सीमा शुल्क के प्रधान आयुक्त का कार्यालय
सीमा शुल्क सदन, मुंद्रा, कच्छ, गुजरात
OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS
CUSTOMS HOUSE, MUNDRA, KUTCH, GUJARAT
Phone No. 02838-271165/66/67/68 Fax No. 02838-271169/62
Email: ag-mundra@gov.in

F. No. GEN/CB/SUS/2/2026-A/G-O/o Pr Commr-Cus-Mundra

Date:23.10.2026

ORDER-IN-ORIGINAL No. 02/2026-27

(Under Regulation 17(7) of the Customs Brokers Licensing Regulations, 2018)

Name & address of the Noticee: M/s Saarvin Customs Clearance, Office No. 5, First Floor, Amrutkrupa Building, Jawahar Chowk, Near Bus Depot, Mundra, Kutch, Gujarat (Customs Broker Licence No. BBTPC2873A).

1. Brief Facts & Background of the Case

1.1. M/s Saarvin Customs Clearance, having its office at Office No. 5, First Floor, Amrutkrupa Building, Jawahar Chowk, Near Bus Depot, Mundra, Kutch, holding Customs Broker Licence No. BBTPC2873A issued by the Commissioner of Customs, Mundra under Regulation 7(2)(b) of the Customs Brokers Licensing Regulations, 2018 (hereinafter referred to as "CBLR, 2018"), is hereinafter referred to as the "Customs Broker" or "Noticee".

1.2. An Offence Report dated 06.01.2026 was received from the Directorate of Revenue Intelligence, Gandhidham Regional Unit, in respect of the import consignment of M/s Ignite Infraspares, Faridabad (hereinafter referred to as "the importer"), handled by the Customs Broker and covered under Bill of Entry No. 2533284 dated 07.06.2025.

1.3. The goods were declared as "Construction Equipment Spare Parts". Investigation revealed that the consignment contained chisels and related spare parts attracting Anti-Dumping Duty, and that the importer had mis-declared the goods to evade the said duty. The Government-approved Chartered Engineer confirmed the nature of the goods and re-determined the assessable value, resulting in substantial enhancement of the declared CIF value. The importer subsequently admitted the mis-declaration, accepted the re-determined value and discharged the differential Customs duty.

1.4. During investigation, Shri Nigam Chavda, Proprietor and F-Card holder of the Customs Broker firm, admitted that the Customs Broker had no direct interaction with the importer; that all documents, including the commercial invoice, packing list, Bill of Lading, KYC documents

and authorisation, were received only through M/s YNS Logistics and Services, Delhi, a freight forwarder, via e-mail and WhatsApp; that no original signed authorisation was obtained from the importer; that the Bill of Entry was filed solely on the basis of documents forwarded by the freight forwarder; and that no independent verification of the importer's credentials or functioning was undertaken.

1.5. It was, therefore, alleged that the Customs Broker had failed to discharge the obligations prescribed under Regulation 10(n) of the CBLR, 2018, which requires a Customs Broker to verify the correctness of the Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of the client and functioning of the client at the declared address by using reliable, independent, authentic documents, data or information.

1.6. Accordingly, Show Cause Notice No. 01/2026-27 dated 27.04.2026 was issued to the Customs Broker under Regulation 17(1) of the CBLR, 2018, proposing:

(i) revocation of the Customs Broker Licence No. BBTPC2873A and forfeiture of the security deposit furnished by the Customs Broker under Regulation 14 read with Regulation 17 of the CBLR, 2018; and

(ii) imposition of penalty under Regulation 18 of the CBLR, 2018 for contravention of Regulation 10(n) of the CBLR, 2018.

1.7. Shri Ajoy Kumar, Assistant Commissioner (AG), Customs House, Mundra was appointed as the Inquiry Officer to conduct the inquiry in the matter.

2. Defence of the Customs Broker

2.1. The Customs Broker submitted its written defence denying the allegations made in the Show Cause Notice.

2.2. It was contended that the Customs Broker had obtained the KYC documents of the importer and had verified the IEC and GSTIN of the importer through the ICEGATE and GST portals respectively.

2.3. It was further contended that the Customs Broker had acted bona fide on the basis of the documents received from the freight forwarder, had fully cooperated during the investigation and had no knowledge of the mis-declaration made by the importer.

3. Inquiry Proceedings

3.1. In terms of Regulation 17(5) of the CBLR, 2018, the Inquiry Officer conducted the inquiry after examining the Show Cause Notice, the Offence Report, the relied upon documents, the statements recorded during investigation, the written defence of the Customs Broker and the records available on file.

3.2. The Customs Broker was granted an opportunity of personal hearing by the Inquiry Officer vide letter dated 17.07.2026. The personal hearing was attended on 17.07.2026 by Shri Nigam Chavda, F-Card holder and Proprietor of the Customs Broker firm, who stated that the firm had handled the first import consignment of M/s Ignite Infraspares covered under Bill of Entry No. 2533284 dated 07.06.2025 on the basis of coordination with the freight forwarder, M/s YNS Logistics and Services, Delhi; that all communication and documentation, including the commercial invoice, packing list and Bill of Lading, were received from the said forwarder via e-mail and WhatsApp; and that the firm had no direct interaction with the importer. He further submitted that (i) there is no dispute over the IEC and GSTIN, online verification of which was carried out; (ii) there is no dispute over the identity of the client; and (iii) there is no dispute over the functioning of the client at the declared address.

3.3. The Inquiry Officer submitted the Inquiry Report dated 23.07.2026. Para 2 of the said Inquiry Report, relating to the personal hearing, was subsequently substituted by a Corrigendum dated 28.07.2026 issued by the Inquiry Officer, so as to correctly record the personal hearing held on 17.07.2026 and the submissions made therein, as narrated at para 3.2 above.

3.4. In the Inquiry Report, the Inquiry Officer, inter alia, observed that:

- the Customs Broker had no direct interaction with the importer and relied exclusively upon documents and instructions received from a freight forwarder through e-mail and WhatsApp, without verifying the identity or authority of the sender;
- no original authorisation was obtained from the importer before undertaking the customs clearance work;
- online verification of the IEC and GSTIN through the ICEGATE and GST portals merely establishes that the registration particulars exist in the respective databases and, by itself, does not satisfy the requirement of independent verification of the identity and functioning of the client under Regulation 10(n);
- the Customs Broker failed to produce any material demonstrating independent verification of the importer's identity or functioning, such as physical verification of

the declared premises, confirmation through banking channels, verification from independent third-party sources or any contemporaneous record evidencing due diligence; and

- although the Customs Broker may not have actively participated in the mis-declaration, its failure to undertake the statutory due diligence facilitated the improper importation.

3.5. The Inquiry Officer accordingly held that the charge of violation of Regulation 10(n) of the CBLR, 2018 stands proved and recommended revocation of the Customs Broker Licence under Regulations 14 and 17, forfeiture of the entire security deposit, and imposition of an appropriate penalty under Regulation 18 read with Regulations 14 and 17 of the CBLR, 2018.

4. Opportunity to Represent against the Inquiry Report

4.1. In terms of Regulation 17(6) of the CBLR, 2018, a copy of the Inquiry Report dated 23.07.2026 was forwarded to the Customs Broker vide e-mail dated 27.07.2026 and Corrigendum dated 28.07.2026, was forwarded to the Customs Broker on dated 28.07.2026.

4.2. However, no representation or reply against the Inquiry Report or the Corrigendum has been received from the Customs Broker till date, despite the expiry of the stipulated period. No request for further time or for a personal hearing has also been received.

4.3. I find that the Customs Broker has been afforded adequate opportunity at every stage of the proceedings: it filed its written defence to the Show Cause Notice, was heard in person by the Inquiry Officer on 17.07.2026, and was duly served with the Inquiry Report and the Corrigendum. Having chosen not to avail itself of the opportunity to represent against the Inquiry Report, the Customs Broker cannot be said to have been denied a reasonable opportunity. The principles of natural justice have thus been duly complied with, and I proceed to decide the matter on the basis of the records available.

5. Discussion and Findings

5.1. I have carefully gone through the Show Cause Notice No 01/2026-27 dated 27.04.2026, the DRI Offence Report, the relied upon documents, the statement of Shri Nigam Chavda, the written defence of the Customs Broker, the Inquiry Report dated 23.07.2026 submitted under Regulation 17(5) of the CBLR, 2018, the Corrigendum dated 28.07.2026 and the other records available on file.

5.2. The issue for determination is whether the Customs Broker contravened Regulation 10(n) of the CBLR, 2018 and, if so, what action is warranted under Regulations 14, 17 and 18 of the CBLR, 2018.

5.3. Regulation 10(n) of the CBLR, 2018 requires a Customs Broker to verify the correctness of the IEC number, GSTIN, identity of its client and functioning of the client at the declared address by using reliable, independent, authentic documents, data or information. The obligation is cast upon the Customs Broker itself and is to be discharged before undertaking customs clearance work on behalf of the client.

5.4. In the present case, the records indicate that the Customs Broker had verified the IEC and GSTIN of the importer online through the ICEGATE and GST portals. There is no material on record to show that the IEC or GSTIN of the importer was incorrect, or that the importer was a fictitious or non-existent entity. On the contrary, the importer, upon investigation, admitted the mis-declaration, accepted the re-determined value and discharged the differential Customs duty.

5.5. However, the admissions of Shri Nigam Chavda, recorded during investigation and reiterated before the Inquiry Officer, establish that the Customs Broker had no direct interaction with the importer, that all documents and instructions were received only through a freight forwarder via e-mail and WhatsApp, and that no original authorisation was obtained from the importer. The obligation under Regulation 10(n) is personal to the Customs Broker and cannot be delegated to, or discharged through, an intermediary such as a freight forwarder. A Customs Broker who accepts clearance work solely on the basis of documents forwarded by a third party, without any direct contact with or authorisation from the importer, does not exercise the degree of care expected of a licensed Customs Broker. The submission made during the personal hearing that there is "no dispute" over the identity and functioning of the client is a bare assertion, unsupported by any contemporaneous record of the verification actually undertaken by the Customs Broker itself.

5.6. Accordingly, I concur with the Inquiry Officer that the Customs Broker failed to discharge its obligations under Regulation 10(n) of the CBLR, 2018 insofar as the verification of the identity of the client and of its functioning at the declared address is concerned.

5.7. Having held so, I now proceed to consider the penal consequences. Under Regulation 17(7) of the CBLR, 2018, the Principal Commissioner is required to consider the Inquiry Report and pass such orders as deemed fit; the recommendation of the Inquiry Officer is not binding upon

the adjudicating authority, which is required to apply its own mind to the gravity of the proved misconduct and the proportionality of the penalty.

5.8. In this regard, I find that there is no material on record to establish that the Customs Broker knowingly facilitated the mis-declaration, connived with the importer or the freight forwarder, had prior knowledge of the evasion of Anti-Dumping Duty, or derived any undue benefit from the transaction. The Inquiry Officer at penultimate sub para of para 3 of Inquiry Report dated 23.07.2026 has recorded that the Customs Broker may not have actively participated in the mis-declaration. The Customs Broker cooperated with the investigation, and the transaction in question pertains to a single Bill of Entry. The importer is a genuine entity which has admitted the mis-declaration and discharged the differential duty, and the interest of revenue stands protected.

5.9. Revocation of a Customs Broker Licence is the gravest consequence contemplated under the CBLR, 2018 and deprives the licensee of its livelihood. Such action is ordinarily warranted where the misconduct is grave, deliberate or recurrent, or where the Customs Broker has colluded in fraud. The lapse established in the present case, though serious enough not to be disregarded, arises from negligence in the manner of verification and not from any mala fide intention. Having regard to the facts and circumstances of the case, the nature of the lapse, the extent of verification undertaken, the absence of evidence of collusion or deliberate misconduct and the principle of proportionality, I find that revocation of the Customs Broker Licence and forfeiture of the security deposit would be disproportionate to the lapse established. For the reasons recorded above, I respectfully differ from the recommendation of the Inquiry Officer to that extent in the overall circumstances of the case, only a monetary penalty under Regulation 18 of the CBLR, 2018 will suffice so as to nudge the Customs Broker to ensure compliance with the obligations prescribed under Regulation 10(n) in future.

Order

6. In view of the foregoing discussion and findings, and in exercise of the powers conferred upon me under Regulation 17(7) read with Regulations 14 and 18 of the Customs Brokers Licensing Regulations, 2018, I hereby pass the following order:

(i) The proposal for revocation of Customs Broker Licence No. BBTPC2873A under Regulation 14 read with Regulation 17 of the CBLR, 2018 is hereby dropped. The proposal for forfeiture of the security deposit furnished by the Customs Broker is hereby dropped.

(ii) In terms of Regulation 18 of the CBLR, 2018, I impose a monetary penalty of Rs. 25,000/- (Rupees Twenty Five Thousand only) upon M/s Saarvin Customs Clearance, Customs Broker Licence No. BBTPC2873A, for failure to exercise the required due diligence under Regulation 10(n) of the CBLR, 2018 in verifying the identity of the importer and its functioning at the declared address.

7. This order is issued without prejudice to any other action that may be taken against the Customs Broker or any other person under the Customs Act, 1962, the CBLR, 2018 or any other law for the time being in force.

23/10

Nitin Saini
Commissioner of Customs
Customs House, Mundra

F.No. GEN/CB/SUS/2/2026-A/G-O/o Pr Commr-Cus-Mundra

BY RPAD / SPEED POST / E-MAIL TO:
M/s Saarvin Customs Clearance,
Office No. 5, First Floor, Amrutkrupa Building,
Jawahar Chowk, Near Bus Depot,
Mundra, Kutch, Gujarat.

Copy to:

1. The Chief Commissioner of Customs, Customs Gujarat Zone, Ahmedabad.
2. The Commissioner of Customs, Custom House, Kandla, for information.
3. The Additional Director, Directorate of Revenue Intelligence, Gandhidham Regional Unit, for information.
4. The Assistant Commissioner, Customs Broker Section, Customs House, Mundra, for necessary action.
5. The Inquiry Officer concerned.
6. The Assistant Commissioner, EDI Section, Customs House, Mundra, for uploading on the official website.
7. Notice Board.
8. Guard File.

Received
Nigam Bhogilal Chavda
E-Card holder
23/10/2026
9920843135