



**OFFICE OF THE PR. COMMISSIONER OF CUSTOMS  
(GENERAL),**

प्रधान सीमा शुल्क आयुक्त (सामान्य) का कार्यालय  
**CUSTOMS BROKER SECTION, NEW CUSTOM  
HOUSE,**

कस्टम्स ब्रोकर अनुभाग, नया कस्टम हाउस  
**BALLARD ESTATE, MUMBAI - 400 001.**

बैलार्ड एस्टेट, मुंबई - 400 001.

**Email-Id: cbsec.nch@gov.in**

F.No: GEN/CB/212/2026-CBS

Date: - #ApprovedDate

DIN:- 2026057700000058005

**ORDER No. 05 / 2026-27  
UNDER REGULATION 16(2) OF THE CUSTOMS BROKER  
LICENSING REGULATION, 2018**

M/s. Capricorn Logistics Pvt. Ltd. (Lic. No. 11/1805 & PAN: AABCC6364M) having registered address: 13-13A, Keytuo Industrial Estate, 220, Kondivita Road, Andheri (East), Mumbai- 400 059 (hereinafter referred to as the Customs Broker/CB) is the holder of Customs Broker License No. (11/1805) (PAN No. AABCC6364M), issued by the Commissioner of Customs, Mumbai under Regulation 7(1) of CHALR, 2004 erstwhile (now Regulation 7(2) of CBLR, 2018) and as such, they are bound by the regulations and conditions stipulated therein.

1.1 A report regarding the offenses committed by the CB, issued by the Pr. Additional Director General, DRI, MZU vide letter F. No. DRI/MZU/NS-II/INT- 47/2026 dated 17.04.2026; was received in the Customs Broker Section, NCH, Mumbai Zone-I. The report, inter alia, conveyed the following information:

**Brief facts of the case:**

2. This is a case involving access pass of the C.B. and executed/facilitated the illegal acts. Acting on specific intelligence, the Directorate of Revenue Intelligence, Mumbai Zonal Unit, that a container (No. TGHU6099161), covered under B/L No. JSSONSA2603010 dtd. 18.03.2026, imported in the name of M/s. C.K. International (IEC: CSNPD7021D), mis-declared to contain "Household Items and Cleaning Product" had reached M/s. ICTPL Globicon CFS on 09.04.2026 and goods contained therein were being unauthorizedly removed from the Customs area by members of the syndicate.
3. Acting promptly, DRI officers rushed to the CFS and secured the container and the imported goods. It was observed that the imported goods were being hurriedly transferred to another vehicle/truck. The consignment was being unauthorizedly removed without filing a Bill of Entry, and without requisite Customs permission, by illegally breaking the container seal. The examination conducted on 12.04.2026 revealed that the entire consignment, declared as "Household Items and Cleaning Product," actually comprised of Chinese-origin "Fireworks/Firecrackers", having a market value of appx. Rs 3.99 crore.

4. Further, another vehicle/ trailer carrying palletised goods in cartons labelled "Made in China" of value appx. Rs 5 lakh, was positioned nearby to replace the goods after unloading of smuggled goods from the container and the said trailer had entered CFS under the guise of carrying 'export goods'. On examination, some of these cartons were found to contain household goods, whereas many others were found empty.
5. Preliminary investigation by DRI indicates that the smuggling and subsequent attempted clandestine removal of the firecrackers from the CFS was orchestrated, abetted, and facilitated by a syndicate, which included a person named Shri Sandeep Shukla, a salaried employee engaged in Cargo Clearance work of authorized Customs Broker M/s Capricorn Logistics Pvt. Ltd. (CLPL) (License No. 11/1805 and PAN: AABCC6364M). He holds a company ID in the name of the said Customs Broker, and a Brihanmumbai Custom Brokers Association (BCBA) pass under the name of the said Customs Broker. He possesses neither a 'G' card nor an 'H' card, as mandated by the Custom Broker Licensing Regulations (CBLR), 2018 for the Customs related work.
6. Based on the investigation conducted by DRI, it appears that to execute the physical cargo substitution inside the CFS, Shri Sandeep Shukla employed by M/s. CLPL used the access pass of the Customs Broker and executed/facilitated the following illegal acts:
- a. Unauthorised Entry of Private Persons: Shri Sandeep Shukla, the employee and pass holder of the Customs Broker, arranged the entry of labourers from outside for the 'container stuffing' by using copy of the letter head of M/s CLPL, obtained the permission slip for entry of the labourers in the guise of stuffing the Export cargo covered under a checklist/ shipping bill filed by M/s CLPL. However, these labourers, instead of stuffing the mentioned export cargo, were found to be involved in the clandestine removal of the prohibited imported goods from the container no. TGHU6099161.
  - b. Unauthorized Entry of Vehicle with so called 'Export' Cargo for Substitution: Shri Sandeep Shukla, the employee and pass holder of the Customs Broker, requested entry of three vehicles against Checklist/ shipping bill (No. 2259124 dated 9th April 2026) declaring export goods as 'Industrial Valves', filed by M/s CLPL. One of the vehicles among these was used by Shri Sandeep Shukla to bring 'Household Items and Cleaning Product' to replace them with the imported fireworks. It did not carry any declared export goods i.e., industrial valves.
  - c. Unauthorized Placement of Container in Hazardous Cargo Area: Shri Sandeep Shukla, the employee and pass holder of the Customs Broker, without having any G or H card for Customs Work entered the Customs area and instructed the CFS Kalmar operator to move the import container to hazardous area for substituting the

- prohibited imported goods.
- d. Unauthorized Seal Cutting: Shri Sandeep Shukla, the employee and pass holder of the Customs Broker, influenced the CFS Seal Cutter to cut the seal of the import container, without any official documentation, requisite permission, or the presence of the designated Customs officer.

## 7. **Role of Customs Broker:**

In view of the above, the preliminary investigation indicates that M/s. Capricorn Logistics Pvt. Ltd. (License No. 11/1805 and PAN: AABCC6364M) violated, inter alia, the following key provisions of CBLR, 2018:

7.1 **Regulation 10(b):** Failing to ensure that only his employees authorized under CBLR, 2018 (and not a mere BCBA pass holder with no 'G' or 'H' Card authority) are transacting Customs related business in the Customs Station.

*"transact business in the Customs Station either personally or through an authorised employee duly approved by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;"*

7.2 **Regulation 10(k):** Failing to maintain up to date record of correct number of vehicles are entering the Customs area for bringing the export cargo.

*"Maintain up to date records such as bill of entry, shipping bill, transshipment 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"*

7.3 **Regulation 10(q):** Failing to ensure that their employee Shri Sandeep Shukla is co-operating with the Customs authorities and is joining investigations promptly in the event of the inquiry against him, as Shri Sandeep Shukla has not joined the investigation despite being issued summons.

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

7.4 **Regulation 13(12):** Failing to exercise effective supervision necessary to ensure the proper conduct of employees in the transaction of business.

*"The Customs Broker shall exercise such supervision as may be necessary to ensure proper conduct of his employees in the transaction of business and he shall be held responsible for all acts or omissions of his employees during their employment"*

7.5 **Regulation 14(c):** Gross Misconduct by the Customs Broker's employee by actively facilitating the clandestine removal of the smuggled goods through:

- facilitation of unauthorized placement and seal cutting of the container.
- facilitation of unauthorized entry of the private labourers inside the CFS to carry out the clandestine removal of the prohibited imported goods.
- facilitation of entry of vehicle with so called 'Export' Cargo for substitution.

8. The involvement in organized smuggling, misuse of Customs processes, and serious revenue and security implications committed by the Customs Brokers involved, amount to a serious offence warranting stringent immediate action under the Customs Broker Licensing Regulations (CBLR), 2018 and related statutes.

9. The misdeclaration and smuggling of the Chinese origin "Fireworks/Firecrackers", amount to a serious offence warranting stringent legal action under the Customs Broker Licensing Regulations (CBLR), 2018 and related statutes. Moreover, the gravity of the violations, which have serious fiscal and security implications, it appears that CB M/s. CAPRICORN LOGISTICS PVT. LTD. (11/1805 and PAN: AABCC6364M) was careless in his duties and knowingly helped in clearing mis declared goods. Thus, it appears that the CB M/s. CAPRICORN LOGISTICS PVT. LTD. (11/1805 and PAN: AABCC6364M) has committed a gross offence and violated regulations 10 (b), 10(k), 10(q), 13(12) and 14(c) of the Customs Broker Licensing Regulations, 2018, which have made them unfit to transact any business at Mumbai Customs and also in other Customs Stations.

10. Accordingly, the subject license was suspended vide Order No. 03/2026-27 dated 22.04.2026 by the competent authority.

11. Further, in connection to the above, another letter dated 06.05.2026 has been received from DRI, MZU stating that, during the course of further investigation, the employee of the said Customs Broker, namely Shri Vaibhav Popat Neharkar, an 'H' Card Holder, who is well-versed in clearance and operational procedures, and Shri Sandeep Shukla, BCBA Pass Holder and Assistant Manager (Exports) of ICTPL CFS, were found to be actively involved in abetting and facilitating the clandestine removal of prohibited/restricted goods, smuggling, and the unauthorized removal and substitution of the smuggled goods, i.e., fireworks, within the CFS. It was further revealed that Shri Vaibhav Popat Neharkar had conspired with other accomplices on at least two previous occasions and appears to be a habitual offender. He admitted to his involvement in such facts on previous occasions where goods were substituted and removed using false documentation for monetary consideration.

11.1 In view of the above, it appears that the employees of the Customs Broker, including the 'H' Card Holder, were involved in

repeated offences rather than in an isolated act of attempted clandestine removal and substitution of smuggled goods from the CFS.

11.2 Therefore, the contention of the Customs Broker that only a non-card holder employee was responsible, has been rejected, as the 'H' Card Holder was found to be directly implicated in the matter.

11.3 Further, it is also pertinent to mention here that the license of ICTPL CFS had already been suspended vide order dated 13.04.2026 passed by the Commissioner of Customs (NS-General), JNCH, and the suspension was continued vide order dated 05.05.2026.

12. Upon suspension of the CB license on 22.04.2026, an opportunity for a personal hearing was scheduled on 13.05.2026 at 12:45 hrs.

**RECORD OF PERSONAL HEARING & WRITTEN SUBMISSION OF THE CUSTOMS BROKER:**

Pursuant to issuance of Suspension Order No. 03/2026-27 dated 22.04.2026, Shri. Sheetal Sadanand Shetty, Managing Director in the CB firm and authorise consultant, Shri Prakash Shah, appeared on behalf of the Customs broker for personal hearing on 13.05.2026 at 12:45 PM. During Personal Hearing, Representatives of CB reiterated their written submission dated 11.05.2026.

13. The CB, vide his written submission dated 11.05.2026 received on 13.05.2026, inter-alia submitted:

13.1 That the Suspension Order No. 03/2026-27 CBS dated 22.04.2026 has been passed solely on the basis of a preliminary and ex-parte DRI investigation report bearing F. No. DRI/MZU/NS-IV/INT-47/2026 dated 17.04.2026 without conducting any inquiry, without issuance of any Show Cause Notice and without affording any opportunity of hearing prior to suspension.

13.2 That Regulation 16(1) of CBLR, 2018 permits suspension only where "immediate action" is necessary pending inquiry and the said power cannot be exercised mechanically merely on the basis of allegations. The CB submitted that there is no finding in the Suspension Order establishing any immediate necessity warranting suspension of license.

13.3 That the allegations leveled against the CB are vague, general, unsupported by cogent evidence and based merely on assumptions and presumptions. The CB submitted that the impugned order does not disclose any concrete material establishing active involvement, connivance or deliberate misconduct on the part of the Customs Broker.

13.4 That no inquiry has been conducted to establish the alleged role of the CB in the matter and no evidence has been brought on record to show that the CB had knowledge of any alleged misdeclaration or irregularity committed by the importer/exporter.

13.5 That the CB had acted strictly in accordance with the provisions of the Customs Broker Licensing Regulations, 2018 and had undertaken the clearance work on the basis of documents provided by the client/importer in the ordinary course of business.

13.6 That the suspension order has been issued in gross violation of the principles of natural justice inasmuch as no opportunity was granted to the CB to explain its position prior to suspension of license.

13.7 That the Customs Broker license is the sole source of livelihood of the CB firm and suspension of the license has caused grave financial hardship and irreparable loss to the firm and its employees.

13.8 That there is no allegation or evidence showing that the CB had gained any monetary benefit from the alleged transactions or had abetted the alleged acts of misdeclaration.

13.9 That the CB relied upon various judicial pronouncements wherein it has been consistently held that suspension under Regulation 16 is an extraordinary measure and can be resorted to only in cases where immediate action is absolutely necessary. The CB relied upon the following case laws:

(a) Aradhya Export Import Consultants Pvt. Ltd. Vs Commissioner of Customs [CUSAA 81/2023, Delhi High Court].

(b) Silverline Global Freight Pvt. Ltd. Vs Commissioner of Customs [CESTAT Delhi, 2025].

13.10 That the Hon'ble Delhi High Court in the case of Aradhya Export Import Consultants Pvt. Ltd. had held that suspension under Regulation 16 cannot be treated as a penalty and can only be invoked as a temporary preventive measure where immediate action is necessary pending inquiry.

13.11 That the Hon'ble CESTAT Delhi in the case of *Silverline Global Freight Pvt. Ltd. Vs Commissioner of Customs* [2025] set aside suspension of Customs Broker license holding that where no reasons are given for immediate suspension and there is no specific proof of active role of the CB in misdeclaration, the suspension order is unjustified.

13.12 That the impugned order is founded entirely on a preliminary intelligence/investigation report received from DRI and no inquiry has been conducted, no show cause notice has been issued and no opportunity to respond was afforded prior to suspension.

13.13 That as on the date of personal hearing, the CB had fully cooperated with the DRI investigation and had handed over Shri Sandeep Shukla, the concerned employee, to the DRI investigation team on 24.04.2026 after extensive search efforts, thereby eliminating any possibility of obstruction to investigation.

13.14 That the allegation in paragraph 2 of the Suspension Order that the case involved misuse of the CB's access pass to execute/facilitate illegal acts is incorrect and misconceived. The CB submitted that the import consignment in question was imported in the name of M/s. C. K. International and was not a client of the CB.

13.15 That the CB's involvement at M/s. ICTPL Globicon CFS was only in respect of an export consignment covered under Shipping Bill No. 2259124 dated 09.04.2026 declaring "Industrial Valves" and the said export consignment had already been granted Let Export Order by Customs.

- 13.16 That the BCBA pass and company ID card issued in the name of Shri Sandeep Shukla were allegedly misused by him in his individual capacity and not as an authorized representative acting on behalf of the CB firm.
- 13.17 That the Hon'ble Delhi High Court in the case of *Commissioner of Customs Vs Jaiswal Import Cargo Services Ltd.* [CUSAA 11/2025] held that the primary responsibility in import-related violations rests with the importer and allegations against the Customs Broker must be supported by cogent evidence.
- 13.18 That the allegation recorded in paragraph 5 of the Suspension Order that Shri Sandeep Shukla was part of a syndicate is based solely on his status as a salaried employee and no evidence has been brought on record to establish connivance or involvement of the management of the CB firm.
- 13.19 That the Hon'ble Bombay High Court in the case of *Commissioner of Customs (General) Vs Worldwide Cargo Movers* [2010 (259) E.L.T. 180 (Bom.)] held that vicarious liability of an employer arises only when the employee acts within the authorized scope of employment and not where the employee acts independently for personal gain.
- 13.20 That the allegation under Regulation 10(a) of CBLR, 2018 regarding unauthorized use of ID card is unsustainable as Shri Sandeep Shukla was authorized only for limited operational tasks relating to export cargo handling at the CFS gate and not for transacting customs-related business independently.
- 13.21 That the allegation under Regulation 10(d) of CBLR, 2018 is baseless as the CB had exercised due diligence and maintained proper internal records including truck details and cargo documents relating to the export consignment.
- 13.22 That the allegation under Regulation 10(n) of CBLR, 2018 is also unsustainable since the CB had maintained proper supervision and records regarding movement of export cargo and had no knowledge regarding alleged unauthorized activities undertaken independently by the employee.
- 13.23 That the allegation under Regulation 10(q) of CBLR, 2018 regarding non-cooperation with investigation is factually incorrect as the CB had continuously cooperated with DRI officers, shared all available information and actively assisted in tracing the concerned employee.
- 13.24 That the Customs Broker license is the sole source of livelihood of the CB firm and suspension of license has caused grave financial hardship and irreparable loss to the firm and its employees.
- 13.25 That the CB prayed that considering the facts and circumstances of the case and in absence of any cogent evidence establishing active involvement or connivance of the CB firm, the suspension of Customs Broker License No. 11/1805 may kindly be revoked forthwith pending completion of inquiry proceedings, if any.

#### **DISCUSSIONS AND FINDINGS:**

14. I have gone through the facts and records of the case, the written defense submission. Upon thorough examination of the case records, including the written submissions from the Customs Broker and the arguments presented during the personal hearing, the relevant facts and investigation findings have been outlined in the preceding paragraphs and will not be reiterated here for sake of brevity.

14.1 The primary issue under consideration is whether Suspension Order No. 03/2026-27 dated 22.04.2026 should be upheld or revoked. After carefully examining the submissions and the case law cited by the CB, I find that the precedents relied upon are not relevant to the facts and circumstances of the present case. The power under Regulation 16(1) of the CBLR, 2018 confers power to the Principal Commissioner/Commissioner of Customs, as the case may be, to suspend the license of the Customs Broker where an inquiry against such Customs Broker is pending or contemplated and immediate action is warranted. In the instant case, since an inquiry was contemplated against the said CB as intimated by the investigating agency i.e. DRI, Mumbai, hence, I found that it's an appropriate case for suspension where immediate action was necessary in order to stop all customs clearance related work to safeguard the revenue. In terms of Regulation 16(2) of CBLR, 2018, an opportunity of hearing was granted to the CB on 13.05.2026 at 12:45 PM and same has been attended by the said Customs Broker through their authorized consultant. However, orders issued under Regulations 16(1) and 16(2) of the CBLR, 2018 are temporary measures and final order is to be issued under Regulation 17 of CBLR, 2018 after issuance of Show Cause Notice and due inquiry.

14.2 Regarding the violation of Regulation 10(b) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker failed to ensure that only his employees authorized under CBLR, 2018 (and not a mere BCBA pass holder with no 'G' or 'H' Card authority) are transacting Customs related business in the Customs Station. In the instant case, salaried employees of CB M/s. Capricorn Logistics Pvt. Ltd. (Lic. No. 11/1805 & PAN: AABCC6364M) namely Shri Sandeep Shukla, BCBA pass holder & Asstt. Manager (Exports) of ICTPL CFS and Shri Vaibhav Popat Neharkar, 'H' Card Holder are found actively involved in abetting and facilitating the organized smuggling syndicate in unauthorized removal and substitution of the smuggled goods i.e. firecrackers within the CFS.

14.3 I find that this conduct clearly indicates a violation of Regulation 10(b) of the Customs Broker Licensing Regulations (CBLR), 2018, representing a serious breach of the duties and obligations prescribed under the said Regulation. In its submission dated 11.05.2026, the Customs Broker has stated that Shri Sandeep Shukla has committed this offence in his personal capacity and not as the employee of the said CB. This argument does not hold ground as the Customs Broker can not run away from the obligations prescribed under CBLR, 2018. However, with regards to Shri Vaibhav Popat Neharkar, 'H' Card Holder of the said CB, no justification of his involvement has been given in their said submission dated 11.05.2026. Therefore, it is apparent that the CB has violated the said provision.

14.4 Regarding the violation of Regulation 10(k) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker failed to maintain up to date record to ensure that correct number of vehicles are entering the Customs area for bringing the export cargo. In its

submission dated 11.05.2026, the Customs Broker has stated that they have e-mailed to Shri Sandeep Shukla specifying one truck for the export of goods covered under SB no. 2259124 dated 09.04.2026 and gatekeeping of vehicles at the CFS is not responsibility of CB. This is exclusive function of the CFS and Customs Gate PO.

14.5 I find that Shri Sandeep Shukla, a salaried employee of the said CB has been found actively involved in unauthorized removal and substitution of the smuggled goods i.e. firecrackers within the CFS along with Shri Vaibhav Popat Neharkar, 'H' Card Holder of the said CB. Thus, involvement of both of them cannot be seen in isolation, which indicates that the CB has violated Regulation 10(k) of CBLR, 2018.

14.6 Regarding the violation of Regulation 10(q) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker failed to ensure that their employee Shri Sandeep Shukla is co-operating with the Customs authorities and is joining investigations promptly in the event of the inquiry against him, as Shri Sandeep Shukla did not join the investigation despite being issued summons.

14.7 I find that the specific intelligence regarding the unauthorized removal and substitution of the smuggled goods i.e. firecrackers was received to DRI, Mumbai Zonal Unit on 11.04.2026 and a letter regarding urgent necessary action to be taken against the said CB was received in this office on 17.04.2026. In the meantime, Shri Sandeep Shukla did not present himself before the investigating agency despite multiple attempts made by the said CB to make him present as claimed by them in their submission dated 11.05.2026. However, it is to be noted that Shri Sandeep Shukla presented himself before the investigating agency on 24.04.2026 i.e. after the suspension of the license of said CB. In view of the foregoing, it is apparent that the CB has violated the said provision.

14.8 Regarding the violation of Regulation 13(12) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker failed to exercise effective supervision necessary to ensure the proper conduct of employees in the transaction of business.

14.9 In the instant case, I find that the Customs Broker failed to exercise proper supervision and control over its employees namely Shri Sandeep Shukla, BCBA pass holder & Asstt. Manager (Exports) of ICTPL CFS and Shri Vaibhav Popat Neharkar, 'H' Card Holder in the conduct of customs business. The acts and omissions committed by the employees indicate lack of due monitoring and oversight on the part of the Customs Broker, thereby rendering the Customs Broker liable under Regulation 13(12) of CBLR, 2018. Thus, the Customs Broker has violated Regulation 13(12) of CBLR, 2018 by failing to ensure proper conduct of its employees and by not exercising adequate supervision over their activities during the transaction of customs business.

14.10 Regarding the violation of Regulation 14(c) of CBLR, 2018, the preliminary investigation indicates Gross Misconduct by the Customs Broker's employees by actively facilitating the clandestine removal of the smuggled goods through:

- facilitation of unauthorized placement and seal cutting of the container.

- facilitation of unauthorized entry of the private labourers inside the CFS to carry out the clandestine removal of the prohibited imported goods.
- facilitation of entry of vehicle with so called 'Export' Cargo for substitution.

14.11 I find that misconduct committed by CB's employees namely Shri Sandeep Shukla, BCBA pass holder & Asstt. Manager (Exports) of ICTPL CFS and Shri Vaibhav Popat Neharkar, 'H' Card Holder indicates lack of exercise of effective supervision necessary to ensure the proper conduct of employees in the transaction of business, which is mandatory on the part of Customs Broker. CB cannot run away from discharging these obligations by claiming that the employees have done the whole act in their personal capacities. In their submission dated 11.05.2026, the said CB has failed to justify their failure in fulfilling their obligations to stop the gross misconduct by their employees. Therefore, it is apparent that the CB has violated the said provision.

15. The CB has a very important role in customs clearances and a lot of trust has been placed by the Department on the CB. In the context of trade facilitation, where an increasing number of goods are processed through Risk Management Systems without customs examination, the role of the Customs Broker (CB) has become even more critical in ensuring that the country's economic borders are effectively protected. However, in the present case, the gross negligence and dereliction of duty exhibited by the Customs Broker posed a significant threat to the Indian economy at large. In the era of trade facilitation, the Customs Broker works as a bridge between the importer and Customs authorities. However, in the instant case, it appears that CB M/s. Capricorn Logistics Pvt. Ltd. (Lic. No. 11/1805 & PAN: AABCC6364M) did not perform its duties and the preliminary investigation indicates gross misconduct by the Customs Broker's employees by actively facilitating the clandestine removal of the smuggled goods through facilitation of unauthorized placement and seal cutting of the container, facilitation of unauthorized entry of the private labourers inside the CFS to carry out the clandestine removal of the prohibited imported goods and facilitation of entry of vehicle with so called 'Export' Cargo for substitution. This amounts to a serious offence warranting stringent legal action under the Customs Broker Licensing Regulations (CBLR), 2018 and related statutes. 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 it 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..."*

16. Further, I rely on the judgement of the Hon'ble High Court of Madras in case of Cappithan Agencies vs. Commissioner of Customs, Chennai-VIII, 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 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 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."*

17. In view of the discussion held above, I have no doubt that the suspension of the CB licence vide Order No. 03/2026-27 dated 22.04.2026 under regulation 16 of the CBLR, 2018 was just and proper. The said regulation reads as:

***"16. Suspension of license.***

*(1) Notwithstanding anything contained in regulation 14, the Principal Commissioner or Commissioner of Customs may, in appropriate cases where immediate action is necessary, suspend the license of a Customs Broker where an enquiry against such Customs Broker is pending or contemplated."*

18. From the above facts, prima-facie, the Customs Broker M/s. CAPRICORN LOGISTICS PVT. LTD. (11/1805 and PAN: AABCC6364M), appeared to have failed to fulfill their obligations under Regulation 10 (b), 10(k), 10(q), 13(12) and 14(c) of CBLR, 2018 and contravened the same. Therefore, for their apparent acts of omission and commission as discussed above, the CB M/s. Capricorn Logistics Pvt. Ltd. (Lic. No. 11/1805 & PAN: AABCC6364M) appears to be liable and guilty and hence to prevent the further misuse of the CB license, I am inclined to continue the suspension of the CB license under Regulation 16(2) of CBLR, 2018.

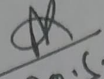
19. Accordingly, I pass the following order: -

**ORDER**

19.1 I, Pr. Commissioner of Customs (G), CBS, in exercise of powers conferred upon me under the provisions of Regulation 16 (2) of CBLR, 2018 order that the suspension of the Customs Broker

License of M/s. CAPRICORN LOGISTICS PVT. LTD. (11/1805 and PAN: AABCC6364M), ordered vide Order no. 03/2026-27 dated 22.04.2026 shall continue, pending inquiry proceedings under Regulation 17 of CBLR, 2018.

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

  
20.5.26

(Ajay Kumar Pandey)

Pr. Commissioner of Customs, CBS (General)  
New Customs House, Mumbai, Zone- I

To,  
M/s. CAPRICORN LOGISTICS PVT. LTD. (11/1805  
and PAN: AABCC6364M)  
13-13A KeyTuo Industrial Estate, 220 Kondivita  
Road, Andheri (East), Mumbai 400 059.

Copy to:

1. The Pr./Chief Commissioner of Customs, Mumbai Zone I, II, III.
2. The Additional Director, DRI, <sup>MUMBAI</sup> Ahmadabad Zonal Unit
3. The Commissioner of Customs, Mumbai Zone I, II, III.
4. EDI of NCH, ACC & JNCH.
5. BCBA.
6. Office copy.
7. Notice Board.