in which concealed Chinese firecrackers were found, the Bill of Entry filed by the CB, the non-appearance of the F-Card holder during examination, his repeated non-appearance pursuant to summons, and the contents of his voluntary statement concerning the manner in which the client and import documents were handled. These circumstances, taken cumulatively, constitute sufficient material for continuation of the preventive measure pending inquiry.

16.4 I find that, the plea that there is no material establishing active involvement or connivance on the part of the CB also cannot be accepted at this stage. The question whether the CB or its employee had knowledge, intent, connivance or other culpable involvement is a matter to be examined in detail in the Regulation 17 inquiry. However, the present record establishes prima-facie failures in the discharge of mandatory Customs Broker obligations, independently of whether the final inquiry ultimately establishes intentional facilitation. The preventive purpose of Regulation 16 cannot be defeated merely because the final culpability has yet to be adjudicated.

16.5 I find that the judicial decisions relied upon by the CB concerning immediate suspension, each such decision has to be considered in the factual and procedural context in which it was rendered. In the present matter, the suspension order had specifically recorded the circumstances warranting immediate action, including the nature of the restricted goods, the manner in which the consignment was mis-declared, the conduct of the CB's F-Card holder, the repeated failure to appear before the investigating authority, and the apprehension of recurrence. Further, the present proceeding is for continuation of an already ordered preventive suspension after opportunity of hearing; it is not an unreasoned mechanical invocation of Regulation 16(1). Therefore, the decisions cited by the CB do not assist it on the facts of the present case.

16.6 As regards Regulation 10(a), the CB has contended that it possessed an authorisation and KYC documents from the importer. However, the material recorded in the suspension order shows that Shri Nimesh Joshi stated that he did not know the importer personally, that the work came through Shri Chandresh Peer, that the import-related documents were received through intermediaries, that he had not obtained the IEC, GSTIN and other KYC documents directly from the proprietor and that he had not independently verified the genuineness of the documents so obtained. Shri Joshi never met or communicated with the proprietor, Shri Adil Vahid Khan, nor gave any Power of Attorney to Shri Chandresh Peer to act on the CB's behalf. The statement of the CB's own F-Card holder is material at this stage. The mere production of documents subsequently cannot, by itself, efface the prima-facie circumstances under which the transaction was undertaken. The question whether the documents were sufficient to discharge Regulation 10(a) will be examined in the inquiry; however, the CB has not furnished a satisfactory explanation for the admitted chain of intermediaries and absence of independent verification. The prima-facie finding under Regulation 10(a) therefore continues to hold.

16.7 The reliance upon decisions holding that documents may in certain circumstances be received through intermediaries does not alter the position in the present case. Those decisions are fact-specific and do not lay down that a Customs Broker is relieved of the obligation to ensure that it has a valid authorisation and proper client documentation. Here, the material specifically records that the F-Card holder did not know the importer and had not independently verified the genuineness of the documents received through the intermediary. Hence, the factual foundation of the cases relied upon by the CB is distinguishable.

16.8 Regarding Regulation 10(d), the CB has argued that there is no legal requirement to personally meet the importer and that there was no knowledge of the mis-declaration. The finding under Regulation 10(d), however, is not based merely upon the absence of a personal meeting. The suspension order records that the F-Card holder did not know the importer and, more importantly, that while filing the Bill of Entry the ICEGATE portal reflected that the GST registration of the firm was cancelled, yet the matter was not brought to the notice of Customs and the Bill of Entry was proceeded with. The CB has not satisfactorily rebutted this specific circumstance. The obligation under Regulation 10(d) is to advise the client to comply with the Customs law and, in case of non-compliance, to bring the matter to the notice of the competent Customs authority. The plea that there was no prior knowledge of the concealed firecrackers does not answer the separate allegation concerning the cancelled GST registration and the failure to bring the matter to the notice of Customs.

16.9 Regarding Regulation 10(e), the CB has submitted that it merely filed the Bill of Entry on the basis of documents supplied by the client/intermediary and that it could not ascertain the nature of the cargo without physical examination. This submission does not adequately address the conduct recorded in the investigation. The obligation under Regulation 10(e) concerns due diligence in ascertaining the correctness of information imparted by the Customs Broker in relation to clearance of cargo. The investigation material indicates that the CB was dependent upon an intermediary for the client documents and clarification, did not independently verify the genuineness of the importer/documents, and nevertheless proceeded with the import clearance work. The concealed firecrackers were not a minor discrepancy but restricted goods concealed in a mis-declared consignment. The question of the exact extent of due diligence exercised by the CB requires examination under Regulation 17; however, the material available presently is sufficient to sustain the prima-facie finding for purposes of continuation of suspension.

16.10 The decisions cited by the CB on absence of mens rea, bona fide filing of documents and the limited role of a Customs Broker are distinguishable at this stage. The present case contains specific material regarding the manner in which the client was obtained, the source of documents, absence of independent verification and the conduct of the F-Card holder during examination and investigation. These circumstances cannot be treated as a routine case of an innocent discrepancy detected only upon examination of goods.

16.11 Regarding Regulation 10(m), the CB has attempted to explain the non-appearance of Shri Nimesh Joshi by stating that he ultimately appeared on 02.06.2026 and had authorised Shri Sitaram Tambe for examination. I find that this does not satisfactorily explain the repeated non-appearance. The record shows that Shri Nimesh Joshi was specifically called upon to remain present during examination on 24.04.2026, did not appear, and thereafter did not appear pursuant to summons dated 25.04.2026, 27.04.2026, 08.05.2026 and 27.05.2026. He appeared only on 02.06.2026. The subsequent appearance does not erase the earlier failures. Further, the obligation under Regulation 10(m) concerns discharge of duties with utmost speed and efficiency and without delay. The CB's reliance on the eventual recording of statement therefore does not satisfactorily rebut the prima-facie finding.

16.12 Regarding Regulation 10(n), the CB has relied upon IEC, GSTIN, PAN, bank documents, electricity bill, leave and licence agreement and online verification. The obligation under Regulation 10(n), however, is not limited to the existence of documents in the file; it requires verification of the correctness of IEC and GSTIN, identity of the client and functioning of the client at the declared address by using reliable, independent and authentic documents, data or information. The investigation material records an admission by the F-Card holder that he did not know or contact the importer, did not independently verify the genuineness of the importing firm and did not verify its address. The subsequent production of KYC documents does not satisfactorily answer this specific finding regarding the manner and extent of verification undertaken before filing the Bill of Entry. The cases relied upon by the CB regarding sufficiency of Government-issued documents are distinguishable on facts because the present record contains a specific statement of the CB's representative admitting lack of independent verification.

16.13 The contention that physical verification or personal meeting with the importer is not invariably required is not, by itself, decisive. The present finding under Regulation 10(n) is not founded solely upon failure to make a physical visit or personal meeting. It is founded upon the admitted absence of independent verification of the importer and the address and the fact that the transaction was handled through intermediaries despite the F-Card holder stating that he did not know the importer. Accordingly, the cited judgments do not negate the prima-facie case on the facts presently available.

16.14 Regarding Regulation 10(q), the CB has contended that it fully cooperated with DRI and ultimately furnished documents and information. The record, however, shows that the F-Card holder did not appear for examination despite being specifically called upon and did not appear pursuant to four summons issued for recording of statement, appearing only on 02.06.2026. Such conduct is directly relevant to the obligation under Regulation 10(q) to co-operate with Customs authorities and join investigations promptly. Subsequent cooperation cannot retrospectively nullify the earlier non-compliance. The prima-facie finding under Regulation 10(q) therefore remains sustainable.

16.15 The contention that the suspension order was issued mechanically and without recording reasons for immediate action is also not acceptable. The suspension order dated 25.06.2026 specifically recorded the nature of the restricted goods, the findings arising from examination, the conduct of the F-Card holder, the prima-facie violations of Regulations 10(a), 10(d), 10(e), 10(m), 10(n) and 10(q), the serious implications of the omissions and the apprehension of recurrence. The order expressly concluded that the case was fit for immediate action under Regulation 16. Therefore, the requirement of recording reasons for the preventive action was addressed in the suspension order itself.

16.16 The CB's reliance on cases where suspension was set aside because no inquiry was pending or contemplated is also distinguishable. In the present case, continuation is being considered in the context of inquiry proceedings under Regulation 17 of the CBLR, 2018. Regulation 16(2) continuation is a temporary preventive measure and does not constitute a final adjudication of the alleged violations. The final decision on the allegations is to be taken in the independent inquiry proceedings.

16.17 I also find that the fact that the underlying Customs investigation has not attained finality is not a ground for automatic revocation of the preventive suspension. The purpose of the present order is to determine whether the Customs Broker should be permitted to resume Customs Broker activities while the allegations concerning its compliance with the CBLR are being examined. The answer has to be based on the risk and prima-facie material available at this stage.

16.18 The contention regarding absence of monetary benefit or direct personal gain is likewise not sufficient to warrant revocation of suspension. The obligations imposed upon a Customs Broker under Regulation 10 are regulatory obligations and are not dependent solely upon proof of monetary benefit. Whether there was any financial gain, mens rea or deliberate connivance is a matter for the inquiry. The present continuation is based upon the prima-facie regulatory failures disclosed by the record.

16.19 The plea that suspension may adversely affect the livelihood of the CB and its employees has been considered. However, the commercial hardship pleaded by the CB cannot outweigh the statutory and preventive purpose of Regulation 16 where the record discloses prima-facie serious violations involving restricted goods and failures in the discharge of Customs Broker obligations. The balance of convenience, at this stage, lies in protecting the integrity of Customs clearance and preventing recurrence until the inquiry reaches its conclusion.

16.20 On an overall appreciation of the material on record, I find that the CB has not satisfactorily rebutted the prima-facie findings recorded in the suspension order. The explanations furnished in the written submission do not displace the material showing failures relating to client authorisation/KYC verification, advice to the client, due diligence, prompt discharge of duties and cooperation with Customs authorities. The gravity and cumulative nature of these failures, particularly in a case involving concealment of restricted firecrackers in a mis-declared import consignment, justify continuation of the preventive suspension.

17. Customs Brokers occupy an important position in the Customs clearance system and are entrusted with responsibilities that facilitate lawful trade while safeguarding the revenue and other regulatory interests of the Government. Compliance with the obligations prescribed under Regulation 10 of the CBLR, 2018 is therefore substantive and cannot be treated as a matter of mere formality.

18. In the present case, the prima-facie material indicates that the CB's failures were not confined to one isolated procedural lapse. The material concerns multiple regulatory obligations and includes the conduct of its F-Card holder during examination and investigation, as well as the manner in which the client and import documents were handled. The alleged import involved restricted firecrackers concealed in a consignment declared as Study Tables. In these circumstances, allowing the CB to resume Customs Broker operations during the pendency of inquiry would not be appropriate. In this regard, I rely on the judgement of the Hon'ble Supreme Court in case of Commissioner of Customs vs M/s K.M. Ganatra & co. has held that:

"...the Customs House Agent (CHA) occupies a very important position in the customs house. The customs procedures are complicated. The importers have to deal with a multiplicity of agencies namely carriers custodians like BPT as well as the Customs. The importer would find impossible to clear his goods through its agencies without wasting valuable energy and time. The CHA is supposed to safeguard the interests of both the importers and the customs. A lot of trust is kept in CHA by the importers/exporters as well as by the government agencies... "

19. Further, I rely on the judgement of the Hon'ble High Court of Madras in case of Cappithan Agencies vs. Commissioner of Customs, Chennai-VIN, 2015 (326) E.L.T. 150 (Mad.), has held that:

"... 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 or 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 a 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. "

20. In view of discussion held above I find that suspension of the Customs Broker License No. 11/590 of M/s. Impex Shipping (India) Pvt. Ltd. (PAN No. AACCI0846B) vide Order No. 06/2026-27 dated 25.06.2026 under regulation 16 of the CBLR, 2018 was just and proper.

21. Further, I find that the continuation of the suspension of the said license is warranted in the facts and circumstances of the case, pending completion of inquiry proceedings under Regulation 17 of the CBLR, 2018. This order is preventive and temporary in nature and shall not be construed as a final finding on the allegations, which shall be determined independently in the proceedings under Regulation 17.

22. Accordingly, I pass the following order:

ORDER

22.1 I, Principal Commissioner of Customs (G), CBS, in exercise of the powers conferred upon me under Regulation 16(2) of the Customs Brokers Licensing Regulations, 2018, hereby order that the suspension of the Customs Broker Licence No. 11/590 of M/s. Impex Shipping (India) Pvt. Ltd. (PAN No. AACCI0846B), ordered vide Order No. 06/2026-27 dated 25.06.2026, shall continue pending inquiry proceedings under Regulation 17 of the CBLR, 2018.

23. This order is being issued without prejudice to any other action that may be taken against the Customs Broker or any other person(s)/firm(s), etc., under the provisions of the Customs Act, 1962 and the Rules/Regulations framed thereunder or under any other law for the time being in force.

25.8.26

(Ajay Kumar Pandey)
Principal Commissioner of Customs (G),
CBS, New Custom House, Mumbai

To:
M/s. Impex Shipping (India) Pvt. Ltd. (CB No. 11/590)
Office No. 523, 5th Floor, Grohitam,
Plot No. 14, Sector-19, Vashi,
Navi Mumbai, Maharashtra-400703

Copy to:

1. The Pr./Chief Commissioner of Customs, Mumbai Zone I, II, III.
2. The Pr./Commissioner of Customs, Mumbai Zone I, II, III.
3. The DC/SIIB(I), JNCH.
4. The DC/Group-I/IA, JNCH.
5. CIU's of NCH, ACC & JNCH, Mumbai.
6. EDI of NCH, ACC & JNCH, Mumbai.
7. BCBA.
8. Office copy.
9. Notice Board.