



प्रधान आयुक्त (सामान्य) सीमाशुल्क का कार्यालय

OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS (GENERAL)

कस्टम ब्रोकर अनुभाग, नवीन सीमाशुल्क भवन, बेलार्ड इस्टेट, मुंबई- I

CUSTOMS BROKER SECTION, NEW CUSTOM HOUSE, BALLARD ESTATE, MUMBAI-400001

Email-Id: cbsec.nch@gov.in

F. No. GEN/CB/385/2025-CBS

Order Date: 12.11.2025

DIN: 20251177000000000548

Issue Date: 12.11.2025

ORDER No. 13 /2025-26 CBS

UNDER REGULATION 16(2) OF THE CUSTOMS BROKER LICENSING REGULATION, 2018

M/s Hirannya Shipping & Logistics Services (11/2002), (PAN No. AYHPS8411J), having registered address: 18/4, Shree Siddhivinayak Nivas CHS Ltd., 3 Domnic Colony, Orlem Malad (West), Mumbai-400064 (hereinafter referred to as the Customs Broker/CB), is the holder of Customs Broker License No. (11/2002) (PAN No. AYHPS8411J), issued by the Commissioner of Customs, Mumbai, under Regulation 7(1) of CBLR, 2013, erstwhile (now Regulation 7(2) of CBLR, 2018) and as such, they are bound by the regulations and conditions stipulated therein.

A report regarding Offences made by the CB, issued by the Additional Director, DRI, AZU vide letters F.No. DRI/AZU/CI-1/ENQ-62(INT-25)/2025 dated 04.07.2025 and 29.09.2025 were received in the Customs Broker Section, NCH, Mumbai Zone-I. The report, inter alia, conveyed the following information:

Brief facts of the case

This is a case involving misdeclaration and misuse of import licenses for the import of 10 Mesh material/ tyre scrap, aimed at circumventing the applicable EXIM policy restrictions. Acting on specific intelligence, the Directorate of Revenue Intelligence, Ahmedabad Zonal Unit, intercepted and examined two consignments of M/s. Shabbir and Sons Eco Exim Pvt. Ltd. at Nhava Sheva port. The examination revealed that the importer M/s. Shabbir and Sons Eco Exim Pvt. Ltd. had imported Used Tyre Scrap consignments by misusing licenses issued specifically for the import of 10 Mesh material.

2. The responsible person, Mr. Syed Aslam Ali, from M/s. Shabbir and Sons Eco Exim Pvt. Ltd. was summoned and his statement was recorded under Section 108 of the Customs Act, 1962. During the course of the statement, he admitted to wilfully misusing the 10 Mesh licenses to import used rubber tyre scrap in forms such as multiple-cuts, shredded, and pressed baled scrap. This admission covered an intercepted consignment as well as 11 past consignments. Such acts constitute smuggling as defined under Section 2(39) of the Customs Act, 1962. Consequently, for committing offences punishable under Sections 135(a) and 135(b) of the Customs Act, 1962, the responsible person was arrested under Section 104 of the Customs Act, 1962.

3. Further scrutiny revealed that the Bills of Entry for both the live consignments and the 11 past consignments, where scanning images confirmed the import of Used Tyre Scrap (pressed baled/multi-cut) not falling under the 10 Mesh license category, were filed by M/s. Yash Shipping Services. Licenses issued for imports under the Customs Tariff Item (CTI) 40040000 for tyre scrap are restricted both in terms of quantity and validity period. These licenses permit the import of only one specific type of rubber tyre scrap within the stipulated time frame either "Used Tyre Scrap (pressed

baled/multi-cut)" or "Rubber/granules finer than 10 Mesh to 20 Mesh, devoid of iron, steel, and most fibers" both falling under the broad category of *Waste, parings, and scrap of rubber (other than hard rubber), and powders and granules obtained therefrom*. Therefore, a valid license authorizes the import of a particular quantity of a specified type of tyre scrap as mentioned in the DGFT license, within the specified period.

4. During the course of the investigation, it was also ascertained that M/s. Shabbir and Sons was involved in over-debiting licenses, importing quantities exceeding the permitted limits by manipulating manual debit sheets. Such excess imports render the goods liable to confiscation and constitute an offence under Section 135 of the Customs Act, 1962. This over-debiting appears to have been carried out with the active involvement of customs brokers. Furthermore, the over-debiting of SIL licences in connection with the import of used tyres by M/s. Shabbir and Sons Eco Exim Private Limited, along with details of the corresponding Customs Brokers involved, is presented in Table-A below.

5. The Customs Broker M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (AYHPS8411J) is one of the brokers involved in the over-debiting of the SIL licence. A total quantity of 252.6 metric tons with an assessable value of Rs. 17,88,685/- was over-debited using the licence of M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES. Furthermore, the statement of Shri Amrendra Kumar Amar, an individual not affiliated with the said Customs Broker, confirms that he used the licence of the Customs Broker M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES for customs clearance work. These details of Specific violations committed by the customs broker M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) are summarized in the table below:

Table-A

Sr. No.	Name of Customs Broker with licence no.	Violation on the part of Customs Broker	Corresponding Documentary Evidence
1.	M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (CHA Code AYHPS8411JCH001)	The said licence was used in over-debiting of the SIL licence to the tune of 252.6 MTS having assessable value of Rs. 17,88,685/-	The detailed calculation sheet quantifying the over-debiting done by the Customs Broker Firm. (page no. 45 to 85) 2. Statement of Customs Broker Shri Amrendra Kumar Amar, acknowledging that he used the licence of M/s. Hirannya Shipping for customs clearance work related to M/s. Shabbir and Sons Eco Exim Private Limited. (Page no. 19 to 36) 3. Statement of Importer Shri Syed Aslam Ali (page no. 13 to 18)

6. Further, the statement of MR. SYED ASLAM ALI, power of attorney holder of the Importer M/s. Shabbir and Sons Eco Exim Private limited was recorded by DRI, Ahmedabad on 16.06.2025, In his statement, he, inter alia, stated the following: -

- He has been serving as the Power of Attorney holder for M/s. Shabbir and Sons Eco Exim Pvt. Ltd. since 22.07.2024. The firm is engaged in the processing of tyre scrap, which it sources both from the domestic market and through imports.
- He is well-acquainted with the import procedures for tyres. Prior to entering the import business, he was involved in collecting used tyres from local sources and supplying them to rubber crumb manufacturing units. In 2019, he purchased a running tyre recycling plant from a company named RS Rubber. He subsequently began manufacturing rubber granules, rubber gitti, and rubber mesh of various sizes (ranging from 10 to 100 Mesh) at the unit. Due to a shortage of raw materials in the domestic market and with the understanding that significant profit could be made by processing imported tyre scrap, the firm decided to venture into imports. Accordingly, they applied for a DGFT license for the import of used tyre scrap. After obtaining the required license, they began importing used tyre scrap for processing. He has submitted the details of licenses issued to them with quantity and MOEF, the details are as below:

LICENSE DETAILS			PERMITTED QNT	
LICNESE NO.	LIC DATE	VALID UPTO	MTS	CIF VALUE
111003588	12.04.2022	12.10.2023	1500	18000000
111006699	28-12-2022	28.06.2024	940	11815800
111010714	28-08-2023	13.10.2024	10000	132560000
111021230	20-11-2024	02.03.2026	1500	21636750

- He further stated that no amendments were made to the quantity specified in the license issued to the firm. The only amendment pertained to the country of export, which was reflected in License No. 111021230 dated 20.11.2024. Additionally, he submitted that apart from the MOEF license mentioned earlier, the Directorate General of Foreign Trade (DGFT) has also issued licenses to M/s. Shabbir and Sons Eco Exim Pvt. Ltd. for the import of crumb rubber. The details of these licenses are as follows:

LICENSE DETAILS			PERMITTED QNT	
LICNESE NO.	LIC DATE	VALID UPTO	MTS	CIF VALUE
111006724	28-12-2022	28.06.2024	5259	70596816
111012946	04-01-2024	04-07-2025	8820	118752480
111017681	04-07-2024	04-01-2026	6556	70615987
111023963	04-04-2025	04-10-2026	15155	207684120

- He handled the complete sale purchase process in M/s. Shabbir and sons Eco Exim Private limited, he has placed order to the overseas supplier on the telephone for the supply of goods imported vide bill of entry no. 2383298 dated 30.05.2025 and 2402654 dated 31.05.2025.
- They had applied for the MOEF permission for the purpose of import of used tyres scrap for their unit II, situated in Vadodara but the process of issuance of permission was delayed due to unavailability of CPCB staff. After that they had to apply in DGFT for the issuance of SIL license. Since the license process was underway, they had placed the order to their overseas suppliers for supply of used tyre scrap.

- However, they had informed them before loading of container to send the tyre granules only as he was not having the license for import of old and used tyres scrap, to which the overseas supplier assured them that he will send tyre granules only. They have used the Granule license as they were not aware that the goods in the container are used tyre scrap and not Tyre granule.
- He also stated that they have started working with Munna (AMRENDRA KUMAR AMAR) in the year 2022. Thereafter, Shri Das of M/s. Das Cargo approached them and gave the quotation at better price for customs clearance work. Subsequently, the customs clearance responsibilities were assigned to Mr. Das for a few months. However, due to certain shortcomings in the quality of service, they have again started working with Munna in the year 2023 end. Since then, Mr. Munna was handling customs clearance work of M/s. Shabbir and sons Eco Exim Private limited.
- He also added that, their Customs Broker Mr. Munna advised them to import used tyre scrap under the SIL license for import of for Crumb rubber/Granules.
- He was aware that used tyre scrap of CTI-40040000 is a restricted item and can only be imported under the licenses issued by DGFT.
- He agreed that by importing the used tyre scrap in pressed and balled/multi cut form by mis declaring and importing it under the Granule/10 mesh license, have made goods liable for confiscation under section 111(d) of the Customs Act, 1962.

7. Furthermore, the statement of Shri Amrendra Kumar Amar, was also Recorded by DRI, AHMEDABAD on 29.08.2025. In his statement, he, inter alia, stated the following: -

- He stated that initially, the firm carried out customs clearance activities using the CHA license of M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) . However, when the CHA license of M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) was suspended towards the end of 2023, they temporarily shifted to using the CHA licenses of M/s. Hind and M/s. Bharat Impex for their import activities. Subsequently, once the license of M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) was revoked, the firm discontinued the use of the CHA license of M/s. Hind Airways for import clearance.
- He further stated that, multiple CHA licenses were used to avoid hinderance in business due to license suspension as they had already faced the situation during the cancellation of CHA license of M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) .
- He also added that he had clearly directed his employees to take care of licence debiting. As per his knowledge, there should be no excess imports in customs broker firms which were used by him. He will submit all the debit sheets of SIL, Licences available in his office within a period of 5 working days.
- He assured that there will be no excess imports in customs broker firms which were used by him. Still, if any such imports are found readily pay fine and penalty of department.

8. Summary: -

This is a case involving misdeclaration and misuse of import licenses for the import of 10 Mesh material/ tyre scrap, aimed at circumventing the applicable EXIM policy restrictions. Acting on specific intelligence, the Directorate of Revenue Intelligence, Ahmedabad Zonal Unit, intercepted and examined two consignments of M/s. Shabbir and Sons Eco Exim Pvt. Ltd. at Nhava Sheva port. The examination revealed that the importer M/s. Shabbir and Sons Eco Exim Pvt. Ltd. was misusing licenses issued specifically for the import of 10 Mesh rubber crumb, which were instead used to import restricted used tyre scrap in various forms such as pressed, baled, shredded and multi-cut scrap. Acting on specific intelligence, two consignments were intercepted at Nhava Sheva Port and upon examination, were found to be in violation of the EXIM policy. The investigation further revealed that the firm over-debited quantities

from the SIL licenses by manipulating manual debit sheets, with the active involvement of customs brokers. A total quantity of 252.6 metric tons with an assessable value of Rs. 17,88,685/- was over debited using the licence of M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES. Furthermore, the statement of Shri Amrendra Kumar Amar confirms that he used the licence of the Customs Broker M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES for customs clearance work. In view of the foregoing, and considering the grave violations and deliberate misuse of SIL licenses through over-debiting, it is evident that the Customs Broker has engaged in misdeclaration and unauthorized use of restricted import licenses. These actions, carried out in clear contravention of the DGFT Policy, constitute a serious offence and warrant strict legal action under the Customs Broker Licensing Regulations (CBLR), 2018 and other applicable statutory provisions.

9. Role of Customs Broker: -

It is evident that the customs broker M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES have failed to fulfill their obligations laid down under Customs Broker Licensing Regulations (CBLR), 2018. The CB appears to have actively guided the importer in committing the offence. In view of the above, the relevant provisions of CBLR, 2018, outlining the obligations of customs brokers, are extracted below:

(i) Regulation 1 (4) of CBLR, 2018: -

"(4) Every license granted or renewed under these regulations shall be deemed to have been granted or renewed in favour of the licensee, and no license shall be sold or otherwise transferred."

In the present case, it appears that the Customs Broker M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) rented out their Customs Broker license to Shri Amrendra Kumar Amar in exchange for monetary consideration. Further, as per the statement of Shri Amrendra Kumar Amar recorded on 29.08.2025 by the Directorate of Revenue Intelligence, Ahmedabad and upon scrutiny of the subject report, it was revealed that Shri Amrendra Kumar Amar had obtained the Customs Broker license from M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES and used it for the clearance of the subject imported goods.

This conduct clearly constitutes a violation of Regulation 1(4) of the Customs Broker Licensing Regulations (CBLR), 2018. Such an omission represents a significant breach of the duties and responsibilities prescribed under Regulation 1(4). In light of the foregoing, it appears that the Customs Broker has contravened the provisions of Regulation 1(4) by unlawfully renting out the Customs Broker license to Shri Amrendra Kumar Amar.

(ii) Regulation 10(a) of CBLR, 2018: -

"(a) 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 the present case, it appears that the Customs Broker, M/s Hirannya Shipping and Logistics Services (11/2002), failed to comply with the mandatory requirement as mandated in regulation 10(a) of CBLR, 2018. The Customs Broker did not obtain the necessary authorization from the importer, as there is no record or indication of any direct meeting or interaction between the Customs Broker and the importer.

This is further substantiated by the statement of Mr. Syed Aslam Ali, the authorized representative of M/s Shabbir and Sons Eco Exim Private Limited. He clearly affirmed

that he personally managed the procurement of goods from overseas suppliers and their subsequent sale to domestic buyers on behalf of the importer. He further stated that all Customs clearance-related activities were handled by Mr. Amrendra Kumar Amar. In his own statement, Mr. Amrendra Kumar Amar also confirmed that he carried out the Customs clearance work by using the license of the Customs Broker, M/s Hirannya Shipping and Logistics Services (11/2002).

Therefore, it is evident that the Customs Broker neither met with the importer nor obtained the requisite authorization, thereby constituting a clear violation of Regulation 10(a) of CBLR, 2018.

(iii) Regulation 10(b) of CBLR, 2018: -

"(b) 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;"

Based on the subject report and the statement of Mr Amrendra Kumar Amar, dated 29.08.2025, recorded by the Directorate of Revenue Intelligence, Ahmedabad, it is evident that he conducted Customs clearance-related activities on behalf of the Customs Broker, M/s Hirannya Shipping and Logistics Services (11/2002) with respect of imports made by M/s Shabbir and Sons Eco Exim Private Limited. However, as per Regulation 10(b), a Customs Broker is required to carry out business either personally or through an authorised employee who has been duly approved by the Deputy Commissioner of Customs or Assistant Commissioner of Customs.

In the instant case, it appears that the Customs Broker was not transacting business either personally or through an authorised employee, as required under the regulation 10(b). This is further substantiated by the statement of Mr. Amrendra Kumar Amar, who confirmed that he independently carried out the Customs clearance work by using the license of the Customs Broker, M/s Hirannya Shipping and Logistics Services (11/2002). This constitutes a clear violation of Regulation 10(b) of CBLR, 2018.

(iv) Regulation 10(d) of CBLR, 2018:-

"(d) Advise the client to comply with the provisions of the Customs Act, allied Acts, and the rules and regulations thereof, and in cases of noncompliance, bring the matter to the notice of the Deputy Commissioner or Assistant Commissioner of Customs, as applicable;"

It appears that the Customs Broker failed to advise their client to declare the correct description of goods, specifically "Used Tyre Scrap (pressed baled/multi-cut)," which does not fall under the 10 Mesh license category. Licenses issued for imports under Customs Tariff Item CTH 40040000 pertaining to tyre scrap are restricted both in terms of quantity and validity period. These licenses authorize the import of only one specific type of rubber tyre scrap within the stipulated timeframe, either "Used Tyre Scrap (pressed baled/multi-cut)" or "Rubber/granules finer than 10 Mesh to 20 Mesh, devoid of iron, steel, and most fibers." Both types fall under the broader category of waste, parings and scrap of rubber (other than hard rubber), including powders and granules obtained therefrom.

Therefore, a valid license permit is required for the import of a specified quantity of a particular type of tyre scrap as detailed in the DGFT license within the prescribed period. By misdeclaring the goods, the importer has circumvented the conditions imposed by the DGFT import policy. Further, the Customs Broker has been found complicit in the over-debiting of the SIL issued by the Directorate General of Foreign Trade (DGFT). The investigation reveals that the SIL was misappropriated to the extent of 252.6 metric tonnes.

As per Regulation 10(d) of the CBLR, 2018, it is the responsibility of the Customs Broker to advise the importer to declare the correct description of goods and ensure the proper utilization of the SIL license issued by the DGFT, rather than allowing or facilitating its over-debiting. Furthermore, the Customs Broker failed to report this non-compliance to the Deputy Commissioner or Assistant Commissioner of Customs, as required under the said regulation.

This omission represents a clear deviation from the responsibilities outlined in Regulation 10(d) of CBLR, 2018. In view of the above, it appears that the Customs Broker has contravened the provisions of Regulation 10(d) by not ensuring compliance with the relevant statutory requirements and by neglecting to inform the Deputy/Assistant Commissioner of the irregularities.

(v) Regulation 10(e) of CBLR, 2018: -

“(e) Exercise due diligence to ascertain the correctness of any information provided to the client related to clearance of cargo or baggage.”

It appears that the Customs Broker failed to exercise due diligence and merely relied upon the incorrect declaration submitted by the importer without verifying or ensuring the correct declaration of the goods under Customs Tariff Heading (CTH) 40040000, which pertains specifically to tyre scrap. Given that the goods in question are categorized as restricted under the DGFT Policy, such a lapse represents a serious breach of regulatory obligations and a clear violation of the applicable policy conditions governing restricted imports.

Moreover, the Customs Broker has also been found complicit in the over-debiting of the SIL issued by the Directorate General of Foreign Trade (DGFT). The investigation reveals that the SIL was misused to the extent of 252.6 metric tonnes, involving goods with an assessable value of ₹17,88,685/-.

As per Regulation 10(e) of the CBLR, 2018, it is the responsibility of the Customs Broker to exercise due diligence and ensure the proper utilization of the SIL license issued by the DGFT rather than allowing or facilitating its over-debiting. Accordingly, it appears that the Customs Broker failed to adhere to the prescribed procedures and responsibilities outlined under Regulation 10(e) of the Customs Broker Licensing Regulations (CBLR), 2018.

10. In view of the foregoing and considering the grave violations and deliberate misuse of the SIL licenses, it is evident that the Customs Broker knowingly misused the license and rented it out for monetary gain. This conduct has resulted in a substantial loss to government revenue. Such actions not only compromise the integrity of the import control framework but also constitute an offence of smuggling as defined under Section 2(39) of the Customs Act, 1962.

11. The misdeclaration and unauthorized use of restricted import licenses, particularly in blatant contravention of DGFT Policy, amount to a serious offence warranting stringent legal action under the Customs Broker Licensing Regulations (CBLR), 2018 and related statutes. Moreover, the gross negligence and dereliction of duty exhibited by the Customs Broker pose 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 the Customs authorities. However, in the instant case, it appears that CB M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) was careless in its duties and knowingly misused the license and rented it out for monetary gain and was also found involved in over-debiting of SIL licenses, importing quantities exceeding the permitted limits by manipulating manual debit sheets. Thus, it appears that the CB M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) (PAN-AYHPS8411J) has committed a gross offence and violated regulations 1(4), 10(a), 10(b), 10(d), 10(e) of

the Customs Broker Licensing Regulations, 2018, which has made them unfit to transact any business at Mumbai Customs and also in other Customs Stations.

12. Accordingly, the subject license was suspended vide Order No. 08/2025-26 dated 16.10.2025 by the competent authority. An opportunity for a personal hearing was initially scheduled on 30.10.2025 at 1200 hrs. Subsequently, the CB requested to reschedule the hearing to 31.10.2025, which was accepted by the competent authority. Accordingly, a revised opportunity for a personal hearing was granted on 31.10.2025 at 1530 hrs.

RECORD OF PERSONAL HEARING & WRITTEN SUBMISSION OF THE CB

Pursuant to the issuance of Suspension Order No. 08/2025-26 dated 16.10.2025, Shri ANIL SHRUNGARE, Proprietor of CB firm and authorised consultant, Shri Hans Raj Garg, appeared on behalf of the Customs broker for personal hearing on 31.10.2025 at 03:30 PM. During the Personal Hearing, the representative of CB reiterated their written submission dated 31.10.2025.

13. The CB, vide his written submission dated 31.10.2025, interalia submitted:

13.1 That the SO (Suspension Order) makes a bald allegation, without any cogent evidence against them, about (i) misusing SIL licenses issued specifically for the import of 10 Mesh rubber crumbs, which were instead used to import restricted used tyre scrap in various forms such as pressed, baled, shredded & multi-cut scrap and (ii) over-debiting total quantity of 252.6 M Tons with an assessable value of Rs. 17,88,685/- from the SIL licenses by manipulating manual debit sheets, with their active involvement as CB.

13.2 That the SO does not even mention details of the related Bills of Entry filed by the CB wherein the above alleged violations have been noticed and has raised the said serious allegations based on mere assumptions & presumptions.

13.3 That the Suspension Order is vague, ambiguous & general and the allegations are based on assumptions & presumptions and hence are arbitrary & unreasonable and violative of the Principles of Natural Justice and the CB is therefore prevented from effectively meeting and rebutting the charges raised in the SO.

13.4. That It is well settled in a catena of decisions including the decisions of Hon'ble Supreme Court in the case of Commissioner of C. Ex., Bangalore vs. Brindavan Beverages (P) Ltd. [2007 (213) E.L.T. 487 (S.C.)] that if the allegations in the show cause notice are not specific and are on the contrary vague, lack details and/or are unintelligible, that is sufficient to hold that the Noticee was not given proper opportunity to meet the allegations indicated in the show cause notice.

13.5. That it is settled law that mere suspicion howsoever strong or great, cannot take the place of proof - a dictum which can always bear repetition. In the case of Gian Mahtani reported as 1971 (7) TMI 55 - SUPREME COURT, Hon'ble Supreme Court has held that '.....according to the system of jurisprudence which we follow, conviction cannot be based on suspicion nor on the conscience of the Court being morally satisfied about the complicity of an accused person. He can be convicted and sentenced only if the prosecution proves its case beyond all reasonable doubt.'

13.6. That the Suspension Order tacitly requires them to prove the negative that they have not done the acts mentioned and alleged in the SO without leading any evidence in this regard; that there is a legal embargo on this; that they cannot prove the negative in the absence of any specific allegations supported with cogent evidence regarding the alleged acts of omissions & commission by them; that it is for the department to lead the evidence relating to their role in relation to the alleged mis-declarations which the

department has miserably failed to discharge as their burden of proof. In this regard, the CB relied upon the following case laws:

- (a) M/s Ruchi Soya Industries Ltd reported as 2016 (2) TMI 1142 - CALCUTTA HIGH COURT.
- (b) M/s R K Industries reported as 2018 (8) GSTL 110 (MAD).
- (c) M/s PSL TEX-Styles Pvt Ltd reported as 2019 (8) TMI 426 - BOMBAY HIGH COURT.

13.7. Regulation 1(4) of CBLR, 2018:- The CB submitted that the SO does not marshal any evidence that they have sold or otherwise transferred their CB Licence to Shri Amrendra Kumar Amar; that there is no evidence of any exchange of consideration monetary or otherwise; that the copy of the statement recorded from Shri Amrendra Kumar Amar has not been provided to them; that whatever is mentioned in the SO reveals that he has only stated that for the customs clearance work of M/s. Shabbir and Sons Eco Exim Private Limited, he has used the CB licence. In this regard, the CB relied upon the judgment of Hon'ble Tribunal in the case of K.S. Sawant & Co. reported as 2013 (12) TMI 119 - CESTAT, MUMBAI, had held that accepting the documents through a logistics operator is not barred by the CBLR.

13.8. Regulation 10(a) of CBLR, 2018:- The CB submitted that they had obtained the mandatory statutory Authorisation from the importer; that a copy of the Authorisation along with KYC documents of the importer are attached for reference; that the importer is not dummy and is existing and has duly participated in the DRI investigation; that in view of the above factual position, the charge in this regard has been raised perfunctorily and carelessly without due and proper inquiry and verification.

13.9. Regulation 10(b) of CBLR, 2018: The CB submitted that this regulation mandates that the CB has to transact business personally or through his authorized representative. In the present case, we state that the transactions of business in relation to the customs station is the idea behind Regulation 10(b); that the transaction of business in customs station in case of imports is filing of Bill of Entry along with the invoice, packing list, checklist and all other requisite documents; that in today's era of virtual transactions/online processing, physical presence in custom house for transacting the business is not required, and the CB's presence in processing the import documents at the customs station (Nhava Sheva) is not disputed; that thus, the allegation of violation of the provisions of Regulation 10(b) against them is not substantiated.

13.10. Regulation 10(d) of CBLR, 2018: The CB submitted that they have always advised all our clients, including M/s Shabbir and Sons Eco Exim Private Limited to comply with the provisions of the Customs Act, 1962; other allied Acts and the rules and regulations thereof; that the SO fails to bring out as to what should have been advised by them to the client but was not advised under Regulation 10(d); that the department has merely resorted to Regulation 10(d) without pointing out as to the lapse on their part. In this regard, the CB relied upon the judgement of Hon'ble CESTAT Order in the case of M/s Sun Impex Clearing & Shipping Agency, Customs Broker, Vs Commissioner of Customs (Preventive) Jaipur, reported as 2024 (4) TMI 1068 - CESTAT NEW DELHI and the CESTAT Order in the case of M/s Delta Infralogistics (Worldwide) Pvt Ltd Vs C.C. Bangalore, reported in 2019 (11) TMI 621 - CESTAT BANGALORE.

13.11. Regulation 10(e) of CBLR, 2018: The CB submitted that there is no allegation anywhere in the SO that they have not exercised due diligence as Customs Broker to ascertain the correctness of any information which we have imparted to the client M/s Shabbir and Sons Eco Exim Private Limited with reference to any work related to clearance of the imported consignments; that for the violation of this Regulation what is important to be brought on record is that there was certain information imparted by the CB as the customs broker to the importer and that the said information was incorrect; that as CB they have never imparted any incorrect information to the importer

nor it is apparent from the two statements of Shri Syed Aslam Ali and Shri Amrendra Kumar Amar that certain information was imparted to the importer which was later found to be false; that once there is nothing on record to show not even in the show cause notice as to what false information was imparted by them to the exporter, the allegation regarding violation of Regulation 10(e) has no meaning. In this regard, the CB relied upon the judgement of Hon'ble Delhi High Court Order in the case of M/s Kunal Travels (Cargo) Vs Commissioner of Customs (Import & General) New Customs House, IGI Airport, New Delhi reported in 2017 (3) TMI 1494 - DELHI HIGH COURT.

13.12. That the department has not conducted any investigation regarding their role in the impugned imported goods and we have been convicted & are proposed to be hanged without trial; that the proceedings are based entirely on assumptions and presumptions; that the offence, if any, committed by the importer was extraneous to their functions as a Customs Broker; that they have not aided and abetted or connived with the importer in their alleged omissions & commissions relating to the import of the impugned goods without valid import authorisations; that mere negligence or carelessness can't be termed as abetment in order to punish the liable, according to the arrangement of penal laws; that it is not the case of the department that they have shared the profit in the act of the import of the impugned goods by the importer; that no evidence has been led in this regard and thus the charge of abetment is a bald charge and in the absence of cogent evidence does not sustain.

13.13. The CB relied upon the following case laws:

- (a) M/s Perfect Cargo and Logistics Vs Commissioner of Customs (Airport & General) reported as 2020 (12) TMI 649 - CESTAT NEW DELHI
- (b) National Traders and Agencies - 2019 (6) TMI 371 - CESTAT BANGALORE:
- (c) Poonia & Brothers - 2019 (4) TMI 911 - CESTAT NEW DELHI:
- (d) Merchant & Sons - 2018 (5) TMI 1067 - CESTAT MUMBAI:
- (e) Millard Logistics Pvt Ltd - 2018 (1) TMI 960 - CESTAT ALLAHABAD.
- (f) M/s. HSN Shipping Pvt Ltd Vs Commissioner of Customs, Chennai - 2021 (2) TMI 1149 - CESTAT CHENNAI.
- (g) Setwin Shipping Agency Vs Commissioner of Customs (Chennai - VIII) - 2021 (1) TMI 818 - CESTAT CHENNAI.
- (h) M/s Jetwing Freight Forwarders Vs C.C Bangalore - Cus - 2020 (6) TMI 316 - CESTAT, BANGALORE.
- (i) M/s Mallick Clearing Agency Vs CC (Admn & Airport), Kolkata - 2020 (1) TMI 489 - CESTAT KOLKATA.
- (j) M/s Tanmay Global Logistics Vs Commissioner of Customs (Airport & General) - 2019 (12) TMI 529 - CESTAT NEW DELHI.

13.14. That the underlying incident leading to these proceedings took place long back and therefore there is no live link and there was no crying necessity for immediate action to suspend the licence now after so much time of the incident and the suspension is in gross violation of Regulation 16(1) of the CBLR, 2018 and hence is required to be revoked immediately; that in support of our this contention, they rely upon the following reported case laws, among others, on the subject matter the ratio of which is squarely applicable to the facts and circumstances of this case:

- (a) Commissioner of Customs Vs National Shipping Agency reported as 2008 (1) TMI 400 - HIGH COURT OF JUDICATURE AT BOMBAY = 2008 (226) E.L.T. 46 (Bom.).
- (b) P Cawasji & Co Vs Commissioner of Customs (General) Mumbai reported as 2018 (5) TMI 521 - CESTAT MUMBAI = 2018 (364) E.L.T. 871 (Tri. - Mumbai).
- (c) M.D. Ruparel & Sons Vs Principal Commissioner of Customs (General) Mumbai reported as 2023 (7) TMI 963 - CESTAT MUMBAI.

13.15. That in all common law jurisdictions judgments play a vital role in setting up precedents for the future and therefore Principle of Judicial Discipline requires that the Orders of the higher appellate authorities unless stayed as quoted before them should

have been followed unreservedly by the subordinate Authority. In this regard, the Noticee relied upon the ratio of the following case laws:

- (a) Kamlakshi Finance Corporation - 1991 (9) TMI 72 - SUPREME COURT.
- (b) T.V. Sundram Iyengar & Sons Pvt Ltd - 2021 (5) TMI 159 - MADRAS HIGH COURT.
- (c) XL Health Corporation India Pvt Ltd - 2018 (10) TMI 1565 - Karnataka High Court

13.16. The CB prayed that all the said charges against them in these proceedings may please be dropped in toto so far as these pertain to them inasmuch as the Suspension Order has been issued on assumptions and presumptions based on inadequate, incomplete & inconclusive investigation without proper application of mind and appreciation of evidence raising wild, baseless, bald and unsubstantiated charges; that the facts & the circumstances of the matter may be appreciated and justice may be rendered by revoking the suspension inasmuch as the allegations made against them without any cogent evidence are serious in nature affecting their livelihood.

DISCUSSIONS AND FINDINGS:

14. I have gone through the facts and records of the case, the written defence submission dated 31.10.2025. Upon thorough examination of the case records, including the written submissions from the Customs Broker and the arguments presented during the virtual hearing, the relevant facts and investigation findings have been outlined in the preceding paragraphs and will not be reiterated here for the sake of brevity.

14.1 The primary issue under consideration is whether Suspension Order No. 08/2025-26 dated 16.10.2025 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 to suspend the license of the Customs Broker where an inquiry against such Customs Broker is pending or contemplated. In the instant case, since an inquiry was contemplated against the said CB as intimated by the investigating agency i.e. DRI, Ahmedabad, 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 31.10.2025 at 03:30 PM and same has been availed by the said Customs Broker through their authorised consultant. Further, 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 1(4) of CBLR, 2018, the offence report indicates that the Customs Broker, M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (License No. 11/2002), had rented out their Customs Broker license to Shri Amrendra Kumar Amar in exchange for monetary consideration. Furthermore, based on the statement of Shri Amrendra Kumar Amar recorded on 29.08.2025 by the Directorate of Revenue Intelligence, Ahmedabad and the examination of the related report, it was found that Shri Amrendra Kumar Amar had obtained the CB license from M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES and utilized it for the clearance of the subject imported goods.

14.3 I find that this conduct clearly indicates a violation of Regulation 1(4) of the Customs Broker Licensing Regulations (CBLR), 2018, representing a serious breach of the duties and obligations prescribed under the said Regulation. In his submission dated 31.10.2025 the Customs Broker has not clearly presented his argument related to the license being used by someone without authorization. Since the Regulation 1(4)

prohibits the sale or transfer of licenses, it is apparent that the CB has violated the said provision.

14.4 Concerning the violation of Regulation 10(a) of CBLR, 2018, the offence report reveals that no proper authorization was provided by the importer to the CB. This fact is further supported by the statement of Mr. Syed Aslam Ali, the authorized representative of M/s Shabbir and Sons Eco Exim Private Limited. He specifically stated that all Customs clearance activities were carried out by Mr. Amrendra Kumar Amar. The CB submitted that they had obtained the mandatory statutory Authorisation from the importer. However, I find that Mr. Amrendra Kumar Amar confirmed, in his own statement, that he had performed the Customs clearance work using the license of the Customs Broker, M/s Hirannya Shipping and Logistics Services (11/2002). Therefore, it is clear that the Customs Broker did not have any direct interaction with the importer nor obtain the required authorization, which constitutes a definite violation of Regulation 10(a) of the Customs Broker Licensing Regulations (CBLR), 2018. Thus, the violation of Regulation 10(a) cannot be denied in the instant case.

14.5 Further, based on the subject report and the statement of Mr. Amrendra Kumar Amar dated 29.08.2025, recorded by the Directorate of Revenue Intelligence, Ahmedabad, it is evident that he carried out Customs clearance activities by using the license of the Customs Broker, M/s Hirannya Shipping and Logistics Services (11/2002), in connection with imports made by M/s Shabbir and Sons Eco Exim Private Limited, however, Regulation 10(b) of the CBLR, 2018 mandates that a Customs Broker must conduct business either personally or through an authorised employee duly approved by the Deputy Commissioner or Assistant Commissioner of Customs. In this case, it appears that the Customs Broker did not transact business personally or through any such authorised employee, as required under Regulation 10(b). Accordingly, from the facts and circumstances of the case, prima facie it appears that the CB has contravened Regulation 10(b) of the CBLR, 2018.

14.6 The CB submitted that they have always advised all their clients, including M/s Shabbir and Sons Eco Exim Private Limited to comply with the provisions of the Customs Act, 1962; other allied Acts and the rules and regulations thereof. However, the investigation reveals that the Customs Broker failed to advise the importer, M/s Shabbir and Sons Eco Exim Pvt. Ltd. to correctly declare the imported goods as "Used Tyre Scrap (pressed baled/multi-cut)," which falls outside the scope of the 10 Mesh license category. Licenses issued under CTH 40040000 for tyre scrap are restricted in quantity, validity and type of material permitted. By allowing misdeclaration, the importer circumvented DGFT import policy conditions. Further, the CB relied upon the judgement of Hon'ble CESTAT Order in the case of M/s Sun Impex Clearing & Shipping Agency, Customs Broker, Vs Commissioner of Customs (Preventive) Jaipur reported as 2024 (4) TMI 1068 - CESTAT NEW DELHI and the CESTAT Order in the case of M/s Delta Infralogistics (Worldwide) Pvt Ltd Vs C.C. Bangalore, reported in 2019 (11) TMI 621 - CESTAT BANGALORE, which is also not relevant to the facts and circumstances of the present case. The Customs Broker was found complicit in the over-debiting by manipulating the manual debit sheet and misuse of the SIL issued by DGFT, amounting to 252.6 MT. Further, the Customs Broker failed to report these irregularities to the concerned Customs authorities, thereby violating Regulation 10(d) of the CBLR, 2018, which mandates advising clients correctly and ensuring compliance with statutory requirements.

14.7 The CB submitted that they have never imparted any incorrect information to the importer, nor is it apparent from the two statements of Shri Syed Aslam Ali and Shri Amrendra Kumar Amar that certain information was imparted to the importer which was later found to be false. However, the investigation revealed that the Customs Broker failed to exercise due diligence by relying solely on the importer's incorrect declaration without verifying the correct declaration of goods under CTH 40040000, which covers restricted tyre scrap under the DGFT Policy. This negligence constitutes a serious

breach of regulatory obligations. The CB relied upon the judgement of Hon'ble Delhi High Court Order in the case of M/s Kunal Travels (Cargo) Vs Commissioner of Customs (Import & General) New Customs House, IGI Airport, New Delhi reported in 2017 (3) TMI 1494 - DELHI HIGH COURT which is also not relevant to the present case. Further, the Customs Broker was found complicit in the misuse and over-debiting of the SIL issued by the DGFT, amounting to 252.6 metric tonnes with an assessable value of ₹17,88,685/-. Such actions reveal a clear failure to comply with the responsibilities prescribed under Regulation 10(e) of the CBLR, 2018, which requires ensuring proper license utilization and adherence to import policy conditions.

15. Considering the observations made above, it is evident that the CB has a very important role in customs clearances and a lot of trust has been placed by the Department in 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 the Customs authorities. However, in the instant case, it appears that CB M/s. HIRANNYA SHIPPING AND LOGISTICS SERVICES (11/2002) was careless in its duties and knowingly misused the license and rented it out for monetary gain and was also found involved in over-debiting of SIL licenses, importing quantities exceeding the permitted limits by manipulating manual debit sheets. The misdeclaration and unauthorized use of restricted import licenses, particularly in blatant contravention of DGFT Policy, amount 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 the 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.), which 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. 08/2025-26 dated 16.10.2025 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."

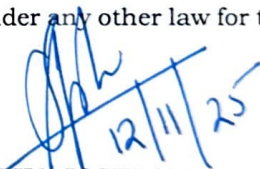
18. From the above facts, prima facie, the Customs Broker M/s Hirannya Shipping & Logistics Services (11/2002) appeared to have failed to fulfil their obligations under Regulation 1(4), 10(a), 10(b), 10(d) & 10(e) of CBLR, 2018 and contravened the same. Therefore, for their apparent acts of omission and commission as discussed above, the CB M/s Hirannya Shipping & Logistics Services (11/2002) appears to be liable and guilty and hence, to prevent 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, Commissioner of Customs, CBS (General), in exercise of the powers conferred upon me under the provisions of Regulation 16(2) of CBLR, 2018 order that the suspension of the Customs Broker Licence of M/s Hirannya Shipping & Logistics Services (11/2002) ordered vide Order no. 08/2025-26 dated 16.10.2025 shall continue, pending inquiry proceedings under Regulation 17 of CBLR, 2018.

19.2 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.


(SHRADDHA JOSHI SHARMA)

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

To,

M/s Hirannya Shipping & Logistics Services (11/2002), (PAN No. AYHPSS411J),

18/4, Shree Siddhivinayak Nivas CHS Ltd.,
3 Domnic Colony, Orlem Malad (West),
Mumbai-400064.

Copy to:

1. The Pr./Chief Commissioner of Customs, Mumbai Zone I, II, III.
2. The Additional Director, DRI, 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.