



प्रधानआयुक्त, सीमाशुल्क (सामान्य) का कार्यालय
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
(GENERAL),
नवीन सीमाशुल्क भवन,बेलाई इस्टेट, मुंबई- 400 001.NEW CUSTOM
HOUSE, BALLARD ESTATE, MUMBAI – 400 001.

संचिका सं./F. No.- GEN/CB/635/2024 –CBS

आदेश दिनांक/Date of Order: 21.07.2025

CAO No. 60/2025-26/CAC/PCC(G)/RC/Adj-CBS जारी दिनांक/Date of issue 21.07.2025

DIN:- 20250727000000518143

द्वारा जारी : राजन चौधरी

Issued By : **Rajan Chaudhary**

प्रधान आयुक्त, सीमाशुल्क(सामान्य)

Pr. Commissioner of Customs (Gen.)

मुंबई -400 001

Mumbai – 400 001

ORDER-IN-ORIGINAL मूल आदेश

ध्यान दीजिए/ N.B. :

1. यह प्रति उस व्यक्ति को निजी उपयोग हेतु निःशुल्क प्रदान की जाती है, जिसे यह जारी की जा रही है।
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2. इस आदेश के विरुद्ध अपील माँगे गए राशी के 7.5% के भुगतान पर सीमाशुल्क अधिनियम, 1962 की धारा 129 A(1B)(i) के संबंधमें सीमाशुल्क, केंद्रीय उत्पाद शुल्क एवं सेवाकर अपील अधिकरण में स्वीकार्य है, जहाँ शुल्क या शुल्क एवं जुर्माना विवादित हों, या जुर्माना, जहाँ सिर्फ जुर्माना ही विवादित हो। यह अपील इस आदेश के संप्रेषण की तारीख के तीन महीने के अंदर दायर की जाएगी। यह अपील सीमाशुल्क, केंद्रीय उत्पाद शुल्क एवं सेवाकर अपील अधिकरण)कार्यविधि(नियमावली, १९८२, के प्रावधानों के अंतर्गत, यथोत्तखंडपीठ में स्वीकार्य है।

An appeal against this order lies with the Customs, Central Excise and Service Tax Appellate Tribunal in terms of section 129A(1B)(i) of the Customs Act, 1962 on payment of 7.5% of the amount demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute. It shall be filed within three months from the date of communication of this order. The appeal lies with the appropriate bench of the Customs, Central Excise and Service Tax Appellate as per the applicable provisions of Customs, Excise and Service Tax Appellate Tribunal (Procedure) Rules, 1982.

3. यह सूचित किया जाता है की इस आदेश के अमल में आते ही, न्याय निर्णयन अधिकारी का अधिकार क्षेत्र समाप्त होता है और सीमाशुल्क, केंद्रीय उत्पाद शुल्क एवं सेवाकर अपील अधिकरण, पश्चिम क्षेत्रीय खंडपीठ, के M/s Knowledge Infrastructure Systems Pvt. Ltd. & Others vs ADG, DRI, Mumbai के संदर्भ में जारी आदेश क्रमांक A/86617-86619/2018 दिनांक 31.05.2018 के अनुसार न्यायिक आदेश तदोउ प्रांत न्याय निर्णयन अधिकारी 'functus officio' बन जाता है

It is informed that the jurisdiction of the Adjudicating Authority stands alienated with the conclusion of the present adjudication order and the Adjudicating Authority attains the status of 'functus officio' as held by Hon'ble CESTAT, Mumbai

in its decision in the case of M/s Knowledge Infrastructure Systems Pvt. Ltd. & Others vs ADG, DRI, Mumbai vide Order No. A/86617-86619/2018 dated 31.05.2018.

4. यदि एक ही प्रकरण में उसी पक्षकार के विरुद्ध कई कारण बताओ नोटिस लगाकर आदेश पारित किया जाता है तो प्रत्येक प्रकरण में अलग अपील दायर की जाए।

In case where an order is passed by bunching several show cause notices on an identical issue against the same party, separate appeal may be filed in each case.

5. यह अपील फॉर्म C.A.-3 में दायर की जानी चाहिए जो कि सीमाशुल्क)अपीलस (नियमावली, 1982 के नियम 6 के तहत निर्धारित है एवं उसी नियमावली के नियम 3 के उपनियम 2 में उल्लेखित व्यक्ति द्वारा हस्ताक्षरित एवं सत्यापित की जाएगी।

The Appeal should be filed in Form C.A.-3 prescribed under Rule 6 of the Customs (Appeals) Rules, 1982 and shall be signed and verified by the person specified in sub-rule 2 of rule 3 rules ibid.

6. (i) यदि प्रतिवादित आदेश, जिसके विरुद्ध अपील की गई है, में शुल्क एवं मांगे गए ब्याजवतगाएगए जुर्माने की राशि रु. पाँच लाख या इस से कम होतो रु-/1000 ., (ii) यदि यह राशि रु. पाँच लाख से अधिक हो किंतु पचास लाख से अधिक न होतो रु -/5000 .(एवं) iii) यदि यह राशि रु. पचास लाख से अधिक होतो रु. -/10000 के शुल्क का भुगतान क्रॉस्ड बैंक ड्राफ्ट के माध्यम से अधिकरण की खंडपीठ के सहायक पंजीयक के पक्ष में जिस स्थान पर खंडपीठ स्थित है, के किसी भी राष्ट्रीय क्रत बैंक की शाखा में किया जाए एवं डिमांड ड्राफ्ट अपील के साथ संलग्न किया जाए।

A fee of (i) Rs. 1000/- in case where the amount of duty and interest demanded and the penalty imposed in the impugned order appealed against is Rupees Five Lakhs or less, (ii) Rs. 5000/- in case where such amount exceeds Rupees Five Lakhs but not exceeding Rupees Fifty Lakhs and (iii) Rs. 10000/- in case where such amount exceeds Rupees Fifty Lakhs, is required to be paid through a crossed bank draft in favour of the Assistant registrar of the Bench of the Tribunal on a branch of any nationalized bank located at the place where the bench is situated and demand draft shall be attached to the Appeal.

7. अपील की एक प्रति में कोर्ट फी अधिनियम, 1870 की अनुसूची मद 6 के तहत निर्धारित रु 50 .का कोर्ट फी स्टैम्प लगा होना चाहिए एवं इसके साथ संलग्न इस आदेश की उक्त प्रति में रु 50 .का कोर्ट फी स्टैम्प लगा होना चाहिए।

One copy of the Appeal should bear a Court Fee Stamp of Rs. 50 and said copy of this order attached therein should bear a Court Fee Stamp of Rs. 50 as prescribed under Schedule item 6 of the Court Fee Act, 1870, as amended.

BRIEF FACTS OF THE CASE:-

M/s. Prayosha Logistics LLP (CB No. 11/1980 PAN. No. AAYFP9463G) having address 30/23 Second Floor, Kalpataru Aura, Opposite R City Mall, LBS Marg, Ghatkopar West, Mumbai-400086, Maharashtra (hereinafter referred to as the Customs Broker/CB) is holder of Customs Broker Licence No. 11/1980, issued by the Commissioner of Customs, Mumbai under Regulation 7(1) of CHLR 2013 and as such bound by the regulations and conditions stipulated therein.

2. An offence report in the form of OIO dated 12.11.2024 issued vide F. No. S/10-35/2024-25 Adj(X) ACC & CAO NO: CC/HB/06/2024-25 Adj(X) dated 12.11.2024 received from O/o the Commissioner of Customs (Export), Air Cargo Complex, Mumbai, wherein inter-alia following were stated :-

2.1 The Exporter M/s. Siddh Exports LLP (hereinafter referred to as "the exporter/the noticee) having office at B7, Aristrocate Building, ground floor, Lajja Silk Mill Compound, Village Mogra, Andheri East, Mumbai-400069 and having IEC No. ADRFS2375Q, has filed 16 shipping bills of activated/unlocked mobile phones, out of which, 6 SBs were filed through their Customs Broker M/s. Prayosha Logistics LLP (CB No. 11/1980) and claimed ineligible Duty Drawback on export of mobile phones which was pre-activated by inserting an Indian SIM card.

3. An investigation was initiated by Special Investigation and Intelligence Branch SIIB (X), ACC. Sahar, Mumbai on the basis of clarification issued by the drawback division of CBIC vide letter F. No 609/4/2020-DBK/1063 dated 25.09.2020 w.r.t Admissibility of Duty Drawback on export of "Unlocked/tested" mobile phones by merchant exporters. The drawback division of CBIC clarified that:-

"Rule 2(e) of the Customs and Central Excise Duties Drawback Rules, 2017 (Rules 2017) defines "manufacture" as including processing of or any other operation carried out on goods and that the term manufacturer shall be construed

accordingly, Clause (i) of second proviso to Rule 3(1) of the Rules, 2017 provides that no Duty Drawback shall be allowed on export of goods that have been taken into use after manufacture. ”

"Some merchant exporters of mobile phones are undertaking various activities on mobile phones like activation and unlocking of mobile phones by inserting an Indian SIM card in India and placing a call for 5 minutes or testing of handsets or re flashing of software for a particular region etc. it is undisputed that these activities are all post manufacturing and post packaging activities undertaken by the merchant exporters before export. As the mobile phones packages are opened and the mobile phones are suitably worked upon for sale in destination countries, thereby they are already 'taken into use' by merchant exporters and such activity disentitle them for Duty Drawback".

4. The investigation report revealed that the exporter, M/s. Siddh Exports LLP, filed 25 shipping bills for mobile phones, none of which was filed under the drawback scheme in 2018. Furthermore, during the year 2019 (up to September 2019), the exporter filed 39 shipping bills for the export of mobile phones, out of which 16 shipping bills, filed before September 2019, were under the drawback scheme, and duty drawback was claimed on those 16 shipping bills. Details of these 16 shipping bilis are mentioned below in Table-I:

Table -I

Sr. No.	SB & Date	LEO Date	Total Mobile Phones	FOB Declared in Rupees	Drawback claimed in Rupees
1.	4956450 dt. 18.06.2019	18.06.2019	1143	74,79,431.91	2,21,209.63
2.	5184415 dt. 27.06.2019	28.06.2019	1745	1,09,50,001.89	3,34,491.87
3.	5399985 dt. 06.07.2019	06.07.2019	1302	89,48,075.35	2,49,013.76
4.	5765299 dt. 23.07.2019	23.07.2019	1500	1,25,23,713.05	2,93,218.70

5.	5898032 29.07.2019	dt. 29.07.2019	29.07.2019	1719	1,55,29,978.11	3,36,759.87
6.	6011235 02.08.2019	dt. 02.08.2019	02.08.2019	1309	93,76,683.93	2,48,514.30
7.	6216151 13.08.2019	dt. 13.08.2019	13.08.2019	3790	2,97,05,259.8	7,33,712.34
8.	6365433 20.08.2019	dt. 20.08.2019	20.08.2019	1565	1,01,68,050.58	3,01,085.33
9.	6450608 23.08.2019	dt. 23.08.2019	24.08.2019	2800	2,10,21,569.36	5,47,342.63
10.	6504265 26.08.2019	dt. 26.08.2019	27.08.2019	2715	2,11,06,311.34	5,30,626.14
11.	6645584 31.08.2019	dt. 31.08.2019	01.09.2019	4152	3,36,95,049.71	8,06,526.08
12.	6689084 03.09.2019	dt. 03.09.2019	04.09.2019	5630	4,75,97,691.40	11,01,041.26
13.	6790974 07.09.2019	dt. 07.09.2019	07.09.2019	1598	1,33,41,558.29	3,10,973.48
14.	6967638 16.09.2019	dt. 16.09.2019	17.09.2019	1679	1,64,01,213.99	3,22,811.22
15.	7048657 19.09.2019	dt. 19.09.2019	20.09.2019	2869	2,42,06,227.12	5,59,186.10
16.	7097745 21.09.2019	dt. 21.09.2019	21.09.2019	1181	95,35,244.66	2,27,523.46
Total				36697	29,15,86,060/-	71,24,036/-

The declared FOB value of the above mentioned 16 shipping bills is Rs. 29,15,86,060/ and duty drawback claimed in the said shipping bills is Rs. 71,24,036/.

5. Considering the facts above, it seems that M/s. Siddh Exports LLP may have intentionally misrepresented the description of the phones by concealing the information that the devices being exported had been already used. The activation reports submitted by the mobile brand companies indicate that the majority of the exported mobile phones were indeed used after manufacturing, and as such, no duty drawback was admissible on these phones. Consequently, the duty drawback claimed and availed appears to be inadmissible

under Clause (i) of rule 3 of the Customs and Central Excise Duties Drawback Rules, 2017, read with section 75(1) of the Customs Act, 1962.

6. According to the activation reports received from the relevant utile companies it has been observed that the exporter attempted to export pre-activated mobile phones, which constitutes violation of the directive issued by the Office of the OSD (Drawback Division), CBIC, New Delhi, under letter F. No.609/4/2020-DUK/1063 dated 25.09.2020. Based on the activation reports submitted by the mobile companies, the quantification of the ineligible duty drawback is on follows:

Table - II

Period	No. of SBs	Total FOB Value of the Goods (in Rs.)	Total Drawback Claimed (in Rs.)	FOB for Activated Mobile Phones (in Rs.)	Ineligible Drawback Amount for Activated Phones (in Rs.)
2019	16	29,15.86,060/-	71,24,036/-	26,90.37,931/-	65,72,697/-

7. Further, it is evident from the statement under Section 108 of the Customs Act, 1962, dated 05.02.2021, by Mr. Rajesh Nisar, Partner of M/s. Siddh Exports LLP, in which he inter alia stated that:

- In Shipping Bill 8322998 dated 01.02.2021, the mobile phones were activated, however, at the time of filing the shipping bind 01.02.2021, broker described them as “non-activated” based on the invoice provided to them.
- Their Customs Broker, M/s. Prayosha Logistics LLP, was aware that the mobile phones were activated.
- He acknowledged that the report received from the respective mobile phone companies regarding the activation status of the mobile phones, as per the IMEI list

submitted by the exporter, and accepted that some of the phones were indeed activated, as mentioned in the report.

8. Mr. Dinesh G. Mirani, partner of the Customs Broker M/s. Prayosha Logistics LLP, in his statement recorded on 05.02.2021 under Section 108 of the Customs Act, 1962, inter alia stated the following:

- He handles customs related work concerning exports, including mobile consignments, imports, and liaisoning with exporters. He has been working with the company since 2019.
- He became aware of the activation of the mobile phones during the examination process.
- He acknowledged the report received from the respective mobile phone companies regarding the activation status of the mobile phones, as per the IMEI list submitted by the exporter, and accepted that some of the phones were activated, as stated in the report.

9. Therefore, it appeared that the Customs Broker connived with the exporter by making false and incorrect statements in an attempt to mislead the department by concealing the vital information that mobiles to be exported, are pre-activated and despite knowing the fact, he had filed the subject shipping bills under the drawback claim. The said fact later proven by the activation reports from the mobile brand companies, which confirmed that the mobile phones in the said shipping bills were indeed activated. As a result, it seems that the same mis-declaration was made in all other shipping bills filed by the Customs Broker, both before and after the filing of Shipping Bill No. 8322998 dated 01.02.2021, on behalf of the exporter. The Customs Broker deliberately and knowingly failed to fulfil the responsibilities laid down in the Customs Broker Licensing Regulations (CBLR), 2018.

10. From the investigation, it has been revealed that the Customs Broker had filed 06 shipping bills, as detailed in Table-III below, in which the exporter incorrectly claimed ineligible duty drawback. Further, shipping bill no. 8322998 dated 01.02.2021 filed by Customs Broker M/s. Prayosha Logistics LLP on behalf of the exporter wherein mobile phones were unlocked/activated before exporting. Shri Rajesh Nisar, Partner of M/s. Siddh Exports LLP in his statement dated 05.02.2021 stated that their CB was known to the fact that the mobile phones sought to be exported vide shipping bill no. 8322998 dated 01.02.2021 were pre-activated. Despite having prior knowledge about the fact, CB had mentioned “non-activated” in the description of the goods which indicates that CB was colluded with the exporter to claim ineligible duty drawback. The details of the shipping bills filed by the Customs Broker, M/s Prayosha Logistics, during the year 2019 (up to September 2019) are provided below-

Table-III

Sr. No.	SB No. & Date	Declared FOB value	Claimed DBK Amount	FOB on activated mobile phone	DBK on activated mobile phone
1.	6450608 dated 23.08.2019	21021569	5,47,343	1,98,14,580	5,12,495
2.	6504265 dated 26.08.2019	21106311	5,30,626	2,04,18,705	5,12,085
3.	6645584 dated 31.08.2019	33695050	8,06,526	3,00,66,035	7,24,200
4.	6689084 dated 03.09.2019	47597691	11,01,041	4,62,15,832	10,68,382
5.	6790974 dated 07.09.2019	13341558	3,10,973	1,27,64,876	2,95,889
6.	6967638 dated 16.09.2019	16401214	3,22,811	1,59,24,286	3,11,779
	Total	15,31,63,393/-	36,19,320/-	14,52,04,314/-	34,24,830/-

11. Further, considering the facts above, it appears that the Customs Broker, M/s. Prayosha Logistics LLP (11/1980), Mumbai, assisted the exporter, M/s. Siddh Exports LLP, through acts of commission and omission. The Customs broker facilitated the

clearing of goods in violation of the Customs Act. 1962 and aided the exporter to fraudulently claim duty drawback on pre-activated mobile phones. Additionally, the CB had deliberately not declared the actual condition of the mobile phones in the shipping bills. Thus, it appears that the Customs Broker has not complied with various provisions of the Customs Brokers Licensing Regulations 2018.

12. From the offence report, the following omissions leading to the violation of obligations stipulated in Regulation 10 of CBLR. 2018 are apparent:

12.1 The regulation 10(d) of CBLR,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."

12.1.1 In the instant matter, the Customs Broker appears to have been aware of the ineligibility of duty drawback on pre-activated mobile phones. Such fact has been revealed through the statement of Sh. Mr. Rajesh Nisar, Partner of M/s. Siddh Exports LLP. Therefore, it is CB's responsibility to advise his client to declare correct information in the shipping bill but CB failed to do so. From the offence report, it is also unearthed that CB has not only failed to advise his client but also not made efforts to bring the matter to the attention of the Deputy Commissioner of Customs or the Assistant Commissioner of Customs.

12.1.2 Under the Regulation 10(d) of CBLR, 2018, it is the responsibility of CB to advise his client to comply with the provisions of non-compliance. Also, CB should have informed Docks DC/AC about the instance, but CB failed to do so. Therefore, in view of the above, it appears that CB has violated the provisions of Regulation 10(d) of CBLR, 2018.

12.2 The regulation 10(e) of CBLR, 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."

12.2.1 Upon scrutiny of the subject offence report, it appears that the Customs Broker failed to exercise due diligence and did not inform the exporter about the ineligibility of duty drawback on pre-activated mobile phones. Instead, the broker assisted the exporter in availing the ineligible duty drawback by deliberately omitting the correct description of the goods in the shipping bills. Therefore, it appears that the Customs Broker has violated the provisions of Regulation 10(e) of the Customs Brokers Licensing Regulations (CBLR), 2018.

12.3 The regulation 10(n) of CBLR, 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."

12.3.1 In the present case, it appeared that the Customs Broker has colluded with the exporter to clear the subject shipping bills and was fully aware that any omissions or commissions by the exporter could adversely affect their professional reputation. It is standard business practice for a Customs Broker to thoroughly understand the identity and operations of their clients, as failure to do so could result in an investigation into their actions. Therefore, in light of the above, it appeared that the Customs Broker has violated the provisions of Regulation 10(n) of the Customs Brokers Licensing Regulations (CBLR), 2018.

13. In view of the above, it is evident that the exporter claimed duty drawback on pre activated mobile phones and CB M/s. Prayosha Logistics LLP abetted the exporter to avail this non-eligible duty drawback for the said period and did not bring the matter to the notice

of the Customs authorities. Hence, it appeared that the CB M/s. Prayosha Logistics LLP (11/1980) has violated the regulations 10(d), 10(e) and 10(n) of CBLR, 2018.

SUSPENSION OF CB LICENSE AND SHOW CAUSE NOTICE:-

14. In view of the Offence Report received in the form of OIO dated 12.11.2024 issued vide F. No. S/10-35/2024-25 Adj(X) ACC & CAO NO: CC/HB/06/2024-25 Adj(X) dated 12.11.2024 received from O/o the Commissioner of Customs (Export), Air Cargo Complex, Mumbai, action under CBLR, 2018 was taken against the CB M/s. Prayosha Logistics LLP (CB No. 11/1980). In view of the Board's Instruction No. 24/2023 dated 18.07.2023, the case was not considered appropriate for immediate suspension of CB license under Regulation 16 of CBLR, 2018. However, the inquiry under Regulation 17 of CBLR, 2018 was initiated against the CB M/s. Prayosha Logistics LLP (CB No. 11/1980) and accordingly, on the basis of the offence report, the following articles of charges were framed against the CB:

- (i) Article of Charge-I : Violation of Regulation 10(d) of CBLR, 2018
- (ii) Article of Charge-II : Violation of Regulation 10(e) of CBLR, 2018
- (iii) Article of Charge-III : Violation of Regulation 10(n) of CBLR, 2018

14.1 In light of the above, a Show Cause Notice (SCN) No. 74/2024-25 dated 23.01.2025 was issued to the CB under the provisions of Regulation 17(1) of CBLR, 2018 wherein the CB was called upon to show cause, as to why:

- a. The Customs Broker license bearing no. 11/1980 issued to them should not be revoked under regulation 14 read with regulation 17 of the CBLR, 2018;
- b. Security deposited should not be forfeited under regulation 14 read with regulation 17 of the CBLR, 2018;
- c. Penalty should not be imposed upon them under regulation 18 read with regulations 17 of the CBLR, 2018.

14.2 Also, Sh. Pramod Kumar Chauhan, Assistant Commissioner of Customs was appointed as Inquiry Officer (IO) to conduct the inquiry proceedings in the matter. The IO submitted the inquiry report dated 16.04.2025, which is discussed below.

INQUIRY REPORT: -

15. The Inquiry officer (here in after referred to as the 'IO') concluded the inquiry proceedings and submitted the inquiry report dated 16.4.2025, wherein the charges levelled against the CB of violation of section 10(d) & 10(e) of CBLR, 2018 were held as "Proved" and violation of section 10(n) of CBLR, 2018 were held as "Not Proved".

FINDINGS OF INQUIRY OFFICER (IO): -

16. The IO had gone through the Show Cause Notice No. 74/2024-25 dated 23.01.2025 vide F. No GEN/CB/635/2024-CBS. IO had gone through the evidence brought on record during the Personal Hearing dated 12.03.2025, defense submissions made on 24.02 2025 vide letter dated 21.02.2025 etc. IO had also gone through the statements of all the persons taken during the investigation. IO had also gone through the alleged Articles of Charges or contraventions mentioned in Show Cause Notice as well as legal provisions reflected in CBLR, 2018. IO had already taken on record the submissions made by the CB and then IO proceeded to discuss all these submissions & examine their merits.

16.1 Article of Charge-I - Regulation 10 (d) of the CBLR, 2018:-

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

16.1.1 The IO stated that in the instant matter, the Customs Broker appears to have been aware of the ineligibility of duty drawback on pre-activated mobile phones. Such fact has been revealed through the statement of Sh. Mr. Rajesh Nisar, Partner of Mis. Siddh Exports LLP. Therefore, it is CB's responsibility to advise his client to declare correct information

in the shipping bill but CB failed to do so. From the offence report, it is also Unearthed that CB has not only failed to advise his client but also not made efforts to bring the matter to the attention of the Deputy Commissioner of Customs or the Assistant Commissioner of Customs

16.1.2 The IO stated that the CB in his defense submitted that prior to CBIC Clarification dated 25.09.2020, there were no clarity as to eligibility of drawback on the mobile phones exported by the merchant exporters and as such, it would not be correct to allege that the CB was aware that no drawback was admissible on pre-activated mobile phones. Further, the statement dated 05.02.2021 of Shri Rajesh Nisar, partner of Siddh Exports LLP has been recorded specifically in the context of export of Mobile Phone under shipping Bill no 8322998 dt 01.02.2021 and there is nothing in this statement to indicate that the Customs Broker was aware that the goods exported under the said (6) shipping bills in the year 2019 were pre-activated Further, the admission of Shri Rajesh Nisar stating that the Customs broker was aware that the goods exported under Shipping Bill No 8322998 dated 01.02.2021 were activated has not been corroborated by the Customs Broker in his statement dated 05.02.2021 and there is nothing in the statement dated 05.02.2021 of the Customs Broker to establish that he was aware that the mobile phones exported under the (6) shipping Bills in the year 2019 were pre-activated. The Respondents therefore failed to realise that in the absence of any evidence, extrapolation of statement dated 05.02.2021 to the past exports of Mobile phones under the said (6) shipping bills was misconceived and hence not justified. In any case, the export under the Shipping Bill no. 8322998 dated 01.02.2021 is not a subject matter of the present CB. CB submitted that accordingly, there is no violation of Regulation 10(d) of CBLR, 2018 and as such, the proceedings initiated under the Notice deserve to be dropped.

16.1.3 Going through to the submission made by the CB, the IO found that CB entire argument is based on that the subject shipping bills are before the CBIC Clarification dated

25.09.2020 however Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 clearly states that "*no Duty Drawback shall be allowed on export of goods that have been taken into use after manufacture*". Therefore, IO found that though the clarification was issued in year 2020, the admissibility of drawback on used phones in year 2019 will be governed by the Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 well before in 2017.

16.1.4 The IO observed that as a Customs Broker should well aware of Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 on the contrary in the instance case, the CB failed to show any documentary evidence that he had informed the importer that drawback is not allowed on the used goods including mobile phones in terms of Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017.

16.1.5 The IO further submitted that it is worth mentioning here that the CB's contention that the Board's clarification has been issued in 2020 and does not have any effect on the Shipping Bills cleared in 2019, has no merit as even in the case of non-availability of the said clarification, the admissibility of drawback on used phones/goods will be governed by the Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 which bars admissibility of drawback on used goods. Further, as soon as in 2020, the CB came to know that the Board has issued a clarification that drawback is not admissible on used phones, the CB should have insisted the exporter to immediately refund the drawback received on the export of used mobile phones in year 2019. CB should have also informed Docks DC/AC regarding export of used mobile phones in 2019, but the CB failed to do so. In view of the above finding and discussions, IO didn't find any merit contention in the CB's submission. Therefore, in view of the above, the IO held that the CB has violated the provisions of Regulation 10(d) of CBLR, 2018.

16.2 Article of Charge-II - Regulation 10 (e) of the CBLR, 2018:-

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

16.2.1 The IO stated that upon scrutiny of the subject offence report, it appeared to IO that the Customs Broker failed to exercise due diligence and did not inform the exporter about the ineligibility of duty drawback on pre-activated mobile phones Rule 3(1) of the Customs and Central Excise Duties Drawback Rules 2017. Instead, the broker assisted the exporter in availing the ineligible duty drawback by deliberately omitting the correct description of the goods in the shipping bills. He also did not inform the exporter to immediately refund the drawback received on the export of used mobile phones in year 2019 after the issuance of clarification from the Board in 2020 in this regard. He should have also informed the Docks DC/AC regarding export of used mobile phones in 2019.

16.2.2 The IO stated that the CB in his submission submitted that for the same reasons as stated in para above, considering that the matter of eligibility of drawback on mobile phones exported by the merchant exporters was clarified by CBIC, New Delhi only on 25.09.2020 in response to Chief Commissioner of Customs, ACC Sahar letter dated 22.05.2020, there was no clarity on the eligibility of drawback on mobile phones exported prior to 25.09.2020 even to the customs authority. In the present case, the export of Mobile phones under the (6) shipping bills have taken place in the year 2019. In this fact of the matter, there was no occasion to advise or inform the Exporter about the eligibility or ineligibility of drawback when the Customs department itself was not aware about the aspect of eligibility of drawback on Mobile phones and as such, the allegation that the customs broker failed to exercise due diligence as required in terms of Regulation 10(e) of CBLR, 2018 is utterly misconceived and unsustainable in law. On this ground, the Notice deserves to be set aside.

16.2.3 Going through to the submission made by the CB, the IO found that on question of clarification dated 25.09.2020, IO already discussed that on non-availability of the said clarification, the admissibility of drawback on used phones/goods will be governed by the Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 which bars admissibility of drawback on used goods will prevail. Therefore, IO found that the Customs Broker failed to exercise due diligence and did not inform the exporter about the ineligibility of duty drawback on pre-activated mobile phones Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017. Instead, the broker assisted the exporter in availing the ineligible duty drawback by deliberately omitting the correct description of the goods in the shipping bills. The CB's contention that when the Customs department itself was not aware about the aspect of eligibility of drawback on Mobile phones is misleading statement as the admissibility of drawback on used phones/goods will be governed by the Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 which bars admissibility of drawback on used goods. Therefore, IO didn't find any merit in CB's contention. Therefore, in view of the above, the IO held that the CB has violated the provisions of Regulation 10(e) of CBLR, 2018.

16.3 Article of Charge – III- Regulation 10 (n) of the CBLR, 2018:-

"A Custom Broker shall 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."

16.3.1 In the present case, it appeared that the Customs Broker has colluded with the exporter to clear the subject shipping bills and was fully aware that any omissions or commissions by the exporter could adversely affect their professional reputation. It is standard business practice for a Customs Broker to thoroughly understand the identity and operations of their clients as failure to do so could result in an investigation into their actions. Therefore, in light of the above, it appeared that the Customs Broker has violated

the provisions of Regulation 10(n) of the Customs Brokers Licensing Regulations (CBLR), 2018.

16.3.2 On going through the submission, the IO found that the Regulation 10 (n) of the CBLR, 2018 clearly states that *"A Custom Broker shall 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 present case, IO found that the documentary evidences show exporter has appeared before the various authorities of SIIB and other authorities as and when they were called upon and the summons/letters/SCN and Order-in-Original sent at the exporter's address were received by the exporter. IO found that the identity of the exporter and his address seems to be correct/genuine and functioning of the exporter at the declared address is not found in doubt Therefore, IO found merit in CB's submission that the CB has not violated the Regulation 10 (n) of the CBLR, 2018.

17. Considering the observations made above, the IO mentioned that 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. But in the instant case, by their acts of omission and commission, it appeared to IO that the CB has violated sub- regulation 10(d) and 10(e) of the CBLR, 2018 and has not violated the Regulation 10(n) of the CBLR, 2018.

18. Under the provisions of Regulation 17(6) of CBLR, 2018, a copy of the Inquiry Report dated 16.04.2025 was shared with the CB. Also, for the sake of 'Principle of Natural Justice' and under the provisions of Regulation 17(6) of CBLR, 2018, an opportunity of personal hearing was granted to the CB on 05.06.2025.

RECORDS OF PERSONAL HEARING:-

19. The personal hearing in the matter was held on 05.06.2025. Sh. Girish W. Nadkarni, Advocate for the CB and Sh. Dinesh Mirani, Partner in the CB firm appeared for hearing. They stated that they have submitted the written submission dated 27.05.2025 and they reiterated the same at the time of personal hearing.

WRITTEN SUBMISSION OF THE CB:-

20. The CB respectfully submitted that they are not in agreement with the said IO's Report to the extent it holds that the charge for violation of Regulation 10(d) and 10 (e) of CBLR, 2018 have been "proved" against the CB. CB submitted that the Inquiry Officer's report has been prepared mechanically in utter disregard to the submissions made in their reply dated 21.02.2025. The various case laws relied upon in their defence have neither been considered nor distinguished. As such, said IO report suffers from violation of natural justice and non- application of mind and on this ground alone, the same is liable to be quashed.

20.1 Without prejudice to above, CB made following submissions in response to the said IO report with a request to take the same on record and drop the proceedings initiated against them under the said SCN. The submissions made herein below are taken without prejudice to one another. The CB also reiterated the submissions made by them vide their letter in reply dated 21.02.2025 and requested to kindly refer to the said submissions and also the oral submissions made by them during the personal hearing held on 12.03.2025. CB requested to consider their submissions sympathetically and drop the proceedings initiated against them under the SCN no. 74/2024-25 in the interest of justice and fair play.

21. The CB submitted that the proceedings for violation of Regulation 10(d) and 10(e) and 10(n) of CBLR, 2018 have been initiated against CB under the subject SCN on the premise that CB have failed to advise the Exporter M/s Siddh Exports LLP correctly about

the admissibility of drawback and failed to exercise due diligence, which commission of act or omission was violative of the instructions contained in the CBIC, New Delhi letter no. F. No 609/4/2020-DBK/1063 dated 25.09.2020 on the issue of admissibility of drawback on export of Mobile Phones. It is the case of the respondents that as a result, undue drawback to the extent of Rs 36,19,320/- could be availed by the said Exporter, who had exported mobile phones against the (6) Shipping Bills as detailed in Table-A herein below: -

Table-A

Sr. No.	SB No. & Date	Declared FOB value	Claimed DBK Amount
1.	6450608 dated 23.08.2019	21021569	547343
2.	6504265 dated 26.08.2019	21106311	530626
3.	6645584 dated 31.08.2019	33695050	806526
4.	6689084 dated 03.09.2019	47597691	1101041
5.	6790974 dated 07.09.2019	13341558	310973
6.	6967638 dated 16.09.2019	16401214	322811
	Total	15,31,63,393	36,19,320

21.1 The CBIC, New Delhi vide their letter no. 600/4/2020-DBK/1063 dated 25.09.2020 clarified inter alia that the merchant exporters of mobile phones are undertaking various activities on mobile phones like activation and unlocking of mobile phones by inserting an Indian Sim card in India and placing a call for 5 minutes of testing of handsets or re-flashing of software for a particular region which activities are all post manufacturing and post packaging activities undertaken by exporters before export. Such activities are considered as "taken into use". In terms of Rule 3(1) of Customs and Central Excise Duties Drawback Rules, 2017 (Rules 2017) read with Rule 2(e) *ibid*, no duty drawback is allowed on export of goods which are "taken into use" after manufacture.

21.2 The CB submitted that it is the case of the respondents that the CB has been alleged that he was aware that the Mobile phones exported vide the said (6) Shipping Bills were pre-activated. In support of this assertion, the respondents have relied upon the statement dated 05.02.2021 of the Exporter Shri Rajesh Nisar and the statement dated 05.02.2021 of the CB Shri Dinesh Mirani. It is submitted that the said statements dated 05.02.2021 have been recorded by the SIIB Export ACC Sahar in connection with an investigation related to eligibility of drawback on export of mobile phones by the said Exporter vide Shipping Bill No. 8322998 dt 01.02.2021 in the year 2021. It may be seen from the said statements that the same pertained to the export of mobile phone under Shipping Bill No. 8322998 dt 01.02.2021 exclusively and there is nothing in the said statements dated 05.02.2021 to prove that the CB was aware that the mobile phones exported against the said (6) shipping bills in the year 2019 were activated/unlocked. Further, the admission of the Exporter in his statement dated 05.02.2021 has not been corroborated by the Customs Broker in his statement 05.02.2021 which was recorded within few hours after the statement of the Exporter. It is well settled that in the absence of corroboration, the admission made by the Exporter in his statement dated 05.02.2021 would not be of any evidentiary value.

21.3 The CB also stated that they had also requested for cross examination of the Exporter Shri. Rajesh Nisar in terms of provisions of Section 138B of the Customs Act 1962, which has not been granted by the Inquiry Officer. As such, the statement dated 05.02.2021 of Shri Rajesh Nisar which made deposition against the CB loses evidentiary value and cannot be pressed as evidence against the CB even otherwise. It is therefore submitted that in the absence of any evidence in support of allegation, the Inquiry Officer was not justified in holding that the charge of violation of Regulation 10 (d) and 10(c) of CBLR, 2018 has been proved.

21.4 The CB submitted that the Inquiry Officer failed to appreciate that the goods viz Mobile Phones pertaining to said (6) Shipping Bills were examined by the Officers of

Customs posted in ACC Sahar in response to the examination order endorsed by the proper officer of Customs and the let export order was assigned thereafter. The drawback was granted/ sanctioned by the Assistant Commissioner of Customs, ACC Sahar Andheri after due processing of the documents on the basis of the examination reports. The copies of the said (6) Shipping Bills evidencing examination of goods were produced in the course of proceedings before the Inquiry Officer. However, the Inquiry Officer ignored the said evidence to the gross prejudice of the CB. On this ground, the IO report dated 16.04.2025 cannot be sustained and deserves to be set aside.

21.5 The CB argued that the Inquiry Officer failed to appreciate that the exports in the subject matter had taken place in the year 2019, which was much prior to the clarification issued by the CBIC, New Delhi vide letter dated 25.09.2020. It is submitted that the eligibility of drawback on the Mobile Phones exported by the merchant exporters was a subject matter of deliberation among the Customs field formation at ACC Sahar and the Chief Commissioner of Customs ACC Sahar addressed a letter dated 22.05.2020 to the CBIC, New Delhi seeking clarification on the eligibility of drawback on Mobile Phones exported by merchant exporters. CBIC, New Delhi vide letter dated 25.09.2020 clarified by placing reliance on Rule 3(1) of Drawback Rules, 2017 that the activated/unlocked mobiles exported by the merchant exporters would be treated as "taken into use" after manufacture and accordingly, the pre-activated/ unlocked Mobile Phones would not be eligible for drawback. The Inquiry Officer ought to have realised that when the matter of eligibility of drawback had been clarified at the apex level by the CBIC, New Delhi, the matter of eligibility of drawback on mobile phones was of interpretative nature and as such, it was beyond the capacity and competence of the Customs Broker to have advised the Exporter about the eligibility of drawback. Inquiry officer should have realised that in the matters of interpretation of statute, no penalty is imposable and as such, he should have dropped the charges for violation of regulation 10(d) and 10(e) of CBLR, 2018 by holding

that the Customs Broker could not be expected to advise the Client or exercise due diligence in such facts of the matter.

22. The CB also argued that the Inquiry Officer failed to appreciate that there is no empowerment under the Customs Act, 1962 or delegation of powers in favour of Customs Broker to determine rate of duty or to decide eligibility of drawback under the Drawback Rules, 2017. Therefore, the Inquiry Officer was not Justified in holding that the charges for violation of Regulation 10(d) and 10(e) of CBLR, 2018 as "proved" against the CB on the ground that they should have advised/informed the Exporter about ineligibility of drawback on mobile phones in terms of Rule 3(1) of Drawback Rules, 2017. As a matter of fact, advisory in the form of S.O no. 147/2021 dt 12.3.2021 was issued by the Commissioner of Customs (Export) ACC Sahar underlining the procedure for availment of drawback on export of Mobile phones by the Merchant exporters only on 12.3.2021. This in itself reveals that prior to 12.03.2021, there was no authority from the ACC Sahar for deciding eligibility of drawback on activated/unlocked mobile phones. Therefore, the Inquiry Officers report holding that the charge of violation of Regulation 10(d) and 10(e) as proved is not justified at all.

22.1 The CB relied upon the **Hon'ble CESTAT Mumbai order in the case of Fairdeal Shipping Agency Pvt Ltd v/s Commissioner of Customs (General) Mumbai reported in 2019-TIOL-990-CESTAT-MUM**. Hon. CESTAT while dealing with the issue of suspension of the Customs Broker License in the proceedings under the Customs Broker Licensing Regulation, 2018 (CBLR, 2018 in short) on account of wrongful availment of exemption from duty by the Importer, held at para 6 of the order that:

"6. The proceedings have its origin in the availment of an exemption notification. Determination of the appropriate rate of duty, and ascertaining eligibility for exemption/concession in a notification, is not the responsibility of the Customs broker. That lies exclusively, and entirely, within the empowerment of the 'proper officer' designated to assess the consignment. The taxing statute does not envisage

transfer, or delegation, of such authority to non-officials. It was patently incorrect on the part of the competent authority to consider this to be a ground for suspension, and more so, as suspension is a preliminary for revocation and revocation is a consequence of circumstances enumerated in regulation 18 of Customs Broker Licensing Regulation, 2018. There has been a perverse resort to the statutory powers without the competence to do so. Such whimsical action is deplorable."

22.2 The CB submitted that in the subject matter, the goods were examined by the Proper Officers of Customs in all (6) cases before grant of let export order (LEO). As such, it was the bounden responsibility of the officers of Customs to decide eligibility of drawback and to deny the same in case the provisions of the Customs Act, 1962 read with rules framed thereunder do not permit sanction of the same. Accordingly, it was for the Officers of Customs to check whether provisions of Rule 3(1) of Drawback Rules 2017 would apply or otherwise. It is submitted that it is not the case of the respondents that the CB misdeclared the goods in the respective shipping Bills. Therefore, the Inquiry Officer grossly erred in holding that the charges of violation of regulation 10(d) and 10(e) of CBLR, 2018 as proved.

22.3 The CB also relied upon the case of **U.S. Enterprises vs Commissioner of C. Ex& Customs, Nagpur reported in 2006(204) ELT 465 (Tri-Mumbai), Hon. CESTAT Mumbai** inter alia held that when Commissioner & other officers were ignorant about the correct procedure, the CHA cannot be singled out for punitive action depriving his & his employee's livelihood and the CHA's license has to be restored.

23. The CB also argued that the Inquiry Officer failed to appreciate that in the case of M/s Sol Mobiles Pvt Ltd, vide F. no 371/381/DBK/2022-RA, the **Principal Commissioner RA and Ex-officio Additional Secretary to the Government of India, Mumbai passed an order No. 596/2023-Cus (WZ/ASRA/Mumbai dated 18.08.2023** in which inter alia he held that there is nothing in the CBIC Clarification dated 25.09.2020 to indicate that the

same was required to be applied retrospectively. Accordingly, Inquiry Officer should have dropped the charges of violation of Regulation 10(d) and 10(e) of CBLR, 2018.

23.1 The CB also submitted that the Inquiry Officer has travelled beyond the mandate of the SCN by pressing the charges relating to provisions of Rule 3(1) of Drawback Rules, 2017 regarding eligibility of drawback on goods "taken into use" after manufacture against the CB so as to prove misdemeanour. CB at the outset submitted that no such charges were made against them in the SCN while alleging breach of Regulation 10(d) and 10(e) of CBLR, 2018. It is settled law that the adjudicating authority must confine to the four corners of Show Cause notice and any decision on charges extraneous to the one made in show Cause notice would not be legally sustainable. Therefore, on this ground, the Inquiry officer's report holding that the CB violated Regulation 10(d) and 10(e) of CBLR, 2018 deserves to be set aside.

23.2 The CB further submitted that without prejudice to above, as stated in paragraphs herein above, it was not the job of Customs Broker to decide the eligibility of drawback in terms of Rule 3(1) of Drawback Rules, 2017 in the absence of any empowerment or delegation of powers under the Customs Act 1962 or the rules framed there under. Therefore, the Inquiry Officer was not justified in holding that the charges of violation of regulation 10(d) and 10(e) of CBLR, 2018 have been proved against the CB. On this ground, the IO's report deserves to be quashed.

23.3 The CB argued that the Inquiry Officer grossly erred in ignoring the Hon'ble Delhi High court order dated 13.02.2025 which was relied upon by the CB in the course of proceedings before him. The CB submitted that the Hon'ble High court of Delhi vide its order dated 13.02.2025 in W. P.(C) No. 10367/2023 and CM APPL No. 40170/2023 has quashed the said CBIC Circular dated 25.09.2020 by holding that the interpretation adopted by the CBIC New Delhi in the said clarification dated 25.09.2020 goes beyond the Section 75 of the Customs Act, 1962 and the duty drawback rules. In this view of the matter, the

proceedings initiated under the said SCN dated 23.01.2025 which are based on allegation that there was non-compliance/ deviation from the instructions contained in the CBIC letter dated 25.09.2020 cannot be legally sustained and on this ground the said Notice dated 23.01.2025 and the proceedings. initiated thereunder are liable to be quashed at the outset. As such, the Inquiry Officer was not justified in holding that the charge of violation of Regulation 10(d) and 10(e) of CBLR, 2018 as proved.

23.4 The CB submitted that they in the course of hearing pointed out to the Inquiry Officer that the "offence report" in the nature of the Order- in- Original dated 12.11.2024 could not be treated as "Offence report" as defined in Explanation clause to Regulation 17 of CBLR, 2017 and as such, the proceedings under Regulation 17 are not maintainable in the absence of any offence report. CB relied upon the **Hon. CESTAT Bangalore decision reported in 2019(10) TMI 423 in the case of Triway Forwarders Pvt Ltd vs Commissioner of Customs Cochin.** Hon CESTAT dropped the proceedings initiated against the Customs Broker under Regulation 11(d) 11(e) and 11(f) of CBLR, 2013 by holding, inter alia, that in the absence of Offence report, no penalty can be imposed under CBLR on the basis of Order-in-Original. It may be noted that the Regulation 11 of CBLR, 2013 is *pari materia* with Regulation 10 of CBLR,2018. The said decision of Hon. CESTAT was binding on the Inquiry Officer. However, the Inquiry Officer neither considered the said decision nor distinguished the same. On this ground, the Inquiry Officer's report deserves to be set aside.

23.5 The CB also argued that the Inquiry Officer also failed to appreciate that in an identical matter, the erstwhile Principal Commissioner of Customs, CB Section, New Custom House, Mumbai vide Order- in- Original No. CAO no. 54/CAC/PCC(G)/SJ/CBS-Adj dated 18.12.2023 dropped proceedings against the Customs Broker M/s Shanti Shipping Agency Pvt Ltd, CB no. 11/699 for violation of Regulation 10(d) 10(e) and 10(m) of CBLR, 2018 in regard to export of mobile phones by their client in the year 2019. CB

had relied upon this OIO dated 18.12.2023 and submitted that the proceedings initiated against them under the present SCN also require to be dropped accordingly. However, the Inquiry Officer ignored the submissions to the gross prejudice of the CB. As such, the Inquiry officer was not justified in holding that the charge of violation of Regulation 10(d) and 10(e) of CBLR, 2018 as proved.

24. In view of the submissions as aforesaid, the CB prayed that the Inquiry Officer's report dated 16.04.2025 holding that the charge of violation of Regulation 10(d) and 10(e) of CBLR, 2018 as "proved" is not legally sustainable and accordingly deserve to be quashed/ rejected. The CB accordingly requested to be kind enough to reject the same and exonerate CB completely.

DISCUSSIONS AND FINDINGS:-

25. I have gone through the facts of the case, the materials brought on record: the offence report received in the form of OIO dated 12.11.2024 issued vide F. No. S/10-35/2024-25 Adj(X) ACC & CAO NO: CC/HB/06/2024-25 Adj(X) dated 12.11.2024 passed by the Commissioner of Customs (Export), Air Cargo Complex, Mumbai; the Show Cause Notice No. 74/2024-25 dated 23.01.2025 issued under Regulation 17 of CBLR, 2018; the Inquiry Report dated 16.04.2025 and the written defence submission dated 27.05.2025 of the CB.

26. Briefly stated, the present case has been booked and investigated by the Special Investigation and Intelligence Branch SIIB (X), ACC, Sahar, Mumbai on the basis of clarification issued by the drawback division of CBIC vide letter F. No 609/4/2020-DBK/1063 dated 25.09.2020 w.r.t Admissibility of Duty Drawback on export of "Unlocked/tested" mobile phones by merchant exporters. The investigation revealed that the exporter M/s. Siddh Exports LLP has filed 39 shipping bills for the export of mobile phones, during the year 2019 (up to September 2019), out of which 16 shipping bills, filed before September 2019, were under the drawback scheme, and duty drawback was claimed

on those 16 shipping bills of activated/unlocked mobile phones, out of which, 6 SBs were filed through their Customs Broker M/s. Prayosha Logistics LLP (CB No. 11/1980) and claimed ineligible Duty Drawback on export of mobile phones which was pre-activated by inserting an Indian SIM card. The declared FOB value of the impugned 16 shipping bills is Rs. 29,15,86,060/ and duty drawback claimed in the said shipping bills is Rs. 71,24,036/. The duty drawback claimed and availed appeared to be inadmissible under Clause (i) of rule 3 of the Customs and Central Excise Duties Drawback Rules, 2017, read with section 75(1) of the Customs Act, 1962. For the act of commission and omission on the part of the charged CB M/s. Prayosha Logistics LLP (CB No. 11/1980), action under CBLR, 2018 was initiated against the said CB for apparent violation of Regulation 10(d), 10(e) and 10(n) of CBLR, 2018.

27. I find that the Articles of charge I & II, for violation of Regulations 10(d) and 10(e) of CBLR, 2018, *ibid*, are levelled against the CB on the grounds that 'the CB have been aware of the ineligibility of duty drawback on pre-activated mobile phones and this fact has been revealed through the statement of Sh. Mr. Rajesh Nisar, Partner of M/s. Siddh Exports LLP; that it is the CB's responsibility to advise his client to declare correct information in the shipping bill but CB failed to do so; that the Customs Broker failed to exercise due diligence and did not inform the exporter about the ineligibility of duty drawback on pre-activated mobile phones; that the CB assisted the exporter in availing the ineligible duty drawback by deliberately omitting the correct description of the goods in the shipping bills'.

27.1 I find that the inquiry officer has observed that 'the CB entire argument is based on that the subject shipping bills are before the CBIC Clarification dated 25.09.2020 however, the clarification was issued in year 2020, the admissibility of drawback on used phones in year 2019 will be governed by the Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 well before in 2017; that the CB failed to show any documentary

evidence that he had informed the importer that drawback is not allowed on the used goods including mobile phones in terms of Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017; that as soon as in 2020, the CB came to know that the Board has issued a clarification that drawback is not admissible on used phones, the CB should have insisted the exporter to immediately refund the drawback received on the export of used mobile phones in year 2019 and the CB should have also informed Docks DC/AC regarding export of used mobile phones in 2019, but the CB failed to do so; that the Customs Broker failed to exercise due diligence and did not inform the exporter about the ineligibility of duty drawback on pre-activated mobile phones Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 and instead, the CB assisted the exporter in availing the ineligible duty drawback by deliberately omitting the correct description of the goods in the shipping bills'. Accordingly, the inquiry officer has concluded that the charges of violation of Regulations 10(d) and 10(e) of CBLR, 2018 stand proved.

27.2 I have perused the defence submission of the CB wherein the CB has argued that 'the Inquiry Officer ought to have realised that when the matter of eligibility of drawback had been clarified at the apex level by the CBIC, New Delhi, the matter of eligibility of drawback on mobile phones was of interpretative nature and as such, it was beyond the capacity and competence of the Customs Broker to have advised the Exporter about the eligibility of drawback; that the Inquiry Officer failed to appreciate that there is no empowerment under the Customs Act, 1962 or delegation of powers in favour of Customs Broker to determine rate of duty or to decide eligibility of drawback under the Drawback Rules, 2017; that the advisory in the form of S.O No. 147/2021 dated 12.3.2021 was issued by the Commissioner of Customs (Export) ACC Sahar underlining the procedure for availment of drawback on export of Mobile phones by the Merchant exporters only on 12.3.2021 and this in itself reveals that prior to 12.03.2021, there was no authority from the ACC Sahar for deciding eligibility of drawback on activated/unlocked mobile phones;

that the goods were examined by the Proper Officers of Customs in all (6) cases before grant of let export order (LEO) and as such, it was the bounden responsibility of the officers of Customs to decide eligibility of drawback and to deny the same in case the provisions of the Customs Act, 1962 read with rules framed thereunder do not permit sanction of the same; that it was for the Officers of Customs to check whether provisions of Rule 3(1) of Drawback Rules 2017 would apply or otherwise’.

27.3 Having perused the facts of the case, I find that it is a matter of fact that Mr. Rajesh Nisar, Partner of M/s. Siddh Exports LLP, in his statement dated 05.02.2021, recorded under Section 108 of Customs Act, 1962 has admitted that *‘the CB, M/s. Prayosha Logistics LLP, was aware that the mobile phones were activated’*. I also find that the CB, in this regard, has argued that *‘the said statements pertained to the export of mobile phone under Shipping Bill No. 8322998 dt 01.02.2021 exclusively and there is nothing in the said statements dated 05.02.2021 to prove that the CB was aware that the mobile phones exported against the impugned 06 shipping bills, filed in the year 2019, were activated/unlocked’*. However, I am of the considered view that the responsibility of a Customs Broker play a crucial role in protecting the interest of the Revenue and at the same time he is expected to facilitate expeditious clearance of import/export cargo by complying with all legal requirements. I also find that it is a matter of fact that the CB had worked in completely negligent manner and relied blindly on the exporter’s declaration and documents and the CB himself/themselves did not exercised due diligence with respect to the fact that whether the exporter is complying with the Rule 3(1) of the Customs and Central Excise Duties Drawback Rules, 2017 pertaining to the impugned imports. The CB cannot run from their responsibilities entrusted under CBLR, 2018, by citing that it was the bounden responsibility of the officers of Customs to decide eligibility of drawback and to deny the same in case the provisions of the Customs Act, 1962 read with rules framed thereunder do not permit sanction of the same. I find that in the instant case, the CB did

not advise the exporter about the mandatory compliances for export of used/unlocked mobile phones, which resulted in fraudulent exports, also the CB did not bring the matter to the notice of the Customs Department. Hence, the CB cannot shy away from the responsibilities & obligations cast upon them under the CBLR, 2018. The factual matrix of the case indicates that the Customs Broker connived with the exporter by making false and incorrect statements in an attempt to mislead the department by concealing the vital information that mobiles to be exported, are pre-activated and despite knowing the fact, he had filed the subject shipping bills under the drawback claim. On a careful perusal of the reasons assigned by the inquiry officer and as extracted above, it is evident that the inquiry officer has conducted a good exercise to examine and appreciate the evidence on record and came to a categorical finding that the CB was guilty of non-performance of the statutory duties cast upon them under Regulation 10(d) and 10(e) of CBLR, 2018. The inquiry officer's findings with respect to charge of violation of Regulation 10(d) and 10(e) are tenable and acceptable, hence I approve the same. In view of the above discussions and under the factual matrix of the present case I am inclined to accept the inquiry officer's report, in this regard, and accordingly I approve the decision of inquiry officer in holding the charges of violation of Regulation 10(d) and 10(e) of CBLR, 2018 as proved.

28. I find that the Article of charge III, for violation of Regulations 10(n) of CBLR, 2018, *ibid*, are levelled against the CB on the ground that 'it is standard business practice for a Customs Broker to thoroughly understand the identity and operations of their clients, as failure to do so could result in an investigation into their actions and therefore, it appeared that the Customs Broker has violated the provisions of Regulation 10(n) of the Customs Brokers Licensing Regulations (CBLR), 2018'. I find that the inquiry officer, in this regard, has observed that 'the identity of the exporter and his address seems to be correct/genuine and functioning of the exporter at the declared address is not found in

doubt, therefore, the IO found merit in CB's submission and held that the CB has not violated the Regulation 10 (n) of the CBLR, 2018'.

28.1 Under the factual matrix of the case I find that the physical existence of the exporter is not disputed in the present case. Also, there is lack of grounds and evidences to substantiate the charge of violation of Regulation 10(n) of CBLR, 2018, against the CB. Under the facts and circumstances of the case I am of the considered view that the charge of violation of regulation 10(n) of CBLR, 2018 cannot be proved sustainable and hence I approve the decision of inquiry officer and drop the same. In this regard, I also rely on the judgement of **Hon'ble CESTAT in the case of M/s. Anax Air Services Pvt. Ltd. Vs. Commissioner of Customs, (Airport and General), New Delhi**. The relevant portion of said judgement is reproduced below:

"para 27In the factual matrix of this case, we find that the GSTIN issued by the officers of CBIC itself shows the address of the client and the authenticity of the GSTIN is not in doubt. In fact, the entire verification report is based on the GSTIN. Further, IECs issued by the DGFT also show the address. There is nothing on record to show that either of these documents were fake or forged. Therefore, they are authentic and reliable and we have no reason to believe that the officers who issued them were not independent neither has the Customs Broker any reason to believe that they were not independent... .."

29. I have also perused the following case laws relied upon by the CB:-

- (i) Hon'ble CESTAT Mumbai order in the case of Fairdeal Shipping Agency Pvt Ltd v/s Commissioner of Customs (General) Mumbai reported in 2019-TIOL-990-CESTAT-MUM
- (ii) U.S. Enterprises vs Commissioner of C. Ex& Customs, Nagpur reported in 2006(204) ELT 465 (Tri-Mumbai), Hon. CESTAT Mumbai

- (iii) Order No. 596/2023-Cus (WZ/ASRA/Mumbai dated 18.08.2023) passed by the Principal Commissioner RA and Ex-officio Additional Secretary to the Government of India, Mumbai in the case of M/s. Sol Mobiles Pvt Ltd.
- (iv) Hon'ble High Court of Delhi Order dated 13.02.2025 in W. P.(C) No. 10367/2023 and CM APPL No. 40170/2023 which has quashed the said CBIC Circular dated 25.09.2020 by holding that the interpretation adopted by the CBIC New Delhi in the said clarification dated 25.09.2020 goes beyond the Section 75 of the Customs Act, 1962 and the duty drawback rules

29.1 I find that the CB has submitted that the Principal Commissioner of Customs, CB Section, New Custom House, Mumbai vide Order- in- Original No. CAO no. 54/CAC/PCC(G)/SJ/CBS-Adj dated 18.12.2023 dropped proceedings against the Customs Broker M/s. Shanti Shipping Agency Pvt Ltd, CB no. 11/699 for violation of Regulation 10(d), 10(e) and 10(m) of CBLR, 2018 in regard to similar case of export of mobile phones by their client in the year 2019. I also find that in another similar case against the exporter M/s. Krishna Exports (IEC- 031698521), action under CBLR, 2018 was taken against the charged CB M/s. Prayosha Logistics LLP (CB No. 11/1980). The said matter has been adjudicated under CBLR, 2018 by the then Pr. Commissioner of Customs (Gen), NCH, Mumbai vide OIO No. 58/CAC/PCC(G)/SJ/CBS-Adj dated 29.12.2023, wherein the security deposit of the CB has been forfeited under Regulation 14 of CBLR, 2018 and penalty of Rs. 50,000/- has been imposed upon the CB under Regulation 18 of CBLR, 2018. The CB has preferred an appeal before the Hon'ble CESTAT Mumbai against the said OIO dated 29.12.2023.

29.2 Having perused the OIO CAO NO: CC/HB/06/2024-25 Adj(X) dated 12.11.2024 passed by the Commissioner of Customs (Export), Air Cargo Complex, Mumbai, in the present case, I find that the AA has imposed penalty of Rs. 40,00,000/- (Rs. Forty Lakhs only) and Rs. 50,00,000/- (Rs. Fifty Lakhs only) under Section 114(iii) and 114AA, respectively, of the Customs Act, 1962. However, as per the Board's Circular No 20/2024 dated 03-09-2024, *"the Proceedings contemplated against a Customs Brokers should be*

done as per the provisions contained in the CBLR, 2018 and must be distinguished from the proceedings for demand of duty/interest /imposing penalty under Customs Act, 1962”.

30. I find that a Custom Broker occupies a very important position in the Custom House and supposed to safeguard the interests of both the importers/exporters and the Customs Department. A lot of trust is kept in CB by the Government Agencies, however, by their acts of omission and commission it appeared that the CB M/s. Prayosha Logistics LLP (CB No. 11/1980) has violated Regulation 10(d) and 10(e) of the Customs Broker Licensing Regulation (CBLR), 2018. I find that for the violation of obligations provided under CBLR, 2018 and for their act of omission and commission, the CB M/s. Prayosha Logistics LLP (CB No. 11/1980) has rendered themselves liable for penal action under CBLR, 2018. Hence, while deciding the matter, I rely on the following case laws:

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

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

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

"6.1 These provisions require the Customs Broker to exercise due diligence to ascertain the correctness of any information and to advice the client accordingly.

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

31. As discussed above, I conclude that the CB is guilty of violations of regulation 10(d) and 10(e) of CBLR, 2018. However, considering all the facts and circumstances of the case and taken into cognizance of the decisions arguments and case laws relied upon by the CB, I am of the view that revoking the CB license is too grave a penalty to be imposed for the above violations, as the punishment of revocation of license is much harsh and disproportionate to the offences committed. However, I am of the considered view that the ends of justice will be met by forfeiture of security deposit under Regulation 14 of CBLR, 2018 and imposing a penalty, on the CB, under Regulation 18 of CBLR, 2018. In this regard, I place reliance on the following case laws:

a) **Delhi High Court has in case of Falcon Air Cargo and Travels (P) Ltd [2002 (140) ELT 8 (DEL)] held as follows:**

"13. By order dated 15-7-2000, licence was revoked. It is not clear how there could be revocation when the licence itself was not functional after 13-1-2000. Licence can be suspended or revoked on any of the grounds as mentioned in Regulation 21. It is, therefore, clear that if any of the grounds enumerated existed, two courses are open to the Commissioner. One is to suspend the licence and the other is to revoke it. Suspension would obviously mean that licence would be for a particular period inoperative. An order of revocation would mean that licence is totally inoperative in future, it loses its currency irretrievably. Obviously, suspension/revocation, as the case may be, has to be directed looking to the gravity of the situation in the background of facts. For minor infraction or infraction which are not of very serious

nature order of suspension may suffice. On the contrary, when revocation is directed it has to be only in cases where infraction is of a very serious nature warranting exemplary action on the part of the authorities, otherwise two types of actions would not have been provided for. Primarily it is for the Commissioner/Tribunal to decide as to which of the actions would be appropriate but while choosing any of the two modes, the Commissioner/Tribunal has to consider all relevant aspects and has to draw a balance sheet of gravity of infraction and mitigating circumstances. The difference in approach for consideration of cases warranting revocation or suspension or non-renewal has to be borne in mind while dealing with individual cases. In a given case the authorities may be of the view that non-renewal of licence for a period of time would be sufficient. That would be in a somewhat similar position to that of suspension of licence though it may not be so in all cases. On the other hand, there may be cases where the authorities may be of the view that licensee does not deserve a renewal either. Position would be different there. Though we have not dealt with the question of proportionality, it is to be noted that the authorities while dealing with the consequences of any action which may give rise to action for suspension, revocation or nonrenewal have to keep several aspects in mind. Primarily, the effect of the action vis-a-vis right to carry on trade or profession in the background of Article 19(1)(g) of the Constitution has to be noted. It has also to be borne in mind that the proportionality question is of great significance as action is under a fiscal statute and may ultimately lead to a civil death."

b) Delhi High Court has in case of Ashiana Cargo Services [2014 (302) ELT 161 (DEL)] held as follows:

"11. Viewing these cases, in the background of the proportionality doctrine, it becomes clear that the presence of an aggravating factor is important to justify the penalty of revocation. While matters of discipline lie with the Commissioner, whose best judgment should not second-guessed, any administrative order must demonstrate an ordering of priorities, or an appreciation of the aggravating (or mitigating) circumstances. In this case, the Commissioner and the CESTAT (majority) hold that —there is no finding nor any allegation to the effect that the appellant was aware of the misuse of the said G cards, but do not give adequate, if any weight, to this crucial factor. There is no finding of any mala fide on the part of the appellant, such that the trust operating between a CHA and the Customs

Authorities (as a matter of law, and of fact) can be said to have been violated, or be irretrievably lost for the future operation of the license. In effect, thus, the proportionality doctrine has escaped the analysis”.

c) **In the case of ACE Global Industries [2018 (364) ELT 841 (Tri Chennai)], Hon’ble Tribunal observed as follows:**

“6. We are unable to appreciate such a peremptory conclusion. The CBLR, 2013 lays down that stepwise procedures are to be followed before ordering any punishment to the Customs broker. True, the said regulations do contain provisions for revocation of the license and for forfeiture of full amount of security deposit, however these are maximum punishments which should be awarded only when the culpability of the Customs broker is established beyond doubt and such culpability is of very grave and extensive nature. In case of such fraudulent imports, for awarding such punishment, it has to be established without doubt that the Customs broker had colluded with the importer to enable the fraud to take place. No such culpability is forthcoming in respect of the appellant herein.....”

d) **Hon’ble CESTAT, Mumbai in the matter of Setwin Shipping Agency Vs. CC (General), Mumbai – 2010 (250) E.L.T 141 (Tri.-Mumbai)** observed that *“it is a settled law that the punishment has to be commensurate and proportionate to the offence committed”.*

32. Further, with regard to the timelines prescribed under Regulation 17 of CBLR, 2018, relying on the following case laws, I observe that the timelines under CHALR/CBLR, are directory in nature and not mandatory:

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

“15. In view of the aforesaid discussion, the time limit contained in Regulation 20 cannot be construed to be mandatory and is held to be directory. As it is already observed above that though the time line framed in the Regulation need to be rigidly applied, fairness would demand that when such time limit is crossed, the period subsequently consumed for completing the inquiry should be justified by giving reasons and the causes on account of which the time limit was not adhered to. This would ensure that the inquiry proceedings which are initiated are completed

expeditiously, are not prolonged and some checks and balances must be ensured. One step by which the unnecessary delays can be curbed is recording of reasons for the delay or non-adherence to this time limit by the Officer conducting the inquiry and making him accountable for not adhering to the time schedule. These reasons can then be tested to derive a conclusion whether the deviation from the time line prescribed in the Regulation, is "reasonable". This is the only way by which the provisions contained in Regulation 20 can be effectively implemented in the interest of both parties, namely, the Revenue and the Customs House Agent. "

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

"42. Therefore, if the tests laid down in Dattatreya Moreshwar, which have so far held the field, are applied, it would be clear (i) that the time limit prescribed in Regulation 20 (7) is for the performance of a public duty and not for the exercise of a private right; (ii) that the consequences of failure to comply with the requirement are not spelt out in Regulation 20(7) (iii) that no prejudicial consequences flow to the aggrieved parties due to the non-adherence to the time limit; and

(iii) that the object of the Regulations, the nature of the power and the language employed do not give scope to conclude that the time limit prescribed is mandatory. Hence, we hold that the time limit prescribed in Regulation 20 (7) is not mandatory but only directory."

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

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

14. A reading of the Regulation 17 would also go to show that the Inquiry Officer during the course of his inquiry is not only required to record the statement of the parties but also to give them an opportunity to cross-examine and produce oral and documentary evidence. In the event of the respondents not co- operating, it would be difficult for the Inquiry Officer to complete the inquiry within the prescribed

period of 90 days, as provided under Regulation 17(5). Therefore, we find force in the argument of the learned counsel for the appellant that the Regulation No.17 is required to be considered as directory and not mandatory. Though the word "shall" has been used in Regulation 17, an overall reading of the said provision of law makes it very clear that the said provision is procedural in nature and non-compliance of the same does not have any effect. If there is no consequence stated in the Regulation for non-adherence of time period for conducting the inquiry or passing an order thereafterwards, the time line provided under the 22 statute cannot be considered as fatal to the outcome of inquiry.

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

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

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

33. In view of the above judgements and the "Doctrine of Proportionality" which propagates the idea that a punishment for an offence should be proportional to the gravity of the offence, I am not inclined to revoke the license of the CB. However, for their acts of omission and commission, the CB M/s. Prayosha Logistics LLP (CB No. 11/1980) is held liable and guilty for violating the provisions of CBLR, 2018 as mentioned above. I hold that the CB has failed to discharge their duties cast upon them with respect to Regulation 10(d) and 10(e) of CBLR, 2018 and the interest of justice would be met by forfeiture of security deposit of the CB under Regulation 14 and imposition of penalty under Regulation 18 of CBLR, 2018. As the security deposit of the CB has already been forfeited vide OIO

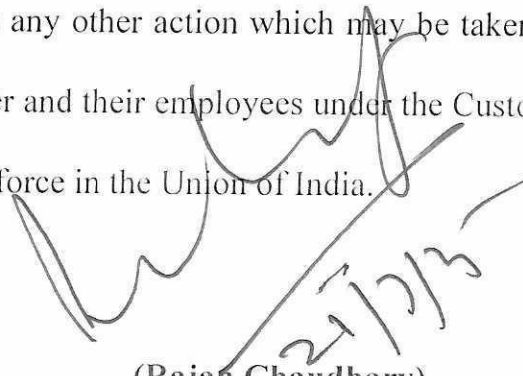
dated 29.12.2023, as discussed above, hence the forfeiture of security deposit in the present case shall prevail or come into force if any contrary decision is taken by at any higher appellate forum in another case. Accordingly, I pass the following order:

ORDER

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

- (i) I hereby order for forfeiture of entire amount of security deposit furnished by the CB under Regulation 14 of CBLR, 2018.
- (ii) I, hereby impose penalty of Rs. 50,000/- (Rs. Fifty Thousand only) on M/s. Prayosha Logistics LLP (CB No. 11/1980, PAN No. AAYFP9463G) under Regulation 18(1) of the CBLR, 2018.

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


(Rajan Chaudhary)
 Principal Commissioner of Customs (G)
 NCH, Mumbai-I

To,

M/s. Prayosha Logistics LLP (CB No. 11/1980),
 30/23 Second Floor, Kalpataru Aura,
 Opposite R City Mall, LBS Marg,
 Ghatkopar West, Mumbai,
 Maharashtra - 400086

Copy to:

1. The Pr. Chief Commissioner/ Chief Commissioner of Customs, Mumbai I, II, III Zone.



2. SIIB (X), ACC, Sahar, Mumbai.
3. EDI of NCH, ACC & JNCH
4. ACC (Admn), Mumbai with a request to circulate among all departments.
5. JNCH (Admn) with a request circulate among all the concerned.
6. Cash Department, NCH, Mumbai.
7. Notice Board
8. Office Copy