



सीमा शुल्क के आयुक्त का कार्यालय  
OFFICE OF THE COMMISSIONER OF CUSTOMS  
जी. एस. टी. भवन, 41/ए ससून रोड, पुणे-411001  
Ph. No. 020-26051839, Fax No. 020-26051849  
(Customs Broker Section) e-mail : [cha-cuspune@gov.in](mailto:cha-cuspune@gov.in)

मूल आदेश संख्या/Order-In-Original No. PUNE-CUSTOMS-000-COMMR- 03/2025-26  
DIN-20250868MF000000C4F3

542

श्री डी.अनिल आयुक्त, पुणे सीमा शुल्क  
Passed by: Shri D. Anil  
Commissioner, Pune Customs

आदेश की तारीख 14-08-2025  
आदेश जारी करने की तारीख 14-08-2025  
Date of Order: 14-08-2025  
Date of Issue: 14-08-2025



#### विशेष सूचना:

आदेश की यह प्रति जिस व्यक्ति के नाम से जारी की जा रही है, उन्हें यह व्यक्तिगत उपयोग के लिए निःशुल्क दी जा रही है।

1. This copy is granted free of charge for the private use of the person to whom it is issued.

२. इस आदेश से व्यथित / असहमत कोई भी व्यक्ति आयुक्त, अपील, पुणे (अपील-द्वितीय, पुणे जोन), तीसरी मंजिल एफ विंग, आईसीई हाउस, 41-ए ससून रोड, पुणे 411.001 को अपील कर सकता है। अपील, इस आदेश की प्रति व्यक्तिगत रूप से प्राप्त होने की तारीख से अथवा पार्टी को डाक द्वारा इसकी प्रति प्राप्त होने की तारीख से साठ दिन की अवधि के भीतर दायर / प्रस्तुत की जानी चाहिए। अपील के साथ निम्नलिखित कागजात होने चाहिए :-

क जिस आदेश के विरुद्ध अपील प्रस्तुत की जा रही है उस आदेश की 4 प्रतियाँ तथा अपील की 4 प्रतियाँ  
ख-अपील याचिका चार प्रतियों के सेट में दायर की जानी चाहिए और प्रत्येक प्रति के साथ अपील पर निर्भर सभी  
अनुलग्नकों को जोड़ा जाए।

ग-हालांकि, इस अपील याचिका की केवल एक प्रति पर निम्नानुसार कोर्ट फी स्टैम्प लगाना जरूरी है-

- (i) यदि विषयवस्तु की मूल्यराशि रूपए 50/- अथवा उससे कम है तो रूपए 0.65 का कोर्ट की स्टैम्प
- (ii) यदि मूल्यराशि रूपए 50 से अधिक है तो रूपए 1.00/- का कोर्ट की स्टैम्प

2 Any person aggrieved by this order may prefer an appeal to the Commissioner, Appeal, Pune (Appeal-II, Pune Zone), 3rd Floor 'F' Wing, ICE House, 41-A Sassoon Road, Pune 411001. The appeal must be filed within 60 days from the date of personal service or of the date of receipt by post by the party. It must be accompanied by:

- (a) Four copies of the appeal together with four copies of the order appealed against.
- (b) The appeal petition should be filed in a set of four copies and each copy will have to be completed with all annexure relied upon in the appeal.
- (c) However, only one copy of this appeal petition must bear court fee stamps as under:
  - (i) If the amount value of the subject matter is fifty or less than fifty – Rs. 0.5.
  - (ii) If such amount of value exceeds fifty – Rs.1.00
  - (ii) If such amount of value exceeds fifty- Rs.1.00

3. वित्त अधिनियम (संख्या 2), 2014 द्वारा प्रतिस्थापित, केंद्रीय उत्पाद शुल्क अधिनियम, 1944 की धारा 35 और/या सीमा शुल्क अधिनियम, 1962 की धारा 129ई, जैसा भी मामला हो, के अधीन जहाँ शुल्क अथवा शुल्क तथा दंड दोनों में विवाद हो अथवा दंड जहाँ केवल दंड पर विवाद हो, वहाँ माँगे गए शुल्क के 7.5 प्रतिशत की अदायगी पर आयुक्त (अपील) के समक्ष इस आदेश के विरुद्ध अपील दायर की जा सकती है।

3. An appeal against this order shall lie before the Commissioner (Appeals) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute, as provided under Section 35F of the Central Excise Act, 1944 and/or Section 129E of the Customs Act, 1962, as the case may be, as substituted vide Finance Act (No.2), 2014.

संबंधित पार्टी का नाम-

M/s. Sai Siddhi Forwarders, (Proprietorship),  
Shop No. 1, 'Neelkanth Corner' Co-Op. Hsg. Society Ltd.,  
Plot No.2, Sector-2, Sanpada, Navi Mumbai-400705

#### BRIEF FACTS OF THE CASE:-

M/s. Sai Siddhi Forwarders (hereinafter referred as 'Customs Broker' 'CB'), a Proprietorship concern, having PAN No. AAKPG1281F, office premises at Shop No.1,



Neelkanth Corner Co-Op. HSG. Society Ltd., Plot No.2, Sector-2, Sanpada, Navi Mumbai-400705 are holder of a Customs Broker License bearing No. PN/R/27/1998 issued by Pune Customs as parent Commissionerate under Regulation 7(2) of CBLR, 2018. They are operating from Pune, as well from Mumbai Customs (CB No.11/1111), under Regulation 7(3) of CBLR, 2018 as well as other ports and as such they are bound by the regulations and conditions stipulated therein. The validity of the license held by M/s. Sai Siddhi Forwarders is lifetime and Shri Anil Parshuram Ghag is the proprietor of M/s Sai Siddhi Forwarders.

2. An offence report in the form of Show Cause Notice No.1398/2024-25/ADC/Gr. I & IA/NS-I/CAC/JNCH dated 19.11.2024 issued by Additional Commissioner of Customs Gr-I, NS-1, JNCH, in respect of M/s. Taj Pawan Export Co. (IEC No. 0509008381) having its registered office situated at S-421, Ground Floor, Gali Number 2, Joga Bai Extn., Jamina Nagar, Okhla, New Delhi-110025 has been received in this office through e-mail on 17.12.2024 vide letter issued under F. No. GEN/CB/662/2024-CBS dated 16.12.2024 by the Deputy Commissioner of Customs, CBS, NCH, Mumbai-I requesting this office to take appropriate action under CBLR, 2018 since Pune Customs being the parent Commissionerate. Bill of Entry No. 9046878 dated 02.12.2023 was filed by M/s. Sai Siddhi Forwarders for customs clearance of goods covered under said BOE on behalf of their client M/s Taj Pawan Export Company, the importer in the present case.

3. In the Show Cause Notice mentioned above, it has been stated that based on specific intelligence about repeated use of phytosanitary certificates and incorrect Country of Origin (COO), consignments of 'Fresh Kiwi Fruit' in violation of provisions of Sections 46(4) and 46(4A)(a) of Customs Act, 1962, imported by the said importer and filed by CB were put on hold by the CIU, JNCH vide Hold No. 478/2022-23 dated 13.01.2024 issued under F.No. SG/MISC-1/CIU/JNCH/Hold/2022-23. Further, the goods covered under the said BOE were examined 100% by CIU, JNCH for correctness of documents submitted for their clearance. Prima facie, it appeared that the importer as well as the CB had deliberately mis-declared the goods to circumvent the restriction of import policy.

4. In the Show Cause Notice mentioned above, it has been stated that based on specific intelligence about repeated use of Phytosanitary Certificates and incorrect Country of Origin (COO), consignments of 'Fresh Kiwi Fruit' in violation of provisions of Sections 46(4) and 46(4A)(a) of Customs Act, 1962, imported by the said importer were put on hold by the CIU, JNCH vide Hold No. 472/2022-23 dated 04.12.2023 issued under F. No. SG/MISC-1/CIU/JNCH/Hold/2022-23. Further, the goods covered under the said BOE were examined 100% by CIU for correctness of documents submitted for their clearance.

5 A detailed data analysis of the Phytosanitary Certificates of both the Country of Origin (Chile) and the Country of Import (UAE) was done and the details of the Country-of-Origin Phytosanitary Certificates submitted in the said BOE. The irregularity/contraventions noticed during the investigations revealed from statements of Shri Mohammed Fazil,



Proprietor of M/s. Taj Pawan Export Co. dated 06.12.2023, 19.04.2024 and 22.10.2024 and Statement of Shri Kunal Anil Ghag, employee (H-Card holder from 2016 till 2018 and G-card holder with Power of Attorney from 2018 till the date of statements in the same Customs Broker firm) of M/s. Sai Siddhi Forwarders were also recorded under Section 108 of Customs Act, 1962. The findings in the Show Cause Notice are as under:

(i.) The declarations made in the BOE and the supporting documents attached are indicative of the fraudulent intent of the importer and Customs Broker. The Phytosanitary Certificates of Chile (declared country of origin) appear to have been misused by the said importer by utilizing them repeatedly to obtain various other phytosanitary certificates issued in the United Arab Emirates (re-exporting country); thereby fraudulently obtaining Customs Clearances with the help of an authorized Customs Broker by misleading the Indian Customs authorities and resorting to wilful suppression of facts and mis-declaration. The importer has also engaged in claiming an invalid phytosanitary certificate to be a valid one, along with fraudulently obtaining invalid manual waiver of FSSAI and PQ NOCs. A valid phytosanitary certificate from the origin country and re-exporting country (in the case of re-export) is a mandatory document that is to be uploaded by the importer in Customs e-Sanchit for clearance of import. Further, the importer is liable for the correctness and genuineness of the said certificates as per Section 46(4) and 46(4A)(a) of the Customs Act, 1962.

(ii.) Non-compliance of general and special pre-import conditions imposed by the Plant Quarantine (Regulation of Import into India) Order, 2003 (Chapter-II, III, and Schedule-VI), notified by the Ministry of Agriculture (Department of Agriculture & Cooperation), itself makes the seized goods prohibited in terms of definition of prohibited goods under Section 2(33) of the Customs Act, 1962, thereby making them liable for confiscation under Section 111(d), 111(m), 111(o) of the Customs Act, 1962.

(iii.) It is clear that the importer is knowingly, wilfully, and deliberately concerned with the manipulation and misuse of the country-of-origin Phytosanitary certificates. The submissions made by the importer himself and the documentary evidence gathered indicate the same, thereby rendering the said goods liable for confiscation under Section 111(d), 111(m), and 111(o) of the Customs Act, 1962, and also rendering the importer liable for penalties under Section 112(a), 112(b) and/or 114A of the Customs Act, 1962.

(iv.) The importer has intentionally made a declaration in the subject BOE which is found to be false or incorrect upon due verification. The repetition of Phytosanitary certificates, obtaining fraudulent manual NOC waiver, and incorrect country of origin (COO) was an attempt to bypass the restrictions imposed on the Iranian Kiwi fruit. This act of the importer of submitting false documents intentionally in the transaction of any business in the Customs, has rendered him liable for penal action under Section 114AA of the Customs Act, 1962.

**(v.) The Custom Broker M/s Sai Siddhi Forwarders have in connivance with the importer has grossly mis-declared the goods in terms of description. Further, the Custom Brokers have failed to exercise due diligence to ascertain the correctness of**



information that they were imparting to the importer. Consequently, the Custom Broker have rendered themselves liable for penal action under Section 112(a), 112(b) and/or 114A of the Customs Act, 1962.

(vi.) **The Custom Broker M/s Sai Siddhi Forwarders knowingly concerned with the modus operandi that was used to bypass the restrictions imposed on Iranian kiwis in connivance with the importer. Thus, the Custom Broker have rendered themselves liable for penal action under Section 114AA of the Customs Act, 1962.**

(vii.) Also, previous consignments valued at assessable value of Rs.5,09,04,000/- and customs duty of Rs. 1,67,98,320/- are also liable for confiscation under Section 111(d), 111(m) of the Customs Act, 1962 and allied Rules and Regulations though the same are not available for confiscation, the value declared in the said BOE appears to be fair.

(viii.) As the previous consignments were cleared in violation to the Customs Act, 1962, since, the same modus operandi has been used by importer M/s. Taj Pawan Export Co. (IEC:- 0509008381), hence, importer M/s Taj Pawan Export Co liable for the penalties under Section 112(a), 112(b) and/or 114A of the Customs Act, 1962.

(ix.) **The Custom Broker M/s Sai Siddhi Forwarders have failed to comply with the obligations entrusted to them under the Customs Broker Licensing Regulations Act, 2018 as discussed in the forgoing paragraphs. Therefore, for their attempt to clear the present consignments and their actions of clearing the previous consignments of the importer they are liable for penal action under the Customs Broker Licensing Regulations Act, 2018.**

4.1 Accordingly the **Customs Broker** was also called upon in the impugned Show Cause issued under Section 124 of Customs Act, 1962 proposing imposition of penalty on them under sections 112(a), 112(b) and/or 114A and 114AA of the Customs Act, 1962.

#### **6. Role and Contraventions by the Custom Broker M/s Sai Siddhi Forwarders:**

In the instant case, it appears that, said importer has filed declaration in form of BOE and supporting documents are indicative of following intent of the importer and the Custom Broker. Further, the importer has also been engaged in claiming and invalid Phytosanitary Certificate to be valid one, along with fraudulently obtaining invalid manual waiver of FSSAI and PQ NOCs. It was responsibility of the Custom Broker to advise his client to comply with the provisions of the Act and Rules and Regulations thereof and in case of non-compliance shall bring the matter to the notice of concern Custom Officers. However, the Customs Broker instead of advising his client to comply with correct provisions of the regulations, connived with them and filed Bill of Entry by mis-declaring the goods in terms of description and knowingly concerned themselves with the modus operandi that was used to bypass the restriction imposed on Iranian Kiwis. They also failed to inform the correct information to the Customs authorities. Thus, it appears that Custom Broker has thereby violated Regulation 10(d) of the CBLR, 2018 which reads as under:

***10(d) "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***



6.1 Further, the Custom Broker has failed to exercise due diligence to the correctness of information in r/o the fraudulent intent of the importer. The CB has failed to verify the correctness of functioning of his client properly, as the said importer has been found to be engaged in similar activities in more than one case. Therefore it appears that Custom Broker has violated the Regulation 10 (e) of CBLR, 2018, which reads as under:

***10(e) "A Customs broker shall exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;"***

7. The evidence on record indicates that the Custom Broker was working in a seriously negligent manner and was in violation of the obligations cast upon them under the CBLR 2018. A Custom Broker occupies a very important position in the customs House and is supposed to safeguard the interest of both the importers and the Customs department. A lot of trusts are kept in Custom Broker by the Government Agencies, but by their acts of omission and commission it appears that the said Custom Broker has violated Regulation 10(d) and 10(e) of the Customs Brokers Licensing Regulation, 2018 and rendered themselves for action under Regulations 14 and 17 of CBLR, 2018. For the above omissions and Commissions which led to contravention of the provisions of the CBLR, 2018 as discussed above, they have also rendered themselves liable for penalty under Regulation 18 of CBLR, 2018.

8. The above said acts have been knowingly committed by the Customs Broker. Hence this Show Cause Notice is being issued as per the Regulation No.17 of the CBLR, 2018 read with Boards Circular No. 09/2010 -Cus. dated 08-04-2010.

9. The Custom Broker M/s Sai Siddhi Forwarder allegedly has failed to comply with the obligations entrusted to them under the Customs Broker Licensing Regulations Act, 2018 as discussed in the forgoing paragraphs. Therefore, for their attempt to clear the present consignments and their actions of clearing the previous consignments of the importer they are liable for penal action under the Customs Broker Licensing Regulations Act, 2018.

10. On carefully going through the facts on record and laws, rules and regulations applicable in the case, it appears that the CB M/s Sai Siddhi Forwarders have violated the provisions of CBLR, 2018 in import of goods vide Bill of Entry No. 9046878 dated 02-12-2023. Therefore, in view of the above facts, it is evident that the CB was working in a seriously negligent manner and was in violation of the obligations casted upon them under the CBLR 2018. By their acts of Omission and commission it appears that the said CB has violated Regulation 10(d), 10(e) of the Customs Brokers Licensing Regulations, 2018 and rendered himself for penal action under Regulations 18 of CBLR, 2018.

#### **11. Legal Provision of the CBLR, 2018:**

**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;"*

**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".

## **12. SHOW CAUSE NOTICE:**

M/s. Sai Siddhi Forwarders (CB No.11/1111) (PAN No. AAKPG1281F) was issued a Show Cause Notice (SCN) No. 11/2024-25 dated 06.03.2025 by the Principal Commissioner of Customs, Pune (asking them to show cause as to why the Customs Broker License bearing No. CB No.11/1111 issued to them should not be revoked and security deposited should not be forfeited and/or penalty should not be imposed upon them under Regulation 18 of the CBLR, 2018 for their failure to comply with the Regulation 10(d), 10(e), of CBLR, 2018 as elaborated in the Show Cause Notice. They were directed to appear for a personal hearing and to produce proof of evidence/documents if any, in their defence to Shri Vivekanandhan, Assistant Commissioner of Customs, Pune who was appointed as an inquiry officer to conduct inquiry under regulation 17 of CBLR, 2018.

## **13. INQUIRY REPORT:**

The IO submitted that the CB was granted opportunity for personal hearing on 16.04.2025. Shri Kunal Anil Ghag, G-card holder, M/s. Sai Siddhi Forwarders (CB No.11/1111) appeared for the Personal Hearing on 16.04.2025. Accordingly, by following due process inquiry was completed.

## **14. WRITTEN SUBMISSION OF THE CUSTOMS BROKER**

The charged Customs Broker M/s Sai Siddhi Forwarders (CB No.11/1111),in their written submissions dated 02.04.2025 as well as oral, during the personal hearing on 16.04.2025 inter alia submitted that :

- no violation of Regulations 10(d) and 10(e) of the CBLR, 2018, has been made by the CB / Noticee. The provisions of Regulation 10(d) of the CBLR, 2018 mandates that the Customs Broker shall advise their client to comply with the provisions of the Act, other allied Acts, and the rules and regulations framed thereunder. In the event of non-compliance, the Customs Broker shall bring such non-compliance to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be.

- the Revenue has failed to substantiate the basis for alleging that how the Revenue came to this conclusion that the CB / Noticee did not advise the importer to comply with the provisions of the Act, other allied Acts, and the rules and regulations thereunder. Such an allegation appears to be speculative, lacking any factual foundation, and is devoid of logical coherence. Imposing adverse penal actions based on such unsubstantiated allegations would not only be legally untenable but also contrary to principles of natural justice and ethical adjudication.



- they have not violated Regulation 10(d) of the CBLR, 2018, as they duly advised the importer to comply with the provisions of the Customs Act, allied laws, and the relevant rules and regulations. The CB/Noticee has filed the said Bill of Entry on the basis of the import documents furnished by the importer under bona fide belief that the same are correct and valid as the CB / Noticee has no method to verify the same on his own. The importer was advised to furnish valid Phytosanitary Certificates, explicitly stating the origin of the goods. along with Phytosanitary Certificates from the UAE, verifying the origin of the goods.
- they have further submitted that the goods were duly declared in the Bill of Entry and the same were to be subjected to customs examination and thereafter only the same were to be cleared from the customs area. The above explanation should be sufficient evidence to establish that the CB / Noticee has fulfilled his obligations under Regulation 10(d) of the CBLR, 2018, and, therefore, the allegations of non-compliance are unsustainable.
- Reliance was placed on the *order of the Hon'ble CESTAT, New Delhi in the matter of M/s. VS Bhagwati Shipping Vs. Commissioner of Customs - New Delhi* (Airport and General) reported vide 2025 (1) TMI 1221 CESTAT New Delhi. The relevant part of the same is reproduced hereunder:

*Whether the appellant as Customs Broker have violated Regulations 10(d) 10(e) of Customs Broker License Regulations, 2018 (CBLR)?*

*HELD THAT: - Appellant as CB is bound by the documents given to him by the importers. Further, till date department has not been able to produce any evidence that any of the documents submitted at the time of clearance of the imported Areca Nuts are forged or false. No report from the Country of Origin i.e Sri Lanka or from the alleged countries i.e. Indonesia and Vietnam have been obtained the task of verification of documents is of the departmental officers. Law also does not empower the CB to undertake any investigations. Hence this part of the allegation is without any basis and wrongful presumption that CB should have investigated the documents provided by the importers. Further, when law of the land states that COO certificates cannot be challenged even by the Customs Authorities except by following a prescribed procedure, how can a CB challenge those documents and in particular when the certificates were supported by Bill of lading, Commercial invoice etc. None of these documents have been objected nor have been denied by the importers to have been provided to the appellant.*

*Law does not require a custom broker to physically deal with the goods before the same are received in custom area. The Custom Broker operates on the basis of document supplied to him and in that context, it can hardly be held that the documents/details filed by the Custom Broker on the strength of documents supplied by the importers are wrong there are no merit in confirmation of charge under Regulation 10(d) and 10(e) of the CBLR 2018. The same is therefore liable to be dropped.*



- With respect to Regulation 10(e) of the CBLR 2018 mandates that a Customs Broker shall exercise due diligence to ascertain the correctness of any information imparted to a client concerning the clearance of cargo or baggage.

- They have submitted that the CB / Noticee provided accurate information to the importer as required for the clearance of goods and exercised due diligence in verifying the correctness of such information. The CB / Noticee, acting in good faith, relied on the import documents and certificates, as they do not possess the mechanism to independently verify such documents.

- As mentioned above, reliance is once again placed on the **order of the Hon'ble CESTAT, New Delhi in the matter of M/s. VS Bhagwati Shipping Vs. Commissioner of Customs - New Delhi (Airport and General) reported vide 2025 (1) TMI 1221 CESTAT New Delhi.** In addition, reliance is also placed on the **order of the Hon'ble CESTAT, Mumbai in the matter of M/s. Rupali Logistics Clearing & Forwarding P Ltd. Vs. Pr. Commissioner of Customs (General), New Custom House, Mumbai reported vide 2024 (12) TMI 961 CESTAT Mumbai.** The relevant part of the same is as under:

***Revocation of of customs broker licence forfeiture of security deposit under regulation 14 of Customs Brokers Licensing Regulations, 2018 imposition of penalty under regulation 18 of Customs Brokers Licensing Regulations, 2018 export of overvalued goods to claim ineligible drawback for which fake and bogus bills of purchase from purported buyers other than actual suppliers were furnished in support - violation of regulation 10(d), 10(e), 10(f) and 10(n) of Customs Brokers Licensing Regulations, 2018.***

***Breach of regulation 10(d) of Customs Brokers Licensing Regulations, 2018- HELD THAT:-*** The portion of transactions prior to entering the consignments for export and filing of shipping bill does not come within the purview of activities for which licence has been issued under section 146 of Customs Act, 1962 to the customs broker. ***There is no allegation that any part of the process undertaken on behalf of the exporter by the appellant had involved breach of the provisions of Customs Act, 1962 or any other law.***

***Alleged breach of 10(e) of Customs Brokers Licensing Regulations, 2018 HELD THAT:-*** The licence issued to a customs broker is certificate of competency of the broker as reliably familiar with all aspects of clearance and it falls to the licensing authority to initiate action for any deficiency thereof owing to which the transaction of importer/exporter has been jeopardized. Consequently, this allegation may be levelled only in circumstances in which the importer/exporter is found to have been innocently led to breach of statutory compliance in any transaction and such circumstance is brought to the attention of the licencing authority. ***There is no allegation, nor any suggestion from the importer/exporter, that incorrect***



***information has been imparted which led to acts of omission and commission on their part. The invoking of this provision in these proceedings are incorrect.***

- Moreover, the Revenue has failed to demonstrate how the CB / Noticee allegedly acted without due diligence or provided incorrect information. There are no instances or evidentiary materials on record to substantiate such allegations. In the absence of any concrete evidence, the claims against the CB / Noticee remain unsubstantiated and untenable.

- In light of the foregoing submissions, they have submitted that the CB / Noticee has acted diligently and in full compliance with the regulations mandated under the CBLR, 2018. The actions of the CB / Noticee were confined to its limited scope of duties as a Customs Broker, and there is no evidence to suggest any ulterior motive or intentional involvement in the importation of prohibited goods. The CB / Noticee followed all prescribed procedures, including verifying the documentation provided by the importer and facilitating the clearance of goods based on these documents. Therefore, the allegations against the CB / Noticee lack merit and should be dismissed.

#### **15. COMMENTS OF THE INQUIRY OFFICER:**

Inquiry Officer has submitted that he had carefully perused all the available records of the case, the Offence Report dated 16.12.2024 received from CBS, NCH, Mumbai Customs vide SCN No. 1398/2024-25/ADC/Gr.I & IA/NS-I/CAC/JNCH dated 19.11.2024 issued vide F. No. CUS/APR/SCN/1493/2024-Gr(IAAndIA)-NS-I; the statement of the CB given before the investigating authority; the Show Cause Notice No. 11/2024-25 dated 06.03.2024 issued by the Commissioner of Customs, Pune; submissions made by the CB before the undersigned during the PH held on 16.04.2025; and written submission dated 02.04.2025. The present inquiry against the charged Customs Broker is limited to ascertain whether the Customs Broker has violated any of the provisions, mentioned in Customs Brokers Licensing Regulations (CBLR), 2018, by any act or omission. On perusal of the Show Cause Notice 11/2024-25 dated 06.03.2025, it is observed that the CB has been alleged to have violated the provisions of Regulation 10(d) and Regulation 10(e) of the Customs Brokers Licensing Regulations (C131.,R), 2018. As a result, it has been proposed to revoke the license of the Customs Broker and penalty has been proposed against them.

In this regard the extract of the statements obtained from M/s. Taj Pawan Export Company and relied up on in the show cause Notice dated 19.11.2024 issued by the Additional Commissioner of Customs, Group I, NS-I, ) JNCH is as under: I find that they have deposed that

They had ordered for Iranian Kiwi from their supplier in Dubai M/s Anchor Global Foodstuff, as it was cheaper than Chilean Kiwi.

They were not aware of any import condition for import of Kiwi fruit and neither they took any effort to find out any condition for import or not.



However, their CB had informed them that only Phytosanitary Certificate issued by the Dubai authorities is mandatory for import of kiwi fruit and no other documents are mandatory.

Regarding the Phytosanitary Certificate of Chilean authorities used multiple times, they stated that the said Phytosanitary certificate had been provided by their supplier to change the identity of the origin of Kiwi fruit.

They had done only two imports of kiwi fruit.

From the above statement he finds that even though the importer was very well aware of the origin of Kiwi fruit to be Iranian, he had submitted the Chilean Phytosanitary certificate provided by their supplier and UAE Phytosanitary certificate to the Customs Broker for filing of BoE.

Further, from the statement dated 18.12.2023 of the CB, and relied up on in the show cause Notice dated 19.11.2024 issued by the Additional Commissioner of Customs, Group I, NS-I, JNCH, I find that they have deposed that

They filed the BoE No.9046878/02.12.2023 after verification of the KYC of the importer against import of Kiwi fruit from UAE and on the basis of Phytosanitary Certificate issued by the UAE authorities. Even though they verified the Phytosanitary Certificate issued by the UAE authorities, they had failed to verify the Chilean Phytosanitary Certificate. They were not aware of the import policy related to import of kiwi fruit. As they got an order from the importer for clearance of import of kiwi fruit from Dubai they accepted the order against the said clearance at an amount of Rs.15,000/-. They had no knowledge about the origin of the Kiwi fruit as it seemed to be imported from Dubai. This was their first import shipment for Kiwi fruit. He had not submitted any NOC issued by PQ or FSSAI as he had been assigned the work at Docks. For the purpose of clearance of the shipment, the CB had duly verified the Phytosanitary Certificate issued by the UAE. authorities. However, they acknowledge that they had failed to verify the Phytosanitary Certificate issued by the Chilean authorities. With regard to the import policy pertaining to the import of kiwi fruit, the CB was not aware of the specific policy conditions governing such imports. They received an order from the importer for the clearance of a consignment of kiwi fruit arriving from Dubai, and accordingly, they accepted the assignment for customs clearance. The clearance was undertaken for a service charge of Rs. 15,000/-.

In respect of the submission of SW Manual NOC Print Override from ID No. 10009072, which clearly indicates that NOCs from FSSAI, and the Plant Quarantine (PQ) authority were not waived by the system and were therefore required in physical form, the CB has stated that they did not submit any such NOCs. Hence it cannot be said that they had filed any invalid documents to bypass the restrictions imposed on Iranian Kiwis.

Now the charge against the CB is that in the instant case, it appears that, the said importer has filed declaration in form of BOE and supporting documents are indicative of following intent of the importer and the Custom Broker. Further, the importer has also been engaged in claiming and invalid Phytosanitary certificate to be valid one, along with fraudulently obtaining invalid manual waiver of FSSAI and PQ NOCs. It was responsibility of



the Custom Broker to advise his client to comply with the provisions of the Act and Rules and Regulations thereof and in case of non-compliance shall bring the matter to the notice of concern Custom Officers. However, the Customs Broker instead of advising his client to comply with correct provisions of the regulations, connived with them and filed Bill of Entry by mis-declaring the goods in terms of description and knowingly concerned themselves with the modus operandi that was used to bypass the restriction imposed on Iranian Kiwis. They also failed to inform the correct information to the Customs authorities. Thus, it appears that Custom Broker has thereby violated Regulation 10(d) of the CBLR, 2018 which reads as under:

***10(d) "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.***

With respect to the above charge, he finds that even though the importer was aware of the origin of Kiwi fruit to be Iranian, the importer had submitted the Chilean Phytosanitary certificate provided by the supplier of fruits and UAE Phytosanitary certificate to the Customs Broker for filing of BoE. Since it was the first time import for the CB in respect of the said importer/Kiwi fruit, and they had no knowledge of the import policy for kiwi fruit, also they had seen the kiwi fruit only at the time of examination by the investigating agency. Hence doubt regarding origin of kiwi fruit would have come only if the CB had seen the kiwi fruit at the time of filing of BoE, or if the importer had mentioned anything about the origin of Kiwi fruit and if the CB knew about the difference between Chilean and Iranian Kiwi fruit. As such since the CB was provided only with the phytosanitary certificate of Chilean origin and UAE Phytosanitary certificate, the CB must be under the impression that kiwi fruits were of Chilean origin. The CB had filed the BoE on the basis of import documents submitted by the importer under Bonafide belief that the same are correct and valid as the CB has no method to verify the same on his own. Since the CB got an order from the importer for clearance of import of kiwi fruit from Dubai they accepted the order against the said clearance at an amount of Rs.15,000/-, The importer was also advised to furnish the phytosanitary certificate which was also confirmed by the importer in their statement. Hence the allegation of customs brokers not advising the importer to comply with the provisions of the Act, allied Acts and rules and regulations does not hold any merit. And since the CB had filed the BoE under Bonafide belief that the same are correct and valid, hence question of intimating the customs officer does not arise here. Hence it is clear that they had not violated the provisions of Regulation 10(d) of the CBLR, 2018.

With respect to the second allegation in the show cause notice that, the Custom Broker has failed to exercise due diligence to the correctness of information in r/o the fraudulent intent of the importer. The CB has failed to verify the correctness of functioning of his client properly, as the said importer has been found to be engaged in similar activities in more than one case Therefore it appears that Custom Broker has violated the Regulation 10 (e) of CBLR, 2018, which reads as under:



***10(e) "A Customs broker shall exercise due diligence to ascertain the correctness of any information which he imparts to a client with reference to any work related to clearance of cargo or baggage;"***

With respect to the above charge, I find that the CB has acted in good faith and relied on the import document and certificates submitted by the importer. Only the importer was aware that the kiwi fruit were of Iranian origin. In spite of that they had provided the phytosanitary certificate of Chilean Authorities to the CB for filing BoE. The CB do not have any mechanism to independently verify the documents, in particular the documents such as COO or Phytosanitary certificates on their own, as the procedure for verification of COO can be done only through Indian Government. Further the actions of the CB are confined only to the limited scope of duties as a CB and there was no evidence to suggest any ulterior or intentional involvement in the importation of the prohibited goods. since the CB was provided only with the phytosanitary certificate of Chilean origin and UAE Phytosanitary certificate, the CB must be under the impression that kiwi fruits were of Chilean origin. Further, the CB had deposed in his statement that he had not submitted any NOC issued by PQ or FSSAI as he had been assigned the work at Docks. Hence it cannot be said that he had connived with the importer and submitted documents that was used to bypass the restriction imposed on Iranian kiwi by obtaining invalid manual waiver of FSSAI and PQ NOCs. The CB followed all prescribed procedures, including verifying of documents provided by the importer and facilitating the clearance of goods based on these documents. Hence it is clear that the CB has not violated the provisions of Regulation 10 (e) of CBLR, 2018. As there is no violation on the part of the CB as alleged in the show cause, there is no reason to revoke the license of the CB or forfeit the security deposit. And consequently, the CB are also not liable for any Penalty as proposed in the show cause notice under Regulation 14 read with 17 & 18 of the CBLR, 2018.

As far as Inquiry Officer (IO) submitted Inquiry Report dated 05.06.2025, wherein, the charges against CB M/s. Sai Siddhi Forwarders (CB No.11/1111) i.e. violation of Regulation 10(d), 10(e) of the CBLR, 2018 were 'Not Proved'.

## **16. PERSONAL HEARING AND RECORDS OF PERSONAL HEARING:**

A personal hearing was granted to Customs Broker before Commissioner of Customs, on 23-07.2025 Shri Kunal Anil Ghag, G-Card Holder of M/s Sai Siddhi Forwarders appeared and submitted an oral submission dated 23-07-2025 and reiterated contents therein.

## **17. DISSCUSSION AND FINDINGS:**

**17.1** I have carefully gone through impugned Show Cause Notice dated 05.03.2025 having facts of the case, material evidence on record, Inquiry Report dated 05.06.2025, oral and written submissions made by CB.



**17.2** I observe that the charges framed against the said CB is of violation of Regulation 10(d), 10(e), of CBLR, 2018 and alleged in Show Cause Notice No. 11/2024-25 dated 05.03.2025. According to the Inquiry Officer vide Inquiry Report dated 05.06.2025 there is no violation of regulations 10(d), 10(e), of CBLR, 2018 as "Not Proved".

### **18.1. With regards to violation of Regulation 10(d) of CBLR, 2018:**

**18.1.1.** The said regulation 10(d) of CBLR, 2018 reads as:-

*"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;"*

**18.1.2** I.O. in his report has submitted that the importer had submitted the Chilean Phytosanitary certificate provided by the supplier of fruits and UAE Phytosanitary certificate to the Customs Broker for filing of BoE. Since the CB had no knowledge of the import policy for kiwi fruit, hence doubt regarding origin of kiwi fruit would have come only if the CB had seen the kiwi fruit at the time of filing of BoE, or if the importer had mentioned anything about the origin of Kiwi fruit and if the CB knew about the difference between Chilean and Iranian Kiwi fruit. As such since the CB was provided only with the phytosanitary certificate of Chilean origin and UAE Phytosanitary certificate, the CB must be under the impression that kiwi fruits were of Chilean origin. The CB had filed the BoE on the basis of import documents submitted by the importer under the Bonafide belief that the same are correct and valid as the CB has no method to verify the same on his own. Since the CB got an order from the importer for clearance of import of kiwi fruit from Dubai they accepted the order against the said clearance at an amount of Rs. 15,000/- The importer has also confirmed that the said Phytosanitary certificate had been provided by his supplier. Even though the importer knew that the kiwi fruit was of Iranian origin still he gave the Chilean certificate to the CB for filing BoE. Hence the allegation of customs brokers not advising the importer to comply with the provisions of the Act, allied Acts and rules and regulations does not hold any merit. And since the CB had filed the BoE under bonafide belief that the same are correct and valid, hence question of intimating the customs officer does not arise here. Therefore, I hold that CB has not violated the provisions of Regulation 10(d) of the CBLR, 2018.

### **18.2. With regards to violation of Regulation 10(e) of CBLR, 2018:**

**18.2.1.** The said regulation 10(e) of CBLR, 2018 reads as:

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

**18.2.2.** I.O. in his report has submitted that the CB has acted in good faith and relied on the import document and certificates submitted by the importer. Only the importer was aware that the kiwi fruit were of Iranian origin. Even then the importer provided the CB with Chilean phytosanitary certificate, for filing BoE. The CB do not have any mechanism to



independently verify the documents, in particular the documents such as COO or Phytosanitary certificates on their own, as the procedure for verification of COO can be done only through Indian Government. Further the actions of the CB are confined only to the limited scope of duties as a CB and there was no evidence to suggest any ulterior or intentional involvement in the importation of the prohibited goods, since the CB was provided only with the phytosanitary certificate of Chilean origin and UAE Phytosanitary certificate, the CB must be under the impression that kiwi fruits were of Chilean origin. The CB followed all prescribed procedures, including verifying of documents provided by the importer and facilitating the clearance of goods based on these documents. Further the consignments were also cleared by the customs authorities without raising any objection to the documents submitted to them. Also, the consignment was available with customs for examination. Therefore, I hold that CB has not violated the provisions of Regulation 10(e) of the CBLR, 2018.

**18.2.3** I.O. in his report has submitted that the CB has filed BoE based on the documents and information provided by the importer to him. There is no specific allegation brought out in the offence report or show cause notice as to how the customs broker has shown slowness or inefficiency or cause necessary delay in carrying his responsibility. However, based on specific intelligence about repeated use of phytosanitary certificates and incorrect Country of Origin (COO), consignments of 'Fresh Kiwi Fruit' in violation of provisions of Sections 46(4) and 46(4A)(a) of Customs Act, 1962, imported by the said importer and filed by CB were put on hold by the CIU, JNCH vide Hold No. 478/2022-23 dated 13.01.2024 issued under F.No. SG/MISC-1/CIU/JNCH/Hold/2022-23. Further, the goods covered under the said BOE were examined 100% by CIU, JNCH for correctness of documents submitted for their clearance. Prima facie, it appeared that the importer as well as the CB had deliberately mis-declared the goods to circumvent the restriction of import policy. A detailed data analysis of the Phytosanitary Certificates of both the Country of Origin (Chile) and the Country of Import (UAE) was done and the details of the Country-of-Origin Phytosanitary Certificates submitted in the said BOE. The irregularity/contraventions are noticed during the investigations revealed from statements recorded by SIO/CIU/JNCH Nhava Sheva of Shri Mohammed Fazil, Proprietor of M/s. Taj Pawan Export Co. dated 06.12.2023, 19.04.2024 and 22.10.2024 and Statement of Shri Kunal Anil Ghag, employee (H-Card holder from 2016 till 2018 and G-card holder with Power of Attorney from 2018 till the date of statements in the same Customs Broker firm) of M/s. Sai Siddhi Forwarders were also recorded under Section 108 of Customs Act, 1962. However, while a detailed scrutiny of documents given by Importer of the case may be undertaken separately, C B has to ensure strict compliance with all provisions of the Customs Act, 1962, and the Customs Brokers Licensing Regulations, 2018 while documentation. It is responsibility of CB to take due care and diligence in the discharge of his duties as a Customs Broker and to put in place appropriate internal controls and verification mechanisms to avoid recurrence of such instances. Therefore, I hold that CB has violated the provisions of Regulation 10(e) of the



CBLR, 2018 as he failed to exercise due diligence to ascertain the correctness of any information which he imparts to a client.

In view of the above I am of the opinion that these are only lapses in exercising due diligence and procedural negligence of the CB and there seems to be no intent of collusion seen from the records. Hence, I hold that **revocation of CB License No. PN/R/27/1998 dated 06.10.1998 is neither justifiable nor warranted at this stage. However, it is the fact of the case that the CB has failed in exercising due diligence to ascertain the correctness of the information that shows their casual approach towards fulfilling their responsibility which has been casted upon by the law and for which they are liable to be penalised under the provisions of CBLR, 2018.**

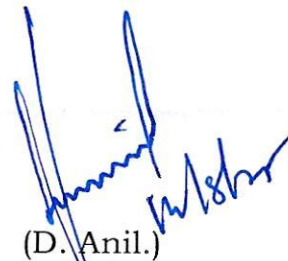
In view of the above, I pass the following order: -

### **ORDER**

I, the Commissioner of Customs, Pune, in exercise of the power conferred under the Customs Broker Licensing Regulations, 2018, hereby order as follows:

- (i) I do not revoke the license bearing No. PN/R/27/1998 dated 06.10.1998 issued to the CB M/s Sai Siddhi Forwarders. Also, I order to not forfeit the security deposit amount under Regulation 14 of the CBLR, 2018.
- (ii) I drop the charges of violations of the provisions of Regulation 10(d) of the CBLR, 2018 initiated vide Show Cause Notice No. 02/2025-26 dated 11.04.2025.
- (iii) I impose a penalty of Rs. 25,000/- (Rupees Twenty-Five Thousand only) on the CB M/s Sai Siddhi Forwarders under Regulation 18 of the CBLR, 2018 for violating the provisions of Regulation 10(e) of the CBLR, 2018.
- (iv) I issue an advisory warning to the CB M/s. Sai Siddhi Forwarders to exercise due diligence by improving internal checks and ensure stricter compliance with 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.



(D. Anil.)  
Commissioner of Customs  
Pune

To

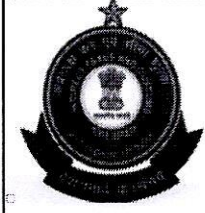
M/s Sai Siddhi Forwarders  
Shop No.1, Neelkanth Corner Co-Op. HSG. Society Ltd.,  
Plot No.2, Sector-2, Sanpada,  
Navi Mumbai-400705



Copy to:

1. The Chief Commissioner, Pune Zone
2. The Pr. Commissioner of Customs (General), New Custom House, Ballard Estate, Mumbai-400001.
3. All A.Cs/D.Cs in Charge of ICD/CFS under the jurisdiction of Pune, Customs.
- ✓ 4. EDI Section, NCH, Mumbai., *New Custom House, Ballard Estate, Mumbai - 400001*
5. Office Copy.
6. Master File.





सीमा शुल्क के आयुक्त का कार्यालय  
OFFICE OF THE COMMISSIONER OF CUSTOMS  
जी. एस. टी. भवन, 41/ए ससून रोड, पुणे-411001  
Ph. No. 020-26051839, Fax No. 020-26051849  
(Customs Broker Section) e-mail : cha-  
cuspune@gov.in

543

मूल आदेश संख्या/Order-In-Original  
No. PUNE-CUSTOMS-000-COMMR- 02/2025-26  
DIN-20250868MF000000DEE4

श्री डी.अनिल आयुक्त, पुणे सीमा शुल्क  
Passed by: Shri D. Anil  
Commissioner, Pune Customs

आदेश की तारीख: 14-08-2025  
आदेश जारी करने की तारीख: 14-08-2025  
Date of Order: 14-08-2025  
Date of Issue: 14-08-2025

#### विशेष सूचना:

आदेश की यह प्रति जिस व्यक्ति के नाम से जारी की जा रही है उन्हें यह व्यक्तिगत उपयोग के लिए निःशुल्क दी जा रही है।

1. This copy is granted free of charge for the private use of the person to whom it is issued.

२. इस आदेश से व्यक्तित्व / असहमत कोई भी व्यक्ति आयुक्त, अपील, पुणे (अपील-द्वितीय, पुणे जोन), तीसरी मंजिल एफ विंग, आईसीई हाउस, 41-ए ससून रोड, पुणे 411.001 को अपील कर सकता है। अपील, इस आदेश की प्रति व्यक्तिगत रूप से प्राप्त होने की तारीख से अथवा पार्टी को डाक द्वारा इसकी प्रति प्राप्त होने की तारीख से साठ दिन की अवधि के भीतर दायर / प्रस्तुत की जानी चाहिए। अपील के साथ निम्नलिखित कागजात होने चाहिए :-

क जिस आदेश के विरुद्ध अपील प्रस्तुत की जा रही है उस आदेश की 4 प्रतियाँ तथा अपील की 4 प्रतियाँ  
ख-अपील याचिका चार प्रतियों के सेट में दायर की जानी चाहिए और प्रत्येक प्रति के साथ अपील पर निर्भर सभी  
अनुलग्नकों को जोड़ा जाए।

ग-हालांकि, इस अपील याचिका की केवल एक प्रति पर निम्नानुसार कोर्ट फी स्टैम्प लगाना जरूरी है

- (i) यदि विषयवस्तु की मूल्यराशि रुपये 50/- अथवा उससे कम है तो रुपये 0.65 का कोर्ट की स्टैम्प
- (ii) यदि मूल्यराशि रुपये 50 से अधिक है तो रुपये 1.00/- का कोर्ट की स्टैम्प

2 Any person aggrieved by this order may prefer an appeal to the Commissioner, Appeal, Pune (Appeal-II, Pune Zone), 3rd Floor 'F' Wing, ICE House, 41-A Sassoon Road, Pune 411001. The appeal must be filed within 60 days from the date of personal service or of the date of receipt by post by the party. It must be accompanied by:

- a. Four copies of the appeal together with four copies of the order appealed against.
- b. The appeal petition should be filed in a set of four copies and each copy will have to be completed with all annexure relied upon in the appeal.
- c. However, only one copy of this appeal petition must bear court fee stamps as under :
  - (i) If the amount value of the subject matter is fifty or less than fifty – Rs. 0.5.
  - (ii) If such amount of value exceeds fifty – Rs.1.00
  - (ii) If such amount of value exceeds fifty- Rs.1.00

3. वित्त अधिनियम (संख्या 2), 2014 द्वारा प्रतिस्थापित, केंद्रीय उत्पाद शुल्क अधिनियम, 1944 की धारा 35 और/या सीमा शुल्क अधिनियम, 1962 की धारा 129ई, जैसा भी मामला हो, के अधीन जहाँ शुल्क अथवा शुल्क तथा दंड दोनों में विवाद हो अथवा दंड जहाँ



केवल दंड पर विवाद हो, वहाँ माँगे गए शुल्क के 7.5 प्रतिशत की अदायगी पर आयुक्त (अपील) के समक्ष इस आदेश के विरुद्ध अपील दायर की जा सकती है।

3. An appeal against this order shall lie before the Commissioner (Appeals) on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute, as provided under Section 35F of the Central Excise Act, 1944 and/or Section 129E of the Customs Act, 1962, as the case may be, as substituted vide Finance Act (No.2), 2014.

संबंधित पार्टी का नाम-

M/s. Sai Siddhi Forwarders, (Proprietorship),  
Shop No. 1, 'Neelkanth Corner' Co-Op. Hsg. Society Ltd.,  
Plot No.2, Sector-2, Sanpada, Navi Mumbai-400705

### **BRIEF FACTS OF THE CASE:-**

M/s. Sai Siddhi Forwarders (hereinafter referred as 'Customs Broker' 'CB'), a Proprietorship concern, having PAN No. AAKPG1281F, office premises at Shop No.1, Neelkanth Corner Co-Op. HSG. Society Ltd., Plot No.2, Sector-2, Sanpada, Navi Mumbai-400705 are holder of a Customs Broker License bearing No. PN/R/27/1998 issued by Pune Customs as parent Commissionerate under Regulation 7(2) of CBLR, 2018. They are operating from Pune, as well from Mumbai Customs (CB No.11/1111), under Regulation 7(3) of CBLR, 2018 as well as other ports and as such they are bound by the regulations and conditions stipulated therein. The validity of the license held by M/s. Sai Siddhi Forwarders is lifetime and Shri Anil Parshuram Ghag is the proprietor of M/s Sai Siddhi Forwarders.

2. The offence report in the form of Show Cause Notice No.1739/2024-25/ADC/Gr. I & IA/NS-I/CAC/JNCH dated 24.02.2025 issued by Additional Commissioner of Customs Gr-I, NS-1, JNCH, in respect of M/s. Amit Marketing (IEC No. 0514088958) having its registered address at Plot No.151, Sector 58, Behind JCB India Ltd., Faridabad-121004 has been received in this office through e-mail on 17.03.2025. Further, the Deputy Commissioner of Customs, CBS, NCH, Mumbai-I vide letter F.No. GEN/CB/466/2024-CBS dated 13.03.2025 proposed to take appropriate action under CBLR, 2018 since Pune Customs being the parent Commissionerate. Bill of Entry No. 7589843 dated 29.08.2023 was filed by M/s. Sai Siddhi Forwarders for customs clearance of goods covered under said BOE for their client M/s. Amit Marketing, the importer in the present case.

3. In the Show Cause Notice mentioned above, it has been stated that it



was noticed that the Importer i.e. M/s Amit Marketing, holds FSSAI License 10021022000080 dated 05.01.2023 having validity up to 12.01.2024. [As per the said FSSAI License, the Importer has license to import (Trade/retail) products under the Category 5- "Confectionery" under the FSSAI license. As per the FSSAI Standard Food products list "Sr. No. 05-Confectionery" includes Cocoa Products, Chocolate, Candies, Chewing Gum, Topping (Non-Fruit), Sweet-Sauces etc. while "Sr. No. 14.0-Beverages", **excludes** dairy products" includes Non-Alcoholic("soft") Beverages (water, Fruit and Vegetable Juice, Fruit and Vegetable Nectars, Water-based Flavoured Drinks, including "Sport", "Energy" or "Electrolyte" Drinks and Articulated Drinks, Coffee), Alcoholic Beverages etc. From the above list, it appears that the imported goods come under the category of "Beverage", rightly classifiable under "Sr. No. 14 Beverages". However, as per the FSSAI License, the Importer is allowed to import (Trade/Retail) in the category of "confectionery" products only.

4. It has also clarified that M/s Amit Marketing, Haryana was granted FSSAI Central License No 10021022000080 on 05.01.2023 by their office and the license has expired on 12.01.2024. Further, it is also informed that the Central Licensing Authority granted FSSAI License to Importer for product "Category 05-Confectionery" only. However, Energy Drink does not come under this category; hence, Importers cannot Import Energy Drink under the same category.

5. The investigations gathered from statements of Shri Tushar, authorized representative of M/s Amit Marketing dated 13.06.2024 and Statement dated 19.06.2024 of Shri Kunal Anil Ghag, authorized representative of M/s. Sai Siddhi Forwarders were recorded under Section 108 of Customs Act, 1962 has established the wrong doings of the importer in connivance with CHA.

7. The Custom Broker M/s. Sai Siddhi Forwarders have allegedly in connivance with the importer has grossly mis-declared the goods in terms of description. Further, the Custom Brokers have failed to exercise due diligence to ascertain the correctness of information that they were imparting to the importer. Consequently, the Custom Broker have rendered themselves liable for penal action under Section 112(a), 112(b) and 114AA of the Customs Act, 1962.

8. The Custom Broker M/s Sai Siddhi Forwarders allegedly, knowingly concerned with the modus operandi that was used to import of "Energy



Drink” without proper FSSAI License in connivance with the importer. Thus, the Custom Broker have rendered themselves liable for penal action under Section 114AA of the Customs Act, 1962.

#### **09. Legal Provision of the CBLR, 2018:**

##### **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;"*

##### **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".*

#### **10. SHOW CAUSE NOTICE:**

M/s. Sai Siddhi Forwarders (PAN No. AAKPG1281F) was issued a Show Cause Notice (SCN) No. 02/2025-26 dated 11.04.2025 by the Principal Commissioner of Customs, Pune asking them to show cause as to why the Customs Broker License bearing No. PN/R/27/1998 dated 06/10/1998 issued to them should not be revoked and security deposited should not be forfeited and penalty should not be imposed upon them under Regulation 14 read with 17 & 18 of the CBLR, 2018 for their failure to comply with the Regulation 10(d) & 10(e) of CBLR, 2018 as elaborated in the Show Cause Notice. They were directed to appear for a personal hearing and to produce proof of evidence/documents if any, in their defence to Shri Vivekanandhan S, Assistant Commissioner of Customs, Pune who was appointed as an inquiry officer to conduct inquiry under regulation 17 of CBLR, 2018.

#### **11. INQUIRY REPORT:**

The IO Shri S. Vivekanandhan, Assistant Commissioner of Customs, Pune submitted the Inquiry Report dated 07/07/2025, in which it is stated that the CB was granted opportunity for personal hearing on 28.05.2025. Shri Kunal Anil Ghag, G-card holder, M/s. Sai Siddhi Forwarders appeared for the Personal Hearing on 28.05.2025. Accordingly, by following due process inquiry was completed.



## **12. WRITTEN SUBMISSION OF THE CUSTOMS BROKER**

M/s. Sai Siddhi Forwarders (CB No. PN/R/27/1998) in their written submission dated 13.05.2025, as well as oral, during the PH on 28.05.2025 and submitted the following:

- **In defence of violation of Regulation 10(d) of CBLR, 2018-**

- The provisions of Regulation 10(d) of the CBLR, 2018, which mandates, Customs Broker shall advise their client to comply with the provisions of the Act, other allied Acts, and the rules and regulations framed thereunder. In the event of non-compliance, the Customs Broker shall bring such non-compliance to the notice of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be.
- It is submitted that the Noticee CB was made to understand by the importer that the said FSSAI License No. 10021022000080 dated 05-01-2023, obtained by them for the category "05-Confectionery", was valid for food items also including the "Beverages" which covered the said goods i.e.. "Energy Drink". In his statement dated 13-06-2024 wherein he has stated that they believed that the said FSSAI license was enough for import of said imported goods as they believe said imported goods come under confectionery. He further stated that they were unaware that separate FSSAI license, other than for product category 05 confectionery, was required for import of "Energy Drinks" and that the said FSSAI License was enough for the import of energy drinks too.
- It is submitted that the Noticee CB filed the said Bill of Entry based on the documents that they were provided by the importer and that the Noticee CB was not at any fault. Further, it was expressly stated by the importer that the said FSSAI License was a proper document for import of the said goods. The Noticee CB was not aware about requirement of a separate FSSAI License for import of the said goods. Under the circumstances, the Noticee CB filed the said Bill of Entry



based on the documents furnished by the importer. Having believed the information provided by the importer to be true, the said Bill of Entry was filed as the Noticee CB did not suspect the same to be false or incomplete. Therefore, there is no violation of Regulation 10(d) of the CBLR 2018.

- It is further submitted that the clearance was undertaken strictly on the basis of documents provided by the importer. Upon scrutiny of the FSSAI license, it was observed that the license did not specify any product description on its face. In adherence to due diligence, the CB/Noticee sought explicit confirmation from the importer regarding the applicability of the said license to the subject consignment. The importer confirmed that the goods were covered under the license, a position further substantiated by the importer's statement recorded during the investigation.
- Reliance is placed on the order of the **Hon'ble CESTAT, New Delhi in the matter of M/s. Durga Link Logistics (Pvt.) Ltd. Vs. Commissioner of Customs (Airport & General), New Delhi reported vide 2023 (11) TMI 319 CESTAT New Delhi**. Violation of Regulation 10(d) of CBLR, 2018 HELD THAT:- The appellant had no means to verify item wise quantity or weight of the goods and in fact as, customs broker, he is not required to do so. With these findings, the penalty which was imposed upon the appellant under Section 114 was also set aside. Once there was no knowledge with the appellant about the alleged mis-declaration, once it was a case of clerical mistake and oversight while preparing invoice / packing list no question arises for confiscation. He further stated that they were unaware that separate FSSAI license, other than for product category 05 confectionery, was required for import of "Energy Drinks" and that the said FSSAI License was enough for the import of energy drinks too.
- Further reliance is placed on the order of the **Hon'ble CESTAT, New Delhi in the matter of M/s. V S Bhagwati Shipping Vs. Commissioner of Customs New Delhi (Airport and General) reported vide 2025 (1) TMI 1221 CESTAT New Delhi**. The relevant



part of the same is reproduced hereunder.

- Whether the appellant as Customs Broker have violated Regulations 10(a), 10(d) 10(e) of Customs Broker License Regulations, 2018 (CBLR)? HELD THAT: - Appellant as CB is bound by the documents given to him by the importers. Further, till date department has not been able to produce any evidence that any of the documents submitted at the time of clearance of the imported Areca Nuts are forged or false. No report from the Country of Origin ie Sri Lanka or from the alleged countries i.e. Indonesia and Veitnam have been obtained - The task of verification of documents is of the departmental officers. Law also does not empower the CB to undertake any investigations. Hence this part of the allegation is without any basis and wrongful presumption that CB should have investigated the documents provided by the importers. Further, when law of the land states that COO certificates cannot be challenged even by the Customs Authorities except by following a prescribed procedure, how can a CB challenge those documents and in particular when the certificates were supported by Bill of lading, Commercial invoice etc. None of these documents have been objected nor have been denied by the importers to have been provided to the appellant.
- Law does not require a custom broker to physically deal with the goods before the same are received in custom area. The Custom Broker operates on the basis of document supplied to him and in that context, it can hardly be held that the documents/details filed by the Custom Broker on the strength of documents supplied by the importers are wrong there are no merit in confirmation of charge under Regulation 10(d) and 10(e) of the CBLR 2018. The same is therefore liable to be dropped.
- **In defence of violation of Regulation 10 (e) of CBLR, 2018-**
  - Regarding violation of Regulation 10(e) of the CBLR 2018, it is submitted that the same is applicable when the CB fails to exercise due diligence to ascertain the correctness of any information which



he imparts to his client with reference to any work related to clearance of cargo. There is nothing on record, other than the allegation made in the said SCN, that the Noticee CB has failed to exercise due diligence to ascertain the correctness of any information which he imparts to his client.

- It is submitted that what transpires between the CB and his client who may be an importer or an exporter in respect of any assignment, remains between them and there is no third party including the Customs Authorities, who would know the same. Therefore, to allege that the CB has failed to exercise due diligence to ascertain the correctness of any information which he imparts to his client with reference to any work related to clearance is at the most an assumption since a violation has taken place.
- It is submitted that this allegation can only be proved only in cases where the client has made any complaint for not having been provided correct and verified information. There is nothing on record that there is any such complaint against the Noticee CB. On the contrary, the importer has stated in his statement dated 19-06-2024 that the Noticee CB has nothing to do with the use of invalid FSSAI License. Under the circumstances, there is no ground to allege that the CB has failed to exercise due diligence to ascertain the correctness of any information which he imparts to his client with reference to any work related to clearance.
- It is submitted that while facilitating the clearance of goods covered under Bill of Entry No. 7589843 dated 29-08-2023, the CB / Noticee duly advised the importer to ensure compliance with all applicable provisions of law, rules and regulations. In accordance with Regulation 3(1) of the FSSAI (Import) Regulations, 2017, the CB / Noticee advised the importer to furnish the requisite FSSAI license and other necessary documents required for the import of food articles.
- Reliance is placed on the order of the Hon'ble CESTAT, New Delhi in

the matter of Rich Mark Shipping and Logistics Vs. Pr. Commissioner of Customs, Visakhapatnam reported vide 2025 (1) TMI 796- CESTAT Hyderabad, a copy of which is placed as ANNEXURE-D herewith. The relevant part of the same is re-produced hereunder: Whether, in the given facts of the case, there is any breach of the provisions under regulations 10(d) & 10(e) of CBRL, 2018 -HELD THAT:- As can be seen from Regulation 10(d), the customs broker is required to advice his client to comply with the provisions of the Act and in case of non-compliance, he is required to bring the matter to the notice of Deputy Commissioner or Assistant Commissioner of Customs.

- In this case, it is apparent that the client was the same appellant company but in the capacity of importer. Therefore, there is nothing on record that they had not advised their client about the statutory provisions the charges levelled against the appellant under Regulation 10(d) are not tenable, in the facts of the case. Moreover, exactly what provisions of the Act or other allied Acts or Rules were not advised by the appellant to his client is also not forthcoming in the charges levelled against the appellant in the SCN. Therefore, unless there is a very clear ground about the charges levelled, the appellant would not get an opportunity to defend his case. A general reliance on the entire SCN, without elaborating which parts were relied upon for establishing the breach of regulation 10(d) by the customs broker, would not be correct. Thus, the charges under regulation 10(d) are not sustainable.
- Similarly, the provisions under regulation 10(e) is also very clear, which essentially provides for that the customs broker needs to exercise "due diligence" in communicating correct information to his client with reference to any work relating to clearance of cargo. Nothing in the SCN dt.13.03.2024 is showing as to what wrong information was provided by the appellant, in their capacity as customs broker to the appellant, acting as importer. Merely because they are the same company, it could not be presumed that everything which was known to the company, as importer was also known to the appellant, as customs broker, unless detailed evidence is brought on record - at the first opportunity itself the customs broker has in fact,



tried to ascertain the correctness of information and had filed the Bill of Entry based on all the documents which were otherwise found to be genuine. This, in itself, would suffice that they had exercised reasonable due diligence. It is also to be noted that out of 17 obligations, the department would charge only on two counts i.e., 10(d) & 10(e) and therefore, in respect of other obligations, they were not found to be noncompliant. Thus, to invoke 10(e) in this case without substantial evidence directly implicating them in positive manner in smuggling of goods, is not tenable.

### **13. COMMENTS OF THE INQUIRY OFFICER:**

The IO submitted that he had carefully perused all the available records of the case, the Offence Report in the form of SCN 1739/2024-25/ADC/Gr.I & IA/NS-I/CAC/JNCH dated 24.02.2025 issued by Additional Commissioner of Customs, Gr.I,NS-1, JNCH in respect of M/s Amit Marketing as well as the Show Cause Notice No. 02/2025-26 dated 11.04.2025 issued by the Principal Commissioner of the Customs, Pune and submissions made by the CB before him during the PH held on 28.05.2025 & written submissions dated 13.06.2024. From the statement dated 13/06/2024 of Shri Tushar, the authorised representative of M/s Amit Marketing, the IO found that the importer was unaware that a separate License was required for Energy Drink. They believed that FSSAI certificate for Confectionery was enough for import of Energy Drink also. Accordingly, they gave the documents to the CB for filing BoE. Further, from the statement dated 19/06/2024 of Shri Kunal Anil Ghag, the authorised representative of M/s Sai Siddhi Forwarders, the IO found that the Customs Broker was also of the view that the FSSAI License for Confectionery was enough for Energy Drink also and they were unaware that separate product category was needed to import Energy Drink. And since the importer also confirmed the same, the CB filed BoE using the FSSAI provided to them by the importer.

### **14. PERSONAL HEARING AND RECORDS OF PERSONAL HEARING:**

A personal hearing was granted to Customs Broker before Commissioner of Customs, Pune on 23.07.2025. Shri Kunal Anil Ghag, G-Card Holder of M/s Sai Siddhi Forwarders appeared and submitted an oral submission dated 29-03-2025 and reiterated contents therein

**15. DISCUSSION AND FINDINGS:**

**15.1** I have carefully gone through impugned Show Cause Notice dated 11.04.2025 having facts of the case, material evidence on record, Inquiry Report dated 07.07.2025, oral and written submissions made by CB.

**15.2** I observe that the charges framed against the said CB is of violation of Regulation 10(d) and 10(e) of CBLR, 2018 and alleged in Show Cause Notice No. 02/2024-25 dated 11.04.2025. According to the Inquiry Officer vide Inquiry Report dated 07.07.2025 there is no violation of regulations 10(d), however the CB has violated the provisions of regulation 10(e) of CBLR, 2018.

**16.1. With regards to violation of Regulation 10(d) of CBLR, 2018:**

**16.1.1.** The said regulation 10(d) of CBLR, 2018 reads as:-

*"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;"*

**16.1.2** I.O. in his report submitted that both the Customs Broker as well the importer were also of the same view that the FSSAI License for Confectionery was enough for Energy Drink also and they were unaware that separate product category was needed to import Energy Drink. Only after getting confirmation from the importer regarding the eligibility of the said FSSAI License, the CB filed the BoE. When both were of the same view and belief, there is no question of the CB advising the importer otherwise. Also as there was no difference of opinion between the Importer and the CB with regard to the eligibility of the said FSSAI License for import of said Energy Drink, hence no question arises of the CB informing the Customs authorities. Hence it is clear that the CB has not violated the provisions of the Regulation 10(d) of the CBLR, 2018. Also, as per the investigation carried out by the Customs Authorities at the Port of import nothing concrete is coming out that both the CB and the importer was in connivance for importing the goods by circumventing the restriction imposed by the FSSAI. The CB had filed the BoE on the basis of import documents submitted by the importer under the Bonafide belief that the same are correct and valid as the CB has no method to verify the same on



his own. Hence the allegation of customs brokers not advising the importer to comply with the provisions of the Act, allied Acts and rules and regulations does not hold any merit. And since the CB had filed the BoE under bonafide belief that the same are correct and valid, hence question of intimating the customs officer does not arise here. Therefore, I hold that CB has not violated the provisions of Regulation 10(d) of the CBLR, 2018.

**16.2. With regards to violation of Regulation 10(e) of CBLR, 2018:**

**16.2.1.** The said regulation 10(e) of CBLR, 2018 reads as:

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

**16.2.2.** I.O. in his report submitted that the CB has acted in good faith and also as there was no difference of opinion between the Importer and the CB with regard to the eligibility of the said FSSAI License for import of said Energy Drink and both were unaware of the requirement of separate product category was needed in the FSSAI License to import Energy Drink. However, it is also seen that the CB and the importer have seen only the front page of the FSSAI License whereas the Annexures in the FSSAI License clearly categorises the different Food products under different headings. The CB has not shown due diligence in reading the FSSAI license completely and thereby he agreed with the importer on the eligibility of the import of Energy Drink under the same food category as "Confectionery". Had he read the full Annexure, he would have realized that the said FSSAI was not eligible for import of Energy Drink. Pleading non-awareness to existing facts and that all other importers are also importing the same items under Confectionery does not give immunity to the CB especially when the facts were available with them on record in the form of Annexure to the FSSAI License. **Hence in view of the above it is clear that the CB has violated the provisions of the Regulation 10(e) of the CBLR, 2018 and accordingly I hold the same. Further,** though I find and hold that the CB has violated the provisions of regulations 10(e) of the CBLR, 2018, I am also of the opinion that these are only lapses in exercising due diligence and procedural negligence of the CB and there seems to be no intent of collusion seen from the records. Hence, I hold that **revocation of CB License No. PN/R/27/1998 dated 06.10.1998 is neither justifiable nor warranted at this stage. However, it is the fact of the case that the CB has failed in exercising due diligence to**

**ascertain the correctness of the information that shows their casual approach towards fulfilling their responsibility which has been casted upon by the law and for which they are liable to be penalised under the provisions of CBLR, 2018.**

17. In view of the above, I pass the following order:-

**ORDER**

I, the Commissioner of Customs, Pune, in exercise of the power conferred under the Customs Broker Licensing Regulations, 2018, hereby order as follows:

- i. I do not revoke the license bearing No. PN/R/27/1998 dated 06.10.1998 issued to the CB M/s Sai Siddhi Forwarders. Also I order to not forfeit the security deposit amount under Regulation 14 of the CBLR, 2018.
- ii. I drop the charges of violations of the provisions of Regulation 10(d) of the CBLR, 2018 initiated vide Show Cause Notice No. 02/2025-26 dated 11.04.2025.
- iii. I impose a penalty of Rs. 25,000/- (Rupees Twenty-Five Thousand only) on the CB M/s Sai Siddhi Forwarders under Regulation 18 of the CBLR, 2018 for violating the provisions of Regulation 10(e) of the CBLR, 2018.
- iv. I issue an advisory warning to the CB M/s. Sai Siddhi Forwarders to exercise due diligence by improving internal checks and ensure stricter compliance with 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.

**Digitally signed by  
D Anil**

**Date: 14-08-2025**

**16:10:51**

(D. Anil.)

Commissioner of Customs  
Pune

To

M/s Sai Siddhi Forwarders

Shop No.1, Neelkanth Corner Co-Op. HSG. Society Ltd.,

Plot No.2, Sector-2, Sanpada,

Navi Mumbai-400705

Copy to:

1. The Chief Commissioner, Pune Zone
2. The Pr. Commissioner of Customs (General), New Custom House, Ballard Estate, Mumbai-400001.
3. All A.Cs/D.Cs in Charge of ICD/CFS under the jurisdiction of Pune, Customs.



- ✓ 4. EDI Section, NCH, Mumbai, *New Custom House, Ballard Estate Mumbai-400001*
5. Office Copy.
6. Master File.



एक कदम स्वच्छता की ओर

भारत सरकार सेवार्थ  
ON INDIA GOVERNMENT SERVICE

542, 543

स्पीड

EDI Section,

New Custom House,

Ballard Estate, Mumbai-400001

NO



जावक लिपिक / DESPATCH CLERK

सीमा शुल्क के आयुक्त का कार्यालय, पुणे

41/ए, आय.सी.ई. हाऊस, ससून रोड, पोस्ट बॉक्स नं. 176, पुणे - 411 001.

Office Of The Commissioner Of Customs, Pune

41/A, ICE House, Sassoon Road, P.B. No. 176 Pune - 411 001

BOOKED UNDER BNPL SCHEME  
SPCC PUNE - 411 001

BNPL No. : 13500

DATE : 18 AUG 2025

W.T. : 92

CHARGES :