



आयुक्त, सीमा शुल्क का कार्यालय, कांडला
OFFICE OF THE COMMISSIONER OF CUSTOMS

न्यू कस्टम हाउस, कांडला

NEW CUSTOM HOUSE, KANDLA-370210

Phone No: 02836-271468/469, Fax No.02836-271467

F. No.: CUS/LIC/SYS/14/2024-CB

dated: 14.03.2025

DIN: 20250371M2000000 AFP3

SHOW CAUSE NOTICE

(Issued under Regulations 14, 17 & 18 of Customs Brokers Licensing Regulations, 2018)

M/s BN Thakker & Sons, Office number 4, Rishabh Arcade, Plot number 83, Sector-8, Near GST Bhavan, Kutch-370201 (hereinafter referred to as the Custom Broker or CB) is holding CB Licence No. KDL/CB/03/2017-18 dated 18-Jan-2018 (PAN No. AAOFB2251Q) issued by Commissioner of Customs, Kandla Customs Commissionerate for the purpose of presenting of import and export documents on behalf of their clients in terms of provisions contained under Customs Broker Licensing Regulations, 2018.

2. Whereas the Customs Broker M/s. BN Thakker & Sons, Gandhidham was granted Custom Broker License under regulation 7 of Customs Broker Licensing Regulations, 2013. However, Customs Broker Licensing Regulations, 2018 shall apply to Customs Broker who has been licensed under Customs Broker Licensing Regulations, 2018 as per Regulation 1(3) of Customs Broker Licensing Regulations, 2018. The said permission is valid up to 17.01.2028, i.e. till the validity of the parent license. M/s. B.N. Thakker & Sons was also permitted to work as Customs Broker at Customs Commissionerate Mundra and Ahmedabad by the Jurisdictional Principal Commissioner/ Commissioner of Customs.

3. Whereas an Investigation Report (offence Report) dated 19.12.2024 was received from the SIIB Section, Customs House, Kandla vide F. No. Cus/SIIB/HOC/75/2024-SIIB-O/o-Commr-Cus-Kandla outlining the role of the Custom Broker and for taking necessary action against the CB under the Customs Brokers Licensing Regulation, 2018.

4. Whereas investigation was conducted by the Office of the Commissioner of

Customs, Kandla, regarding serious violations and unauthorized handling of goods within the Customs area without obtaining necessary approvals and following prescribed procedures. Upon a detailed investigation and analysis of statements recorded under Section 108 of the Customs Act, 1962, the following facts have emerged against M/s. B N Thakker & Sons:

- i. The container SLLU2408872, covered under Bill of Entry No. 5802864 dated 25.09.2024, was placed under Customs supervision for examination at CWC, Kandla. It was found that the seal bearing No. 0222928 had been unauthorized cut, and a significant portion of the cargo was removed without the presence of Customs Officers. The cargo was inadvertently mixed with the consignment of M/s. Shyam Sunder Surendra Kumar and loaded onto their trucks, thereby bypassing the required customs examination.

5. WHEREAS the investigation findings indicate that M/s. B N Thakker & Sons, Custom Broker license no. KDL/CB/03/2017-18 dated 18-Jan-2018 (PAN No. AAOFB2251Q), issued by Commissioner of Customs, Kandla Customs Commissionerate for the purpose of presenting of import and export documents on behalf of their clients in terms of provisions contained under Customs Broker Licensing Regulations, 2018, has been involved in unauthorized clearance, movement, and handling of goods under Bill of Lading No. IIX1334ECSM5457 dated 18.09.2024 and Bill of Entry No. 5802864 dated 25.09.2024 of M/s. Shyam Sunder Surendra Kumar leading to procedural lapses and contraventions of customs laws;

6. Being a licensed Customs Broker license no. KDL/CB/03/2017-18 dated 18-Jan-2018 (PAN No. AAOFB2251Q), of M/s. B N Thakker & Sons was responsible for ensuring that all customs procedures were followed. The authorized representative of M/s. B N Thakker & Sons was aware of the unauthorized seal cutting and removal of goods but failed to report the same to the Customs authorities. The firm did not ensure that goods were properly handled, leading to an inadvertent mix-up and unauthorized removal of cargo. This constitutes a clear failure in adherence to obligations under Regulation 10 (e) of the Customs Broker Licensing Regulations (CBLR), 2018. Regulation 10 (e) of the Customs Broker Licensing Regulations (CBLR), 2018 is reproduced here-in-under for ease of reference:

“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. M/s. B N Thakker & Sons did not inform Customs authorities immediately upon discovering that the cargo had been removed improperly. The firm deliberately withheld information that could have prevented further procedural violations. This omission constitutes a violation of Section 47 of the Customs Act, 1962, as it pertains to the unauthorized removal of goods from the Customs area.

8. As a Customs Broker license no. KDL/CB/03/2017-18 dated 18-Jan-2018 (PAN No. AAOFB2251Q), of M/s. B N Thakker & Sons is required to ensure compliance with all customs laws. The firm has failed in its duty under Regulation 10 (e) of the Customs Broker Licensing Regulations (CBLR), 2018 to properly oversee cargo handling and ensure that Customs was notified of any procedural lapses. This amounts to a breach of professional conduct and calls for penal action under Regulation 18 of the Customs Broker Licensing Regulations, 2018.

9. Whereas Regulation 17 of CBLR, 2018 provides Procedure for revoking license or imposing penalty, which is submitted here-in-under:

17. Procedure for revoking license or imposing penalty.—

(1) The Principal Commissioner or Commissioner of Customs shall issue a notice in writing to the Customs Broker within a period of ninety days from the date of receipt of an offence report, stating the grounds on which it is proposed to revoke the license or impose penalty requiring the said Customs Broker to submit within thirty days to the Deputy Commissioner of Customs or Assistant Commissioner of Customs nominated by him, a written statement of defense and also to specify in the said statement whether the Customs Broker desires to be heard in person by the said Deputy Commissioner of Customs or Assistant Commissioner of Customs.

(2) The Commissioner of Customs may, on receipt of the written statement from the Customs Broker, or where no such statement has been received within the time-limit specified in the notice referred to in sub-regulation (1), direct the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, to inquire into the grounds which are not admitted by the Customs Broker.

(3) The Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, shall, in the course of inquiry, consider such documentary evidence and take such oral evidence as may be relevant or

material to the inquiry in regard to the grounds forming the basis of the proceedings, and he may also put any question to any person tendering evidence for or against the Customs Broker, for the purpose of ascertaining the correct position.

(4) The Customs Broker shall be entitled to cross-examine the persons examined in support of the grounds forming the basis of the proceedings, and where the Deputy Commissioner of Customs or Assistant Commissioner of Customs declines permission to examine any person on the grounds that his evidence is not relevant or material, he shall record his reasons in writing for so doing.

(5) At the conclusion of the inquiry, the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, shall prepare a report of the inquiry and after recording his findings thereon submit the report within a period of ninety days from the date of issue of a notice under sub-regulation (1).

(6) The Principal Commissioner or Commissioner of Customs shall furnish to the Customs Broker a copy of the report of the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be, and shall require the Customs Broker to submit, within the specified period not being less than thirty days, any representation that he may wish to make against the said report.

(7) The Principal Commissioner or Commissioner of Customs shall, after considering the report of the inquiry and the representation thereon, if any, made by the Customs Broker, pass such orders as he deems fit either revoking the suspension of the license or revoking the license of the Customs Broker within ninety days from the date of submission of the report by the Deputy Commissioner of Customs or Assistant Commissioner of Customs, under sub-regulation (5):

Provided that no order for revoking the license shall be passed unless an opportunity is given to the Customs Broker to be heard in person by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be.

(8) Where in the proceedings under these regulations, the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, comes to a conclusion that the F card holder is guilty of grounds specified in regulation 14 or incapacitated in the meaning of the said regulation, then the Principal Commissioner of Customs or Commissioner of Customs may pass an

order imposing penalty as provided in regulation 18:

Provided that where an order is passed against an F card holder, he shall surrender the photo identity card issued in Form F forthwith to the Deputy Commissioner of Customs or Assistant Commissioner of Customs.

(9) Where in an offence report, charges have been framed against an F card holder in addition to the Customs Broker who has been issued a license under regulation 7, then procedure prescribed in regulations 16 and 17 shall be followed mutatis mutandis in so far as the prescribed procedure is relevant to the F card holder:

Provided that where any action is contemplated against a G card holder alone under these regulations, then instead of authority referred to in sub-regulation (8), a Deputy Commissioner or Assistant Commissioner rank officer shall pass such order as mentioned in the said sub-regulation along with debarring such G card holder from transacting the business under these regulations for a period of six months from such order.

Provided further that where an order is passed against a G card holder, then he shall surrender the photo identity card issued in Form G forthwith to the Deputy Commissioner of Customs or Assistant Commissioner of Customs.

Explanation.—Offence report for the purposes of this regulation means a summary of investigation and prima facie framing of charges into the allegation of acts of commission or omission of the Customs Broker or a F card holder or a G card holder, as the case may be, under these regulations thereunder which would render him unfit to transact business under these regulations.

10. Whereas as per Regulation 14 of Customs Brokers Licensing Regulations, 2018, the Principal Commissioner or Commissioner of Customs may, subject to the provisions of regulation 17, revoke the license of a Customs Broker and order for forfeiture of part or whole of security, on any of the following grounds, namely:—

(a) failure to comply with any of the conditions of the bond executed by him under regulation 8;

(b) failure to comply with any of the provisions of these regulations, within his jurisdiction or anywhere else;

(c) commits any misconduct, whether within his jurisdiction or anywhere else

which in the opinion of the Principal Commissioner or Commissioner of Customs renders him unfit to transact any business in the Customs Station;

(d) adjudicated as an insolvent;

(e) of unsound mind; and

(f) convicted by a competent court for an offence involving moral turpitude or otherwise.

11. Whereas as per Regulation 18 of CBLR,2018, the Principal Commissioner or Commissioner of Customs may impose penalty not exceeding fifty thousand rupees on a Customs Broker or F card holder who contravenes any provisions of these regulations or who fails to comply with any provision of these regulations.

12. As mentioned in previous Paras that the Custom Broker has contravened/failed to comply with the provisions of Regulation 10 (e) of CBLR, 2018 and the deliberate acts and omissions on the part of said Customs Broker have rendered themselves liable for penal action under Regulation 18 of CBLR,2018 including revocation of license, forfeiture of part or whole of security under regulation 14 of CBLR,2018 read with regulation 17 of CBLR, 2018.

13. Accordingly, in terms of Regulation 17 of Customs Brokers Licensing Regulations,2018, Shri Saurabh Singh, Assistant Commissioner of Customs, Custom House Kandla is being nominated as the inquiry Officer in the case. M/s B N Thakker& Sons are required to submit within 30 days of the issuance of this Show Cause Notice, a written statement of defence against the charges in the preceding paras before the Inquiry Officer.

14. The Inquiry Officer shall submit a report within 90 days of the issuance of the Show Cause Notice to the Commissioner of Customs, Custom House Kandla. On receipt of the inquiry report, the same shall be shared with the CB for their comments.

15. Now, in view of above and in terms of provisions of Regulation 17 of Customs Broker Licensing Regulation (CBLR),2018, M/s. B N Thakker& Sons registered office at Office number 4, Rishabh Arcade, Plot number 83, Sector 8, Near GST Bhavan, Kutch 370201 holding Customs Broker License No. KDL/CB/03/2017-18 dated 18-Jan-2018 (PAN No. AAOFB2251Q) are hereby called upon to show cause to the Commissioner of Customs, Custom House Kandla as to why;

- i. The Customs Broker License No. KDL/CB/03/2017-18 dated 18-Jan-2018 (PAN No. AAOFB2251Q), issued to them should not be revoked under Regulation 14 of Customs Brokers Licensing Regulations, 2018 read with regulation 17 of CBLR, 2018
- ii. The security furnished by the Customs Broker for issuance of Customs Broker License No. KDL/CB/03/2017-18 dated 18-Jan-2018 (PAN No. AAOFB2251Q), should not be forfeited under Regulation 14 of CBLR, 2018 read with regulation 17 of CBLR, 2018.
- iii. Penalty should not be imposed on them in terms of Regulation 18 of Customs Brokers Licensing Regulations, 2018 read with Regulation 17 of CBLR, 2018 for failure to comply with provisions of Regulation 10 (e) of CBLR, 2018.

16. The CB is required to specifically mention in their written submissions after the Inquiry Officer Report is received upon them, if any, as to whether they wish to be heard in person before the case is adjudicated. If no specific mention is made about the same in their written submission, it shall be presumed that they do not wish to be heard in person, and the case would be adjudicated on the basis of evidences on record. They should produce at the time of showing cause, all the evidences upon which they intend to rely in support of their defence.

17. The CB is further required to note that their reply should reach within 30 (thirty) days from the date of receipt of the inquiry officer report. If no cause is shown against the action proposed above within 30 days from the receipt of the inquiry officer report or if they do not appear when the case is posted for hearing, the case is liable to be decided ex-parte on the basis of facts and evidences available on record.

18. This Show Cause Notice is being issued under Regulation 17 of CBLR, 2018 framed under Section 146 of the Customs Act, 1962 without prejudice to any other action that may be taken or has been initiated against the notice or any other person/s concerned in respect of this matter under the provisions of the Customs Act, 1962 and/or any other law for the time being in force.

19. This Show Cause Notice relies on the offence note (offence report) dated 19.12.2024 issued by SIIB Section, Customs House, Kandla. All the relied upon documents are enclosed herewith.

Signed by M Ram Mohan Rao

Date: 14-03-2025 11:45:11 (M. Rammohan Rao)

F. No.CUS/LIC/SYS/14/2024-CB
DIN: 20250371 ML 000000 AFF3

To,
M/s. B.N Thakker&Sons ,
Office number 4, Rishabh Arcade,
Plot number 83, Sector 8,
Near GST Bhavan,
Kutch 370201

Copy to:-

1. The Chief Commissioner of Customs, Custom Gujarat Zone, Ahmedabad.
2. The Pr. Commissioner of Customs, Ahmedabad.
3. The Pr. Commissioner of Customs, Mundra.
4. Shri Sawubh Singh, Deputy/Assistant Commissioner of Customs, Custom House Kandla (Inquiry Officer), for conducting Inquiry in terms of Regulation 17 of Customs Brokers Licensing Regulations, 2018.
5. All Section Heads, Custom House, Kandla.
6. Office copy.
7. Notice Board