



प्रधान सीमाशुल्क आयुक्त (सामान्य) का कार्यालय

OFFICE OF THE COMMISSIONER OF CUSTOMS (GENERAL)

कस्टम ब्रोकर अनुभाग, नवीन सीमाशुल्क भवन, बेलार्ड इस्टेट, मुंबई - 400001

**CUSTOMS BROKER SECTION, NEW CUSTOM HOUSE,
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F. No. GEN/CB/245/2026

Date: 16.09.2026

DIN: - 20260927NO0000A60BA0

ORDER NO. 11/2026 - 27.

M/s Navbharat Consolidation Pvt. (Lic. No. 11/1708 & PAN: AAFCN6922QCH), having registered address: 5D1 Gundecha Onclave, Khairani Road, Sakinaka, Andheri East, Mumbai, MAHARASHTRA 400072 (hereinafter referred to as the Customs Broker/CB), is the holder of Customs Broker License No. (Lic. No. 11/1708 & PAN: AAFCN6922QCH), issued by the Commissioner of Customs, Mumbai, under Regulation 7(1) Of CHALR, 2004, erstwhile (now Regulation 7(2) Of CBLR, 2018) and as such, they are bound by the regulations and conditions stipulated therein.

INTRODUCTION AND GENESIS OF CASE

2. An Offence Report in the form of a Proposal Letter dated 27.04.2026, vide F. No. GEN/INV/Misc/166/2026-CIU-O/O COMMR-CUS-GEN-NHAVA SHEVA, was received from the Commissioner of Customs, CIU, JNCH, Nhava Sheva, Uran, Raigad, wherein it was proposed to initiate **immediate suspension of the Customs Broker Licence of M/s. Navbharat Consolidation Pvt. Ltd. (Licence No. 11/1708, PAN: AAFCN6922QCH)** under Regulation 16(1) of the Customs Brokers Licensing Regulations (CBLR), 2018. Since the **Relied Upon Documents (RUDs)** were not received along with the

proposal letter, several letters were addressed to the CIU, JNCH, requesting submission of the requisite RUDs. The said RUDs have now been received from the CIU, JNCH on **21.08.2026**.

3. In this regard, it is informed that the Central Intelligence Unit, JNCH initiated investigation on the basis of specific and credible intelligence to bust a well-orchestrated modus operandi involving large-scale evasion of customs duty through deliberate misdeclaration of country of origin. Acting upon such intelligence, coordinated search operations were conducted at multiple premises in Mumbai on 11.02.2026 and 12.02.2026. The investigation has revealed that the walnuts and raisins exported from Jebel Ali and other ports in the United Arab Emirates (UAE) to JNPT, India were wilfully misdeclared as being of Afghan origin with the intent to fraudulently avail the benefit of South Asian Free Trade Agreement (SAFTA) notifications providing exemption from Basic Customs Duty at a nil rate. Prima facie evidence establishes deliberate and intentional mis-declaration of the country of origin, resulting in wrongful availment of SAFTA benefits

4. Afghanistan, being a land-locked nation, does not possess any maritime ports of its own. Consequently, a substantial proportion of its international trade is routed through the nearest accessible seaports, most notably Bandar Abbas Port in Iran. Exploiting the inherent complexity of the multi-modal transit chain comprising overland transportation from the land Customs Port of Afghanistan to Bandar Abbas Port, followed by maritime shipment from Bandar Abbas, Iran to Jebel Ali Port, UAE certain unscrupulous importers have engineered a modus operandi. Under this modus operandi, forged transit documents, including fake Bills of Lading showing movement of goods/containers from Bandar Abbas to Jebel Ali, are allegedly being prepared in collusion with shippers and certain elements within shipping lines to create a deceptive chain of transit documentation. Pursuant to the aforesaid modus operandi, goods which are not of Afghan origin such as Walnuts, raisins, etc. are loaded at Jebel Ali Port and thereafter shipped directly to Jawaharlal Nehru Port. Upon arrival at Nhava Sheva, Bills of Entry are filed at JNCH

claiming preferential benefits of duty under the South Asian Free Trade Area (SAFTA) i.e. 0% BCD with the help of Country of Origin (COO) certificate and forged transit documents for movement of goods from Bandar Abbas to Jebel Ali Port, UAE. To substantiate this false claim of country of origin, forged transit documentation (House Bill of Lading) is uploaded in E-sanchit, ICES to create an artificial trail of movement of goods from Bandar Abbas Port to Jebel Ali Port, thereby attempting to portray that the goods had transited from Afghanistan through Iran before reaching the Jebel Ali Port or Khor Fakkan Port, UAE

5. Incriminating documents recovered during searches conducted at the office premises of M/s Orange Box Line (India), located at 309, Ruby Monarch Arcade, Saki Naka, Mumbai – 400072, from 11.02.2026 to 12.02.2026 under Panchnama dated 11.02.2026 - 12.02.2026, including forged Bills of Lading (B/L) purportedly showing transit from Bandar Abbas Port (Iran) to Jebel Ali Port (UAE), conclusively establish that there was no actual movement of goods from Iran to the UAE. In the absence of any lawful transit or corroborative shipping documents, it is further established that the goods cannot be treated as originating from Afghanistan.

6. Shri Abhishek Brijesh Malviya, Senior Operations Executive of M/s. The Orange Box Line (India) in his voluntary statement recorded under GEN/INV/Misc/166/2026-CIU-O/O COMMR-CUS-GEN-NHAVA SHEVA I/4101815/2026 Section 108 of the Customs Act, 1962 on 12-13.02.2026, made the following unequivocal admissions: (a) He personally prepared 175 forged transit Bills of Lading using Adobe Acrobat PDF editing software; (b) There was no actual booking for movement of goods from Bandar Abbas (Iran) to Jebel Ali (UAE) in the e-BMS software which is a software used by M/s. Sureways Shipping LLC, UAE to create BLs against container bookings in the system, hence the first leg transit B/L could not be generated through the system; (c) The forged documents were prepared on the explicit directions of senior persons, specifically naming Shri Rahul Mehta, along with Shri Atik and Shri Deepak Rawal; (d) Draft copies of forged B/L were sent to the booking party for confirmation before use; and (e) He was fully aware that the goods were not of Afghan

origin and that the forged documents were created to misrepresent their true country of origin. Shri Abhishek Malviya was arrested on 13.02.2026 and produced before the Judicial Magistrate First Class, Uran, Raigad, and was remanded to judicial custody. Shri Vinay Mahesh Bhadra, Partner of M/s Pratha Shipping Services LLP, and Shri Rajkumar Gopinathan Nair, Proprietor of M/s Aavni International, were also arrested on 21.02.2026.

7. Bills of Lading covering the export of Walnuts and Raisins from Dubai Port were issued by M/s. Sureways Shipping LLC, UAE. Significantly, both M/s. Sureways Shipping LLC, UAE and M/s. The Orange Box Line (India), which functioned as the Indian counterpart for issuance of Delivery Orders and collection of ocean freight charges, were owned and controlled by Shri Rahul Mehta. The relationship between these two entities was, therefore, neither incidental nor confined to an ordinary commercial arrangement; rather, it reflected common ownership, unified control and coordinated operation. The foreign issuer of the transport documents and the Indian entity executing the consequential delivery and freight-related functions were, in substance, integral components of the same controlled network under Shri Rahul Mehta.

8. More importantly, Shri Rahul Mehta, in his voluntary statement dated 18.03.2026, categorically admitted that all containers handled by M/s. Sureways Shipping LLC, UAE related to Walnuts and Raisins were in fact booked and loaded at Jebel Ali, UAE. He further admitted that no containers were ever loaded at, or transported from, Bandar Abbas Port, Iran to Jebel Ali Port, UAE. On the contrary, the purported movement from Bandar Abbas Port, Iran to Jebel Ali Port, UAE was GEN/INV/Misc/166/2026-CIU-O/O COMMR-CUS-GEN-NHAVA SHEVA I/4101815/2026 entirely fictitious and was shown only through forged Bills of Lading fabricated for that purpose. This admission strikes at the root of the Petitioner's transit narrative and unequivocally establishes that the transport documents relied upon to suggest movement through Iran were false, manufactured instruments designed to create an artificial

documentary trail in support of an ineligible claim of Afghan origin and consequential SAFTA benefit.

9. Reference is invited to CBIC Notification No. 75/2006-Customs (N.T.) dated 30.06.2006 governing the Determination of Origin of Goods under SAFTA read with CBIC Notification No. 99/2011-Customs dated 09.11.2011. The said provisions clearly stipulate that entitlement to SAFTA preferential benefits cannot be established solely on the basis of a Certificate of Origin. The claim of exemption is required to be substantiated through supporting documents evidencing compliance with the conditions of the agreement, particularly the transit Bill of Lading, which assumes critical importance in establishing direct consignment. It is, therefore, evident that preferential treatment under SAFTA is conditional not only upon the production of a valid Certificate of Origin but also upon strict adherence to the requirements of direct consignment/transport as prescribed under Rule 12 of the Determination of Origin of Goods under the South Asian Free Trade Agreement (SAFTA). Non-compliance with these conditions renders the claim for preferential duty benefit inadmissible. The Rule 12 of the SAFTA Agreement is reproduced below:

Rule 12: Direct Consignment The following shall be considered as directly consigned from the exporting Contracting State to the importing Contracting State

(a) if the products are transported without passing through the territory of any non-Contracting State:

(b) the products whose transport involves transit through one or more intermediate non-Contracting States with or without transshipment or temporary storage in such countries, provided that,

(i) the transit entry is justified for geographical reason or by considerations related exclusively to transport requirements:

(ii) the products have not entered into trade or consumption there;

(iii) the products have not undergone any operation there other than unloading and reloading or any operation required to be them in good condition;

(iv) the products have remained under the customs control in the country of transit.

Contracting State is a country or independent customs territory that has formally signed, ratified, or agreed to be bound by a specific treaty, convention, or free trade agreement (FTA)

Non-contracting state is a country or territory that is not a party to a specific trade agreement, treaty, or convention. Goods passing through or originating from these countries typically do not receive the preferential tariff, reduced duties, or streamlined procedures granted to participating countries.

10. In the present case, Afghanistan and India are the contracting states whereas the Iran and UAE are the non-contracting states through which the transit of goods is made.

11. Further, the **Article 18 of the SAFTA** Notification No. 75/2006-Customs (N.T.) dated 30.06.2006 states as follows:

*For the purpose of implementing Rule 12 of SAFTA Rules of Origin where transportation is effected through the territory of one or more non-Contracting States, the following shall be produced to the **Government authorities of the importing Contracting State:***

(a) A through Bill of Lading/ Airway bill or corresponding transport document issued in the exporting Contracting State;

(b) A Certificate of Origin issued by the Issuing Authority of the exporting Contracting State;

(c) A copy of the original commercial invoice in respect of the product; and

(d) Supporting documents in evidence that the requirements of Rule 12 of SAFTA Rules of Origin are being complied with.

In terms of Section 46(2) of the Customs Act, 1962, the Bill of Lading forms a vital document accompanying the Bill of Entry, as it records the movement of goods from the port of loading to the port of destination and contains the description and other particulars of the goods being imported.

12. From the forensics examination of seized Laptop and mobile, Dubai Customs Export Declaration data (ED Copy) were retrieved which conclusively established that the actual country of origin of the walnuts and raisins in multiple containers was CHINA, USA, and Chile, not Afghanistan as was falsely declared while claiming SAFTA benefit.

13. Initial scrutiny of 175 forged Bills of Lading has revealed total duty evasion of Rs. 138.88 Cr which is substantially higher and is still being investigated.

14. SCALE OF FRAUD AND QUANTIFICATION OF DUTY EVASION:

14.1 Based on the investigation conducted so far, the total duty evasion attributable to the 160 forged Bills of Lading, computed on the assessable values declared in the relevant Bills of Entry, filed by M/s. Access Worldwide Cargo and M/s. Navbharat Consolidation Pvt. Ltd. areas under:

Sr No	Name of Customs Broker	Total Duty evaded (in Rs.) on strength of forged B/Ls	Name of Importers (M/s.
01	M/s Access Worldwide Cargo	Rs. 117.20 Cr (154 Bills of Lading)	• ADHIYANT NTERPRISES • AAVNI INTERNATIONAL • ABC ENTERPRISE • DIVASHRINTERNATIONALPRIV ATE LIMITED • NIRA IMPEX • NUTRAININTERNATIONALPRIV

			ATE LIMITED • PRAHYA INTERNATIONAL • S S ENTERPRISES • SM ENTERPRISES • SR OVERSEAS • SWASTIK INTERNATIONAL • WALNUT IMPEX
02	M/s Navbharat Consolidation Pvt. Ltd.	Rs. 8.19 Cr (6 Bills of Lading)	• TRANSWORLD COMMERCIAL ENTERPRISES

14.2 The aggregate duty evasion arising from the 160 forged Bills of Lading linked to these two Customs Brokers is thus approximately Rs. 125.39 Cr.

15. FACTS ESTABLISHING VIOLATIONS OF CBLR, 2018;

15.1 M/s Navbharat Consolidation Pvt. Ltd. filed 6 Bills of Entry on behalf of importer M/s Transworld Commercial Enterprises (IEC No. 0392012928) in respect of consignments of walnut kernels linked to 6 of the 175 forged Bills of Lading, involving a total duty evasion of approximately Rs. 8.19 Cr. In the case of this Customs Broker, the gravity of the matter is compounded by a critical and disqualifying conflict of interest: the investigation has revealed that Shri Prashant Dwivedi, Managing Director of M/s Navbharat Consolidation Pvt. Ltd. (the Customs Broker), is simultaneously the Managing Partner of M/s Transworld Commercial Enterprises (the Importer) — the very entity on whose behalf the Bills of Entry were filed through the Customs Broker licence of M/s Navbharat Consolidation Pvt. Ltd.

15.2 The statement of Shri Prashant Dwivedi recorded on 26.02.2026– 27.02.2026 under Section 108 of the Customs Act, 1962 before SIO/CIU, contains multiple admissions of decisive significance for the present proposal, including the following:

- (i) Shri Prashant Dwivedi admitted that he is the Managing Director of M/s Navbharat Consolidation Pvt. Ltd. (the licensed Customs Broker) and simultaneously the Managing Partner of M/s Transworld Commercial Enterprises (IEC No. 0392012928), the importer on whose behalf the Bills of Entry in question were filed through the said Customs Broker licence — thereby establishing a structural conflict of interest that is fundamentally incompatible with the independent, fiduciary role of a Customs Broker under the CBLR, 2018.
- (ii) He admitted that when confronted with Dubai Customs export data showing the country of origin of the goods as CHINA — verifiable through QR codes on the Dubai Customs documents redirecting to the Dubai Trade website — he saw these documents for the first time during examination and admitted liability for duty evasion amounting to Rs. 7,07,22,673.35/- in respect of the Bills of Entry for SEZ to DTA Trading filed on his IEC.
- (iii) He admitted that he did not possess transit documents from Iran Customs or UAE Customs for any of the consignments at the time of filing of the Bills of Entry, and that the Bills of Lading for the first leg (Bandar Abbas to Jebel Ali) were received by him unsigned and over email from the supplier — yet the same were used as supporting documents for claiming SAFTA benefit, in clear violation of Rule 12 of the SAFTA Rules of Determination of Origin (Notification No. 75/2006 dated 30.06.2006).
- (iv) He admitted that he was not aware about the conditions of SAFTA Rule 12 (Direct Consignment), which mandates proper transit documents for goods transiting through non-Contracting States, and that he did not obtain or

verify transit documents from Iran Customs and UAE Customs prior to filing the Bills of Entry and claiming SAFTA exemption.

- (v) He admitted misdeclaration of country of origin in the Bills of Entry and acknowledged liability to pay Basic Customs Duty at 100% for all the consignments cleared under SAFTA benefit, and made a voluntary payment of Rs. 2,00,00,000/- (Rupees Two Crore only) as a first tranche of the differential duty liability.
- (vi) He stated that all substantive and operational decisions relating to procurement of goods, negotiations with foreign suppliers, shipment arrangements, preparation and filing of import documentation, customs clearance, and financial transactions were undertaken solely by him and his employees making M/s Navbharat Consolidation Pvt. Ltd. an instrument of the importer's own operations rather than an independent intermediary exercising autonomous statutory judgment.

15.3 The admissions made above are of grave consequence. A Customs Broker is required, by the very architecture of the CBLR, 2018, to function as an independent, licensed intermediary who ensures the accuracy and legality of import declarations submitted to Customs. When the Customs Broker is controlled and managed by the same person who also controls the importing entity, the essential independence and gatekeeping function of the Customs Broker is entirely negated. In the present case, Shri Prashant Dwivedi was, in practical effect, the person both filing the Bills of Entry (as Managing Director of the CB) and benefiting from the fraudulent SAFTA exemptions claimed therein (as Managing Partner of the importer). This structural conflict renders the conduct of M/s Navbharat Consolidation Pvt. Ltd. not merely one of negligence or omission, but of active participation in the facilitation of fraud on the Customs revenue.

16. In view of the above, the preliminary investigation indicates that M/s Navbharat Consolidation Pvt. Ltd (CHA No. AAFCN6922QCH001) violated, inter alia, the following key provisions of CBLR, 2018:

16.1 Regulation 10(d): *“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;”*

In the present case, the Customs Broker filed Bills of Entry claiming SAFTA benefit despite absence of mandatory documents under Rule 12 read with Article 18 of the SAFTA Rules of Origin. There is no indication that the Customs Broker advised the importer against claiming preferential benefit in absence of genuine transit/customs-control records or that such non-compliance was brought to the notice of Customs. Therefore, it appears that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 10(d) of CBLR 2018.

16.2 Regulation 10(e): *“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;”*

In the present case, the Customs Broker filed Bills of Entry on the basis of documents claiming Afghanistan origin, despite the declared port of loading being Jebel Ali, UAE and despite absence of genuine through transport documents and transit records. The recurring pattern of import through UAE, high duty differential under SAFTA, absence of mandatory transit records and later recovery of documents showing Chinese origin were circumstances requiring heightened due diligence. Filing the Bills of Entry without verifying the foundation of the preferential claim indicates failure to exercise due diligence. Therefore, it appears that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 10(e) of CBLR 2018.

16.3 Regulation 10(n): *“verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information;”*

The fact that the Managing Director of the Customs Broker was simultaneously the Managing Partner of the importer demonstrates that the CB and its client were under common control. While such common control by itself is not treated as an automatic violation of Regulation 10(n), in the present facts it is a material circumstance demonstrating the absence of an independent arm's-length relationship and requires examination as to whether the verification and gatekeeping functions contemplated under Regulation 10(n) were genuinely and independently discharged.

16.4 Regulation(k): *“maintain up to date records such as bill of entry, shipping bill, transshipment application, etc., all correspondence, other papers relating to his business as Customs Broker and accounts including financial transactions in an orderly and itemised manner as may be specified by the Principal Commissioner of Customs or Commissioner of Customs or the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be;”*

In the present case, the investigation recovered delivery/freight invoices issued to M/s. Navbharat Consolidation Pvt. Ltd. showing Jebel Ali, UAE as port of loading, which directly contradicted the projected Afghan/Iran transit claim. Such records were material to the clearance transaction and ought to have been maintained, examined and reconciled by the Customs Broker before filing Bills of Entry under SAFTA claim. Failure to maintain, verify and produce complete transaction-wise records relevant to origin, route, freight, delivery order and supporting documents amounts to violation of Regulation 10(k) of CBLR 2018.

16.5 Regulation 13(12): *“The Customs Broker shall exercise such supervision as may be necessary to ensure proper conduct of his employees in the transaction of business and he shall be held responsible for all acts or omissions of his employees during their employment.”*

The present investigation concerns the filing of six Bills of Entry through the CB's licence in circumstances where the

documents supporting the preferential claim were prima facie defective, unsigned and subsequently found to be connected with forged transit documentation. The role of the CB's management and employees in processing and filing such documents therefore requires detailed examination in the proceedings contemplated under Regulation 17. At this stage, the material on record prima facie warrants action under Regulation 13(12), without prejudice to the final findings that may be recorded after completion of the prescribed inquiry.

16.6 Regulation 14(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;”*

The present matter involves a Customs Broker whose Managing Director was simultaneously the Managing Partner of the importer, whose six Bills of Entry were filed under the CB licence, and who has admitted that the supporting first-leg transit documents were not independently available or verified. The use of such documentation in support of a substantial preferential-duty claim, coupled with the admitted conflict of control and the admitted lack of verification, constitutes prima facie misconduct of a nature requiring immediate regulatory intervention and detailed inquiry into the CB's fitness to continue operating under its licence.

17. "The involvement of Customs Brokers in a well-orchestrated modus operandi to evade customs duty on a large scale, through deliberate misdeclaration of country of origin, constitutes a serious misuse of the Customs process with grave revenue implications. Such conduct on the part of Customs Brokers — licensed intermediaries entrusted with a position of trust in the clearance of goods — amounts to a serious offence warranting stringent legal action under the CBLR, 2018 and other related statutes, and cannot be treated as a mere procedural or technical lapse."

18. Thus, it appears that the CB has committed a gross offence and their involvement in clearance said goods cannot be ignored. In view of the above, it appears that the subject license is subject to action under Regulation 16(1) of the CBLR, 2018.

19. Accordingly, the subject license was suspended vide Order no 08/2026-27 dated 31.08.2026 by the competent authority.

20. Upon suspension of the CB LICENSE on 31.08.2026, an opportunity for personal hearing was scheduled on 08.09.2026 at 12:00 hrs.

RECORD OF PERSONAL HEARING & WRITTEN SUBMISSION OF THE CUSTOMS BROKER:

Pursuant to issuance of Suspension Order no. 08/2026-27 dated 31.08.2026, Shri Prashant Dwivedi, Managing Director in the CB firm and authorise consultant, Shri Sujit Sahoo appeared on behalf of the Customs Broker for personal hearing on 08.09.2026 at 12:00 hrs. During Personal hearing, Representatives of CB reiterated their written submission dated 08.09.2026.

21. The CB, vide his two written submissions both dated 08.09.2026 received on 08.09.2026, inter-alia submitted:

21.1 That the said Order proceeds principally on the basis of an Offence Report dated **27.04.2026** submitted by the Central Intelligence Unit, JNCH, alleging an organised modus operandi involving misdeclaration of the country of origin of walnuts and raisins and wrongful availment of preferential duty benefit under SAFTA, allegedly through forged Bills of Lading depicting transit of the goods from Bandar Abbas, Iran to Jebel Ali, UAE. Insofar as the present CB is concerned, the Order alleges that **Six Bills of Entry were filed on behalf of M/s Transworld Commercial Enterprises**, corresponding to six of the Bills of Lading which are alleged by the Department to be forged, and that the said

consignments involved an alleged duty evasion of approximately **Rs.8.19 crore.**

21.2 That the gravamen of the allegations against the CB is founded substantially upon the fact that **Mr. Prashant Dwivedi was associated with both the Customs Broker and the importer**, and upon certain portions of his statement recorded under Section 108 of the Customs Act, 1962 on 26.02.2026 and 27.02.2026. The Department has sought to draw from the said circumstances an inference that the CB did not function as an independent intermediary and had failed to exercise the diligence and verification allegedly required under the CBLR, 2018. The said Order has, accordingly, proceeded to allege contraventions of Regulations **10(d), 10(e), 10(k), 10(n), 13(12) and 14(c)** of the CBLR, 2018 and has further characterised the alleged conduct as participation in an organised modus operandi resulting in substantial loss of revenue.

21.3 That the said order, searches were conducted at the premises of M/s Orange Box Line (India), during which Bills of Lading purportedly depicting movement of goods from Bandar Abbas, Iran to Jebel Ali, UAE were recovered. The Department has relied upon the statement of Shri Abhishek Brijesh Malviya, stated to be a Senior Operations Executive of M/s Orange Box Line (India), recorded under Section 108 of the Customs Act, 1962, wherein he is alleged to have stated that certain Bills of Lading were prepared using Adobe Acrobat and that there was no corresponding booking for movement from Bandar Abbas to Jebel Ali in the e-BMS system.

21.4 That the said Order further relies upon the statement of Shri Rahul Mehta dated 18.03.2026, wherein he is alleged to have stated that containers handled by M/s Sureways Shipping LLC, UAE were in fact booked and loaded at Jebel Ali and that there had been no movement of such containers from Bandar Abbas, Iran to Jebel Ali, UAE. On this basis, the Department has proceeded to contend that the alleged transit from Iran to UAE was fictitious and that the documents depicting such movement were utilised to support the claim of Afghan origin.

21.5 That the Department has further relied upon Dubai Customs Export Declaration data allegedly retrieved during the investigation and has contended that the actual country of origin of certain consignments of walnuts and raisins was China, USA and Chile, and not Afghanistan. On the basis of the aforesaid material, the Department has alleged that the goods were wrongly declared as being of Afghan origin and that preferential treatment under SAFTA was consequently availed.

21.6 That on the basis of the investigation, the Department has stated that 175 allegedly forged Bills of Lading were initially scrutinised and that the total alleged duty evasion in respect thereof was approximately Rs.138.88 crore. Of the 160 Bills of Lading considered for the purpose of quantification, the Department has attributed 154 Bills of Lading and alleged duty evasion of approximately Rs.117.20 crore to M/s Access Worldwide Cargo, while **six Bills of Lading have been attributed to the CB**, involving alleged duty evasion of approximately **Rs.8.19 crore**.

21.7 That insofar as the present CB is concerned, the said order states that six Bills of Entry were filed by M/s Navbharat Consolidation Pvt. Ltd. on behalf of M/s Transworld Commercial Enterprises, in respect of consignments of walnut kernels which the Department alleges were linked to six of the aforesaid Bills of Lading. The Department has accordingly attributed an alleged duty evasion of approximately Rs.8.19 crore to the six Bills of Entry filed through the CB.

21.8 That the Department has thereafter sought to place considerable reliance upon the fact that Mr. Prashant Dwivedi is associated with both the Customs Broker and the importer, M/s Transworld Commercial Enterprises. The said order characterises the said relationship as a “critical and disqualifying conflict of interest” and proceeds on the premise that the CB was not functioning as an independent intermediary in relation to the transactions in question.

21.9 That the said order further refers to the statement of Mr. Prashant Dwivedi recorded on 26.02.2026 and 27.02.2026 under Section 108 of the Customs Act, 1962 and extracts various portions thereof. According to the Department, Mr. Dwivedi stated that he was associated with both Navbharat and Transworld; that certain Dubai Customs export data indicated a country of origin other than Afghanistan; that transit documents from Iran Customs or UAE Customs were not available with him at the time of filing the Bills of Entry; and that the first-leg Bills of Lading had been received unsigned over email from the supplier.

21.10 That the Department has further relied upon the aforesaid statement to contend that Mr. Dwivedi was not aware of the requirements contained in Rule 12 of the SAFTA Rules of Origin, had not obtained or verified the alleged transit documents, and had accepted liability towards Basic Customs Duty in respect of the consignments. The said order further records that an amount of Rs.2 crore was paid towards differential duty as a first tranche. The Department has relied upon these circumstances to allege that the CB actively participated in or facilitated the alleged availment of an impermissible SAFTA benefit.

21.11 That on the basis of the aforesaid allegations, the Department has proposed/held that the CB has contravened Regulations **10(d), 10(e), 10(k), 10(n), 13(12) and 14(c)** of the CBLR, 2018. The allegations principally concern the alleged failure to advise the importer regarding the SAFTA requirements, alleged failure to exercise due diligence, alleged common control between the Customs Broker and importer, alleged failure to maintain/verify relevant records, alleged failure to supervise employees, and alleged misconduct rendering the CB unfit to continue as a Customs Broker.

21.12 That it is in the aforesaid backdrop that the said order invokes Regulation 16(1) of the CBLR, 2018 and records that immediate suspension of the Customs Broker's licence is warranted, pending/contemplated proceedings under Regulation 17 of the CBLR, 2018. The CB submits that the allegations, the material relied upon and the conclusions drawn therefrom are

specifically denied and disputed for the reasons set out hereinafter.

- (i) That the present Representation is being filed as a preliminary submission, purely to place on record the CB's immediate objections to the Impugned Order for consideration at the said Personal Hearing. No Relied Upon Documents ("RUDs") referred to in the Impugned Order-including the statements recorded under Section 108 of the Customs Act, 1962, the forensic/Dubai Customs export declaration data, and the Panchnamas-have as yet been furnished to the CB. The CB expressly reserves its right to file a detailed, paragraph-wise reply upon receipt of the complete set of RUDs, and nothing stated herein, or omitted herefrom, shall be construed as a waiver of any right or contention available to the CB in law.
- (ii) The averments contained in Paragraph 4, insofar as they seek to implicate the CB, are denied. It is submitted that no forged document has been prepared, filed, or relied upon by the CB. The allegation of forged transit Bills of Lading concerns documents said to have been fabricated by third parties, namely M/s. The Orange Box Line (India) and its personnel, and M/s. Sureways Shipping LLC, UAE, entities with which the CB has no privity, control, or connection whatsoever.

(iii) Furthermore, the Certificate of Origin relied upon for the CB's six Bills of Entry is a genuine certificate issued by the competent designated authority of the Islamic Republic of Afghanistan. The said Certificate has already been defaced/endorsed by the Customs authorities, which is indicative of its acceptance at the material time of assessment. No document has been produced by the Department, till date, to independently and conclusively establish that the goods covered under the CB's Bills of Entry are not of Afghan origin. The onus of establishing mis-declaration of origin lies squarely upon the Department, and mere suspicion, however grave, cannot substitute for cogent, independent evidence. Reliance is placed on the settled principle that the burden of establishing mala fides/fraud is a heavy one and lies upon the party alleging it (*Union of India v. Ashok Kumar & Ors.*, (2005) 8 SCC 760, as relied upon in ***Uniworth Textiles Ltd. v. Commissioner of Central Excise, Raipur, 2013 (288) E.L.T. 161 (S.C.)***). It was held that,

“24. Further, we are not convinced with the finding of the Tribunal which placed the onus of providing evidence in support of bona fide conduct, by observing that “the appellants had not brought anything on record” to prove their claim of bona fide conduct, on the appellant. It is a cardinal postulate of law that the burden of proving any form of mala fide lies on the

shoulders of the one alleging it. This Court observed in Union of India v. Ashok Kumar & Ors. - (2005) 8 SCC 760 that “it cannot be overlooked that burden of establishing mala fides is very heavy on the person who alleges it. The allegations of mala fides are often more easily made than proved, and the very seriousness of such allegations demand proof of a high order of credibility.”

It is respectfully submitted that the burden of proving fraud or misdeclaration rests upon the Department, and such burden can only be discharged by adducing cogent, credible, and convincing evidence.

- (iv) The averments regarding the modus operandi of M/s. Orange Box Line and connected persons are general and generic in nature and do not draw any specific nexus with the CB or with the CB's six Bills of Entry. It is settled law that a Customs Broker cannot be visited with the drastic consequence of suspension of licence on the strength of generalised allegations against unconnected third parties, absent independent evidence of the Broker's own knowledge, connivance, or mens rea.
- (v) Insofar as the averments pertaining to the SAFTA Framework are concerned, the CB does not dispute the general legal framework of SAFTA, Rule 12 of the SAFTA

Rules of Origin, and Article 18 of the SAFTA Notification No. 75/2006-Customs (N.T.). However, the CB categorically denies having violated any of the said provisions and puts the Department to strict proof thereof. The CB states has duly submitted all requisite documents in support of its claim for SAFTA benefit, including Commercial Invoice issued by the Afghanistan-based supplier, Packing List, Certificate of Origin issued by the competent authority of the Islamic Republic of Afghanistan, SAFTA Certificate of Origin, Bills of Lading depicting the transit route from Afghanistan through Iran (Bandar Abbas) to UAE (Jebel Ali) and thereafter to India (Nhava Sheva). Furthermore, for each of the impugned Bills of Entry, a Certificate of Origin issued by the competent designated authority of Afghanistan in terms of Article 1 of the Operational Certification Procedures framed under Rule 14 of the Rules of Determination of Origin of Goods under SAFTA has been produced before the Department. Therefore, a duly issued Certificate of Origin constitutes substantive documentary evidence of origin and cannot be discarded by the Customs authorities on their own presumption or on the basis of intelligence alone. The verification mechanism prescribed under Article 15 is the only lawful mode by which the genuineness of a COO can be impeached. Relevant provisions are reproduced hereunder:

“Rule 12 : Direct consignment.—The following shall be considered as directly consigned from the

exporting Contracting State to the importing Contracting State:

(a) if the products are transported without passing through the territory of any non-Contracting State;

(b) the products whose transport involves transit through one or more intermediate non-Contracting States with or without transshipment or temporary storage in such countries, provided that:

(i) the transit entry is justified for geographical reason or by considerations related exclusively to transport requirements;

(ii) the products have not entered into trade or consumption there;

(iii) the products have not undergone any operation there other than unloading and reloading or any operation required to keep them in good condition; and

(iv) the products have remained under the customs control in the country of transit.

ARTICLE 18

For the purpose of implementing Rule 12 of SAFTA Rules of Origin where transportation is effected through the territory of one or more non-Contracting States, the following shall be produced to the Government authorities of the importing Contracting State:

- (a) A through Bill of Lading/ Airway bill or corresponding transport document issued in the exporting Contracting State ;*
- (b) A Certificate of Origin issued by the Issuing Authority of the exporting Contracting State;*
- (c) A copy of the original commercial invoice in respect of the product; and*
- (d) Supporting documents in evidence that the requirements of Rule 12 of SAFTA Rules of Origin are being complied with.*

ARTICLE 15.—(a) The importing Contracting State may request to the Issuing Authority of the exporting Contracting State for a retrospective check at random and/or when it has reasonable doubt as to the authenticity of the document or as to the accuracy of the information regarding the true origin of the products in question or of certain parts thereof.

(b) The request shall be accompanied with the Certificate of Origin concerned and shall specify the reasons and any additional information suggesting that the particulars given on the said Certificate of Origin may be inaccurate, unless the retroactive check is requested on a random basis.

(c) The Customs Authority of the importing Contracting State may suspend the provisions on

preferential treatment while awaiting the result of verification.”

- (vi) It is pertinent to note that Rule 12 of the SAFTA Rules of Origin (Determination of Origin of Goods) permits carriage of originating goods through the territory of one or more non-Contracting States, including for purposes of trans-shipment or temporary warehousing. That the Department's contention that the entitlement to SAFTA benefit fails solely because the goods physically transited Jebel Ali/UAE, misreads Rule 12. Mere transshipment through a Non-Contracting State is expressly contemplated and permitted by the Rule itself; what is proscribed is commercial/manufacturing intervention in the intermediate State. No allegation, much less evidence, has been placed that the goods were unloaded for consumption, blended, processed, or otherwise dealt with commercially in the UAE. In the absence of any such finding, the bare fact of transit cannot convert an otherwise Afghan-origin consignment into a UAE-origin one.
- (vii) It is submitted that of the 175 forged Bills of Lading and total alleged duty evasion of Rs. 138.88 Crores referred to in the Impugned Order, only 6 Bills of Lading and an alleged duty evasion of approximately Rs. 8.19 Crores are sought to be attributed to Bills of Entry filed through the CB, on behalf of a single importer, M/s. Transworld

Commercial Enterprises. The remaining 154 Bills of Lading and approximately Rs. 117.20 Crores of the alleged evasion are attributed to a different Customs Broker (M/s. Access Worldwide Cargo) and twelve other, unrelated importers, with whom the present CB has no connection. The attempt to visit the CB with the consequences of the entire network's alleged conduct, when its own exposure is a small fraction thereof, is unwarranted and disproportionate.

- (viii) Further it is pertinent to note that the statement of Shri Prashant Dwivedi recorded on 26.02.2026 and 27.02.2026 under Section 108 of the Customs Act, 1962, and the admissions purportedly contained therein, were recorded under coercion, threat, and duress, during a prolonged interrogation, and do not reflect the voluntary and true state of affairs. A detailed retraction letter has already been addressed to the Commissioner of Customs setting out, in full, the circumstances of coercion under which the said statement came to be recorded. The sum of Rs. 2,00,00,000/- referred to in Paragraph 15.2(v) was deposited under protest and without prejudice to the rights and contentions of Shri Prashant Dwivedi/M/s. Transworld Commercial Enterprises, under threat that the seized goods would not otherwise be released, and cannot be treated as a voluntary admission of liability or of any wrongdoing on the part of the CB. It is settled law that a statement recorded under Section 108 of the

Customs Act is not conclusive proof and, particularly where retracted, cannot be relied upon to the prejudice of a party without independent corroboration.

- (ix) Regulation 10(d) of the CBLR, 2018 provides that a Customs Broker shall-

“(d) 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;”

It is denied that the CB failed to advise its client to comply with the provisions of law. The claim for SAFTA benefit was founded upon a genuine Certificate of Origin issued by the competent authority of Afghanistan, which had already been examined and defaced/endorsed by the Customs authorities at the time of assessment. Reliance is placed on the order of the ***Hon’ble Bombay High Court in Draps Ventures Pvt. Ltd. v. Union of India & Ors., Writ Petition No. 2670 of 2026, dated 11.03.2026***, holding that once a Certificate of Origin has been defaced/verified by the Customs authorities and no objection has been raised regarding origin from a Contracting State, the goods/benefit cannot thereafter be denied or withheld without following the verification mechanism prescribed under the SAFTA Rules of Origin. It is further submitted that the underlying Bills of Entry filed by the importer, M/s. Transworld Commercial Enterprises,

have not themselves been adjudicated or “held wrong” by way of any Show Cause Notice or order, on the contrary, a No Objection Certificate for provisional release of the goods covered under one such Bill of Entry has already been issued by the Department. If the Department itself considers the underlying consignment fit for provisional release, the very premise for suspending the licence of the CB not survive.

- (x) The allegations under Regulations 10(e), 10(n) and 10(k) are also specifically denied. The relevant provisions read as follows,

“Regulation 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.”

“Regulation 10(k): A Customs Broker shall maintain up to date records such as bill of entry, shipping bill, transshipment application, etc., all correspondence, other papers relating to his business as Customs Broker and accounts including financial transactions in an orderly and itemised manner as may be specified by the Principal Commissioner of Customs or Commissioner of Customs or the Deputy Commissioner of Customs or Assistant Commissioner of Customs, as the case may be.”

“Regulation 10(n): A Customs Broker shall verify correctness of Importer Exporter Code (IEC) number, Goods and Services Tax Identification Number (GSTIN), identity of his client and functioning of his client at the declared address by using reliable, independent, authentic documents, data or information.”

No adverse inference of failure of due diligence, verification, or record-keeping can be drawn against the CB unless and until the Department first establishes, by independent and cogent evidence, that the goods in question did not in fact originate from Afghanistan. Till such foundational fact is established through the process contemplated under the SAFTA Rules of Origin, the CB's reliance, in good faith, upon a Certificate of Origin issued by a competent foreign authority and duly accepted by Customs at the time of assessment cannot be treated as a want of due diligence.

- (xi) Without prejudice to the foregoing, the allegation under Regulation 13(12) is misconceived. Regulation 13(12) provides:

“The Customs Broker shall exercise such supervision as may be necessary to ensure proper conduct of his employees in the transaction of business and he shall be held responsible for all acts or omissions of his employees during their employment.”

The provision is attracted only where an act or omission of an employee in the course of the Customs Broker's business is established and the allegation concerns a failure of necessary supervision. The Impugned Order does not identify any particular employee of the CB who fabricated or knowingly used the impugned Bills of Lading, nor does it identify any specific supervisory omission by the CB in relation to the six Bills of Entry. The alleged fabrication is attributed to third-party shipping entities/persons, and no nexus has been demonstrated between those acts and any employee of the present CB. Therefore, Regulation 13(12) cannot be invoked merely by reproducing the alleged modus operandi of unrelated persons.

- (xii) "Misconduct" within the meaning of Regulation 14(c) requires a positive finding of deliberate or dishonest conduct on the part of the CB, and cannot be inferred merely from the fact of common directorship/partnership between the CB's Managing Director and the importer's Managing Partner, particularly where the underlying allegations of forgery and mis-declaration are themselves disputed and founded upon a statement that stands retracted. The relevant provision is reproduced hereunder:

"Regulation 14

Revocation of licence or imposition of penalty— 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:—...

...(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;”

(xiii) No allegation of personal pecuniary gain, connivance, or actual knowledge of forgery has been attributed to the CB independently of the third-party network of M/s. The Orange Box Line and connected persons. The consequence of suspension being loss of business, livelihood of employees, and reputational harm is severe and, it is submitted, disproportionate to the limited and disputed allegations concerning the CB's six Bills of Entry out of the 175 in question.

(xiv) Additionally, it is respectfully submitted that the very invocation of Regulation 16(1) of the CBLR, 2018 is rendered untenable by the unexplained delay in taking action against the Customs Broker. The Offence Report relied upon by the Department is dated 27.04.2026, whereas the Impugned Suspension Order has been passed only on 31.08.2026, i.e. after a lapse of more than four months. Regulation 16(1) of the CBLR, 2018 is not a general or residuary power of suspension. It is available

only “in appropriate cases where immediate action is necessary”, and is expressly stated to operate “notwithstanding anything contained in regulation 14” i.e., as an extraordinary, pre-emptive measure distinct from the regular revocation proceedings under Regulations 14 and 17. The existence of a pending or contemplated enquiry is a necessary but not a sufficient condition for its exercise; the Hon’ble Principal Commissioner must, independently, be satisfied that the facts on record disclose an urgency justifying suspension without the safeguards of a prior enquiry.

(xv) Though at paragraph 2, offers an explanation for the time elapsed between the Offence Report dated 27.04.2026 and the Suspension Order dated 31.08.2026 is provided, however, this explanation, far from establishing “immediate necessity,” in fact demonstrates the absence of it, for the following reasons.

(xvi) First, the material said to justify suspension, the alleged forged Bills of Lading, the arrest of Shri Abhishek Malviya (13.02.2026), the statement of Shri Rahul Mehta (18.03.2026), and the statement of Shri Prashant Dwivedi (26-27.02.2026), was substantially in existence and available to the Department by, at the latest, 18.03.2026, more than five months before the Impugned Order. The

offence, if any, and the CB's alleged role in it, were therefore fully known to the Department well before the Offence Report of 27.04.2026 was even generated. No fact material to the allegation against the CB arose, or came to light, between 27.04.2026 and 31.08.2026.

(xvii) Second, the collection of RUDs is an internal administrative step within the Department, between the CIU, JNCH and the office of the Pr. Commissioner, CBS (General), and is not an act, omission, or intervening circumstance attributable to the CB in any manner. A delay caused entirely by the Department's own internal process of collating and transmitting documents between its own formations cannot, consistently with the statutory language, be treated as converting a four-month-old proposal into a matter of sudden "immediate necessity" on the date the internal transmission happens to be completed.

(xviii) Third, and in any event, even accepting the Department's own timeline, the RUDs were stated to have been received on 21.08.2026, yet the Order was passed only on 31.08.2026, a further ten days later, without any pre-decisional hearing to the CB. If genuine "immediate necessity" existed as on 21.08.2026 (upon receipt of RUDs), no explanation is furnished as to why the Department itself did not act with the urgency that

Regulation 16(1) contemplates, and why, having taken ten further days, the CB could not have been afforded even a short opportunity to respond before suspension, consistent with the “drastic” and “irreversible” character repeatedly attributed to this power by the Courts and this Tribunal.

(xix) The statutory scheme under Regulation 17(1), which obliges the Principal Commissioner/Commissioner to issue a notice within ninety days of receipt of an Offence Report where regular revocation is proposed, confirms that the Regulations do not contemplate indefinite or unexplained inaction following an Offence Report. Regulation 16(1), being an exception carved out of this ordinary time-bound scheme, must be construed strictly; it cannot be permitted to be resorted to as a substitute for regular Regulation 17 proceedings merely because the Department did not itself treat the matter as urgent for several months.

(xx) The statutory scheme under Regulation 17 further reinforces the requirement of expedition. Regulation 17(1) mandates that 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”*** where revocation of licence or imposition of penalty is proposed. The said provision demonstrates

that the Regulations do not contemplate an open-ended or indefinite period of inaction after receipt of an Offence Report. The prescribed period of ninety days is a statutory safeguard governing the commencement of the regular proceedings under Regulation 17.

(xxi) Reliance is placed on ***M.K. Saha & Company v. Commissioner of Customs (Airport & Administration), Kolkata, 2021 (376) E.L.T. 534 (Tri.-Kolkata)***,

“9. We find that the power of suspension under Regulation 16 of CBLR, 2018 is to be exercised in appropriate cases where immediate action is necessary. It is well settled principle of law that only in appropriate cases where immediate action is necessary, suspension is required to be adhered to. In other words, suspension of CB licence cannot be exercised by the authority in a routine and mechanical manner. For invocation of Regulation 16 ibid, it is necessary for the authority to disclose the immediate necessity of exercising such power. In the present case, the alleged export consignments were procured during July, 2018 and the Shipping Bills were dated 8-8-2018 and 9-8-2018 respectively. The DRI Authority had intercepted and conducted 100% examination of goods on 21-8-2018. Thereafter, the investigation went on and apparently, the CB had duly participated in the investigation before the DRI Authority. After substantial period of time, on 18-2-2019, there was no ‘immediate necessity’ of suspension

of the licence of the CB under Regulation 16 of CBLR, 2018. The Commissioner has also failed to adduce any reason of 'immediate necessity' of exercising power under Regulation 16 of CBLR, 2018 in the impugned order. The Hon'ble High Court of Calcutta in the case of Rubee Air Freight Ltd. v. CC (Airport & Administration), Kolkata [2010 (257) E.L.T. 20 (Cal.)] at Para 3 held that, "The power to suspend a licence is, however, drastic and entails irreversible civil consequences for the licensee. The power to suspend thus, ought to be exercised cautiously."

10. In the case of N.C. Singha & Sons v. UOI [1998 (104) E.L.T. 11 (Cal.)], the Hon'ble High Court, Calcutta has held that, "That order, in our opinion, is not sustainable because it does not spell out that any immediate action is required to be taken in the matter nor does the order on its face indicate that such action was indeed warranted." [Para 6]

11. Also, in the case of East West Freight Carriers (P) Ltd. v. Collector of Customs, Madras [1995 (77) E.L.T. 79 (Mad.)] the Hon'ble High Court, Madras has held that, "In the absence of any indication that there was application of mind by the Collector on the aspect as to whether immediate action was necessary, in my opinion, the impugned order cannot be sustained. The Collector gets jurisdiction to suspend that licence in cases where immediate action is necessary." [Para 9]

12. Though Customs House Agents Licensing Regulations, 1984 has been subsequently superseded by the Customs House Agents Licensing Regulations, 2004 and further vide

Customs Brokers Licensing Regulations, 2013 and now Customs Brokers Licensing Regulations, 2018 is in effect, the power of suspension of licence of CHA/CB remains the same with additional provision of post-decisional hearing and confirmation by the Commissioner. In other words, the prior ingredient of 'immediate necessity' of suspension of a CB licence remained in the provision at the wisdom of the legislation and hence, the ratio of the judgments referred supra are squarely applicable to the facts of the present case.

13. We find that in the present order also, the Commissioner has not applied his mind on the aspect as to whether immediate action was necessary and thus, on this ground alone the order of continuation of suspension of the CB licence of the appellant fails.

14. Reliance has been rightly placed by the appellant in the case of International Cargo Agents v. Commissioner of Customs, Bangalore [2000 (121) E.L.T. 155 (Tribunal)] wherein in similar circumstances, a Coordinate Bench of this Tribunal has held as under :

"7. We have carefully considered these submissions and records of the case and we find that there is great force in the submissions of Ld. Advocate for the following reasons :-

(1) Since the invoices, packing list as well as the Exchange Control copy of the Shipping Bill (on reverse) all containing the declared value were signed by the exporter himself, therefore, it cannot be logically concluded that the present appellant as an agent of

the exporter, was responsible for declaration of overvaluation, if any.

(2) There has been a delay of more than three months and five days in suspension of the CHA licence, which has not been explained in the order impugned. On a consideration of the plethora of decisions on this issue, noted above, we are of the considered opinion that the law is now well settled to the effect that the drastic provisions of suspension of a CHA licence under the Regulation 21(2) shall be used only when there is an immediate need for the same. It necessarily follows that if suspension is invoked after a long period of time, which in this case is over 95 days, then this by itself is demonstrative of the fact that there was no immediate necessity found.

(3) We also find from a perusal of the order impugned that except for mention of an earlier alleged infringement done by the appellant, there is no other grounds spelt-out therein which compelled the Ld. Commissioner to suspend the said licence. In this connection, we find that once the Tribunal vide final order noted above had absolved the appellant of all wrong doings by setting aside the order, again before the Tribunal the Commissionerate cannot take this as a precedential value by holding that appellant had in the past committed any gross irregularity. If this view is not taken, then the very purpose behind the adjudication of the issue by the Tribunal would be

lost. Therefore, if this be so, then the present allegation can only be treated as vague.

(4) We are, therefore, of the considered opinion that since there has been abnormal delay in the issue of the order impugned from the date of cause of action, therefore following the ratio of the numerous decisions cited by both of the Hon'ble High Court of Calcutta & Madras as well as the Tribunal, we find that this delay in ordering suspension has fettered the issue and therefore the order impugned is liable to be set aside.

(5) We also find that the Tribunal in the case of *MVT International v. CC* as in 2000 (117) E.L.T. 258 (Tri.) = 2000 (36) RLT 799 (CEGAT) has held that over-invoicing is not an offence under Section 18(1)(a) of FERA, 1973 and therefore also not an offence under Section 11 of the Customs Act, 1962. In this decision, the Hon'ble Tribunal had also noted the decision of the Tribunal in the case of *Shilpi Exports v. CC* as in 1996 (83) E.L.T. 302 (T) which had not been interfered by the Hon'ble Apex Court on a Civil Appeal filed by Revenue as is reported in 1996 (88) E.L.T. A65. We are of the opinion that when such an over-invoicing does not lead to any penalty on the importers or confiscation of the goods being exported in the above decision, the suspension of a CHA licence in such an issue is not justified."

15. Moreover, apparently, the authorities have failed to complete the Regulation 17 proceeding within the time limit stipulated therein. The Hon'ble High Court, Calcutta has also found that the inquiry proceeding was completed without supplying relied upon documents to the CB and hence, the said inquiry report has been set aside by the Hon'ble High Court, Calcutta, as referred supra. On query, it is learnt that afresh inquiry proceeding is yet to be concluded by the newly appointed Inquiry Officer. In such scenario, the suspension of licence of appellant cannot be allowed to continue since the same has irreversible civil consequences on the appellant/CB.

16. In the above circumstance, we are of the considered opinion that there is no necessity to continue with the suspension of the CB licence any further. Justice may subserve and balance of convenience may be maintained by withdrawing suspension of the CB licence of the appellant and directing them to cooperate in the inquiry proceeding under Regulation 17 of CBLR, 2018. Hence, the proceeding of inquiry under Regulation 17 *ibid* shall continue in the case of the present appellant in accordance with law, but the authorities should not continue with the suspension of their licence.”

21.13 That M/s Navbharat Consolidation Pvt. Ltd. is commercial establishment employing more than 50 persons, whose livelihood is directly and solely dependent upon the continued operation of the Customs Broker Licence in question.

The impugned order, by suspending the licence with immediate effect and across all Customs Stations, has the practical and inevitable consequence of bringing the entire business of the Customs Broker to a complete and grinding halt, resulting not merely in loss of revenue and reputation to the licensee, but in serious and disproportionate civil consequences to the more than fifty employees who stand to lose their means of livelihood through no fault, act, or omission attributable to them individually.

21.14 That it is respectfully submitted that suspension of a licence under Regulation 16(1) of CBLR, 2018, while ostensibly an interim and protective measure pending enquiry, in practical effect operates with all the severity of a punitive order, inasmuch as it deprives the Customs Broker of the very means of carrying on its business, and thereby visits civil consequences of a serious and, in many respects, irreversible nature, including the disruption of ongoing client engagements, forfeiture of business goodwill built over years of licensed operation.

21.15 That CBLR, 2018 contains no provision prohibiting a director, partner, or proprietor of a licensed Customs Broker from simultaneously holding an interest in, or office with, an importing firm. The Order itself, at para 16.3, expressly concedes that “such common control by itself is not treated as an automatic violation of Regulation 10(n).” In the absence of any express prohibitory regulation, the fact of common control between the

Customs Broker and the importer cannot, by itself, sustain a finding of contravention. A finding of violation must rest on an identifiable failure of a specific independent obligation under Regulation 10, and not on inference drawn from corporate structure. The importer was a genuine, IEC-holding entity; Regulation 10(n) was substantively complied with.

21.16 That M/s Transworld Commercial Enterprises held a valid and subsisting Importer Exporter Code (IEC No. 0392012928) and was not a fictitious, non-existent, or benami entity. Regulation 10(n) obliges the Customs Broker to verify the correctness of the IEC, GSTIN, and identity of the client using reliable, independent, authentic documents, an obligation directed at establishing that the client is who it claims to be, not at prohibiting a related-party relationship. Where the client holds a valid IEC, there arises a presumption that verification/KYC has already been undertaken by the competent issuing authority. The identity of the importer in the present case was never in doubt, and Regulation 10(n) was accordingly satisfied on its own terms.

21.17 That the alleged forged transit Bills of Lading were admittedly prepared by an employee of a wholly independent third party, M/s Orange Box Line (India), on the instructions of persons who are strangers to the Customs Broker, namely Shri Rahul Mehta, Shri Atik, and Shri Deepak Rawal, none of whom is a director, partner, or employee of M/s Navbharat Consolidation Pvt. Ltd. The Customs Broker's statutory obligation under the

Regulations is confined to verification of documents placed before it and advisory compliance functions; it does not extend to detecting a forgery perpetrated upstream in the supply/shipping chain by unconnected third parties. Any lapse in this regard is, at highest, a question of due diligence properly examined in a Regulation 17 inquiry, and does not establish knowing participation in fraud so as to justify immediate suspension.

21.18 That of the 175 forged Bills of Lading and the aggregate alleged duty evasion of Rs. 138.88 Crore under investigation, the Customs Broker's exposure is confined to 6 Bills of Entry involving Rs. 8.19 Crore, approximately 6% of the total. There is no finding, and no material has been placed on record, to show that the Customs Broker or its Managing Director prepared, procured, or had actual knowledge of the mechanism of forgery, unlike the admitted role of Shri Abhishek Malviya. The gravity attributed to the principal racket cannot be mechanically extended to the Customs Broker without independent evidence of complicity.

21.19 That Shri Prashant Dwivedi voluntarily appeared and made complete disclosure in his statements dated 26-27.02.2026; and deposited Rs. 2,00,00,000/- as a first tranche towards the differential duty. All prior to the passing of the impugned suspension order dated 31.08.2026. No fresh irregularity or continuing threat to revenue has been alleged or demonstrated in the intervening period of over six months since

the search operations (February 2026). Regulation 16(1) is a power to be exercised only where immediate action is genuinely necessary to avert an ongoing risk; it is not an automatic consequence that must follow upon the gravity of an offence report. Where the noticee has cooperated fully and taken remedial steps of its own accord, the necessity contemplated under Regulation 16(1) does not survive.

21.20 That the offence report is dated 27.04.2026, whereas the impugned order of suspension came to be passed only on 31.08.2026, a delay of over four months, during which no fresh act or omission is attributed to the Customs Broker. It is well settled that the exercise of the power of immediate suspension under Regulation 16(1) must be proximate in time to the triggering event, failing which the very premise of “immediate action” stands defeated. Reliance is placed on:

- (i) Indair Carrier Pvt. Ltd. v. Commissioner of Customs (General), 2016 (337) E.L.T. 41 (Del.);
- (ii) Overseas Air Cargo Service v. Commissioner of Customs (General), New Delhi, 2016 (340) E.L.T. 119 (Del.);
- (iii) Santon Shipping Services v. Commissioner of Customs, C.M.A. No. 730 of 2016 (Mad., dated 13.10.2017).
- (iv) Schankar Clearing & Forwarding Vs C.C., 2012 (283) E.L.T. 349
- (v) Instruction No.24/2023

Copies of the aforementioned authorities and Vakalatnama is attached to this letter.

21.21 That the explanation that the delay is attributable to the non-receipt of Relied Upon Documents from CIU, JNCH till 21.08.2026 is an inter-departmental administrative matter and cannot be visited upon the noticee to extend the statutory concept of immediacy, particularly where the material facts and admissions were already on record with the Department since February 2026.

21.22 That suspension of a Customs Broker's licence, is not a proportionate response and where part-recovery has already been secured by the Department through voluntary payment by the Importer which admittedly at para 16.3, expressly concedes that "such common control by itself is not treated as an automatic violation of Regulation 10(n)." Therefore, suspension is not to be treated as a punitive or default measure but as one reserved for cases of demonstrated, continuing risk to revenue. In the present case, the Customs Broker's continued operation poses no such risk, and the ends of justice would be served by permitting the licence to continue while the enquiry contemplated under Regulation 17 proceeds in the ordinary course.

21.23 That, in view of the foregoing grounds, it is respectfully prayed that the Hon'ble Principal Commissioner may be pleased to revoke the suspension of the Customs Broker Licence of M/s Navbharat Consolidation Pvt. Ltd. (CB No. 11/1708).

DISCUSSIONS AND FINDINGS:

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

23. The primary issue under consideration is whether Suspension Order No. 08/2026-27 dated 31.08.2026 should be upheld or revoked. After carefully examining the submissions and the case law cited by the CB, I find that the precedents relied upon are not relevant to the facts and circumstances of the present case. The power under Regulation 16(1) of the CBLR, 2018 confers power to the Principal Commissioner/Commissioner of Customs, as the case may be, to suspend the license of the Customs Broker where an inquiry against such Customs Broker is pending or contemplated and immediate action is warranted. In the instant case, since an inquiry was contemplated against the said CB as intimated by the investigating agency i.e. CIU, JNCH Mumbai, hence, I found that it's an appropriate case for suspension where immediate action was necessary in order to stop all customs clearance related work to safeguard the revenue. In terms of Regulation 16(2) of CBLR, 2018, an opportunity of hearing was granted to the CB on 08.09.2026 at 12:00 hrs and same has been attended by the said Customs Broker through their authorized consultant. However, orders issued under Regulations 16(1) and 16(2) of the CBLR, 2018 are temporary measures and final order is to be

issued under Regulation 17 of CBLR, 2018 after issuance of Show Cause Notice and due inquiry.

24. Regarding the violation of Regulation 10(d) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker failed to ensure that the Customs Broker filed Bills of Entry claiming SAFTA benefit despite absence of mandatory documents under Rule 12 read with Article 18 of the SAFTA Rules of Origin. There is no indication that the Customs Broker advised the importer against claiming preferential benefit in absence of genuine transit/customs-control records or that such non-compliance was brought to the notice of Customs. Therefore, **I find that that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 10(d) of CBLR 2018.**

25. Regarding the violation of Regulation 10(e) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker filed Bills of Entry on the basis of documents claiming Afghanistan origin, despite the declared port of loading being Jebel Ali, UAE and despite absence of genuine through transport documents and transit records. The recurring pattern of import through UAE, high duty differential under SAFTA, absence of mandatory transit records and later recovery of documents showing Chinese origin were circumstances requiring heightened due diligence. Filing the Bills of Entry without verifying the foundation of the preferential claim indicates failure to exercise due diligence. Therefore, **I find that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 10(e) of CBLR 2018.**

26. Regarding the violation of Regulation 10(n) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker's Managing Director was simultaneously the Managing Partner of the importer demonstrates that the CB and its client were under common control. While such common control by itself is not treated as an automatic violation of Regulation 10(n), in the present facts it is a material circumstance demonstrating the absence of an independent arm's-length relationship and requires examination as to whether the verification and gatekeeping functions contemplated under Regulation 10(n) were genuinely and independently discharged. **Therefore I find that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 10(n) of CBLR 2018.**

27. Regarding the violation of Regulation 10(k) of CBLR, 2018, the preliminary investigation indicates that the investigation recovered delivery/freight invoices issued to M/s. Navbharat Consolidation Pvt. Ltd. showing Jebel Ali, UAE as port of loading, which directly contradicted the projected Afghan/Iran transit claim. Such records were material to the clearance transaction and ought to have been maintained, examined and reconciled by the Customs Broker before filing Bills of Entry under SAFTA claim. Failure to maintain, verify and produce complete transaction-wise records relevant to origin, route, freight, delivery order and supporting documents amounts to violation of Regulation 10(k) of CBLR 2018. **Therefore, I find that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 10(k) of CBLR 2018.**

28. Regarding the violation of Regulation 13(12) of CBLR, 2018, the preliminary investigation indicates that the Customs Broker failed to exercise effective supervision necessary to ensure the proper transaction of business. The present investigation concerns the filing of six Bills of Entry through the CB's licence in circumstances where the documents supporting the preferential claim were prima facie defective, unsigned and subsequently found to be connected with forged transit documentation. The role of the CB's management and employees in processing and filing such documents therefore requires detailed examination in the proceedings contemplated under

Regulation 17. **At this stage, the material on record prima facie I find that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 13(12) of CBLR 2018.**

29. Regarding the violation of Regulation 14(c) of CBLR, 2018, the preliminary investigation indicates Gross Misconduct by the Customs Broker's Managing Director by actively facilitating the filing of Bills of Entry on the basis of forged import documents. The present matter involves a Customs Broker whose Managing Director was simultaneously the Managing Partner of the importer, whose six Bills of Entry were filed under the CB licence, and who has admitted that the supporting first-leg transit documents were not independently available or verified. The use of such documentation in support of a substantial preferential-duty claim, coupled with the admitted conflict of control and the admitted lack of verification, constitutes prima facie misconduct. **Thus I find that M/s. Navbharat Consolidation Private Limited has violated provisions of Regulation 14(c) of CBLR 2018.**

30. I find that the use of forged documents to file the Bills of Entry constitutes gross misconduct committed by the CB's Managing Director, Shri Prashant Dwivedi, and indicates a lack of exercise of proper conduct in the transaction of business. In their submission dated 08.09.2026, the said CB has failed to justify its failure to fulfil its obligations to prevent the gross misdeclaration during the filing of Bills of Entry. Therefore, I find that the CB has apparently violated the said provisions of CBLR, 2018.

31. The CB has a very important role in customs clearances and a lot of trust has been placed by the Department on the CB. In the context of trade facilitation, where an increasing number of goods are processed through Risk Management Systems without customs examination, the role of the Customs Broker (CB) has become even more critical in ensuring that the country's economic borders are effectively protected. However, in the present case, the gross misdeclaration and dereliction of duty exhibited by the Customs Broker posed a significant threat to the Indian economy at large. In the era of trade facilitation, the

Customs Broker works as a bridge between the importer and Customs authorities. However, in the instant case, it appears that CB **M/s. Navbharat Consolidation Private Limited (Lic. No. 11/1708 & PAN: AAFCN6922QCH)** did not perform its duties and the preliminary investigation indicates gross misdeclaration by using forged documents by the Customs Broker's managing director itself. This amounts to a serious offence warranting stringent legal action under the Customs Broker Licensing Regulations (CBLR), 2018 and related statutes. In this regard, I rely on the judgement of the Hon'ble Supreme Court in case of Commissioner of Customs vs M/s K.M. Ganatra & Co. has held that:

"the Customs House Agent (CHA) occupies a very important position in the customs house. The customs procedures are complicated. The importers have to deal with a multiplicity of agencies namely carriers, custodians like BPT as well as the Customs. The importer would find it impossible to clear his goods through its agencies without wasting valuable energy and time. The CHA is supposed to safeguard the interests of both the importers and the customs. A lot of trust is kept in CHA by the importers/exporters as well as by the government agencies..."

32. 16. Further, I rely on the judgement of the Hon'ble High Court of Madras in case of Cappithan Agencies vs. Commissioner of Customs, Chennai-VIII, 2015 (326) E.L.T. 150 (Mad.), has held that:

"...Therefore, the grant of licence to act as a Custom House Agent has got a definite purpose and intent. On a reading of the Regulations relating to the grant of licence to act as CHA, it is seen that while CHA should be in a position to act as agent for the transaction of any business relating to the entry or departure of conveyance or the import or export of goods at any customs station, he should also ensure that he does not act as an Agent for carrying on certain illegal activities of any of the persons who avail his services as CHA. In such circumstances, the person playing the role of CHA has got greater responsibility. The very description that one should be conversant with the various procedures including the offences under the Customs Act to act as a Custom House Agent would show that while acting as CHA,

he should not be a cause for violation of those provisions. A CHA cannot be permitted to misuse his position as CHA by taking advantage of his access to the Department. The grant of licence to a person to act as CHA is to some extent to assist the Department with the various procedures such as scrutinizing the various documents to be presented in the course of transaction of business for entry and exit of conveyances or the import or export of the goods. In such circumstances, great confidence is reposed in a CHA. Any misuse of such a position by the CHA will have far reaching consequences in the transaction of business by the customs house officials. Therefore, when, by such malpractices, there is loss of revenue to the custom house, there is every justification for the Respondent in treating the action of the Petitioner Applicant as detrimental to the interest of the nation and accordingly, final order of revoking his licence has been passed."

33. In view of the discussion held above, I have no doubt that the suspension of the CB licence vide Order No. 08/2026-27 dated 31.08.2026 under regulation 16 of the CBLR, 2018 was just and proper. The said regulation reads as:

"16. Suspension of license.

- (1) Notwithstanding anything contained in regulation 14, the Principal Commissioner or Commissioner of Customs may, in appropriate cases where immediate action is necessary, suspend the license of a Customs Broker where an enquiry against such Customs Broker is pending or contemplated."

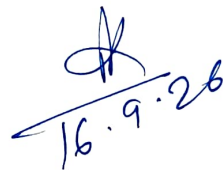
34. From the above facts, prima-facie, the Customs Broker M/s. Navbharat Consolidation Private Limited (Lic. No. 11/1708 & PAN: AAFCN6922QCH), appeared to have failed to fulfill their obligations under Regulation 10 (d), 10(e), 10(n), 10(k), 13(12) and 14(c) of CBLR, 2018 and contravened the same. Therefore, for their apparent acts of omission and commission as discussed above, the CB M/s. Navbharat Consolidation Private Limited (Lic. No. 11/1708 & PAN: AAFCN6922QCH) appears to be liable and guilty and hence to prevent the further misuse of the CB license, I am inclined to continue the suspension of the CB license under Regulation 16(2) of CBLR, 2018.

35. Accordingly, I pass the following order: -

ORDER

35.1 I, Pr. Commissioner of Customs (G), CBS, in exercise of powers conferred upon me under the provisions of Regulation 16 (2) of CBLR, 2018 order that the suspension of the Customs Broker License of **M/s. Navbharat Consolidation Private Limited (Lic. No. 11/1708 & PAN: AAFCN6922QCH)**, ordered vide Order no. 08/2026-27 dated 31.08.2026 shall continue, pending inquiry proceedings under Regulation 17 of CBLR, 2018.

36. This order is being issued without prejudice to any other action that may be taken against the CB or any other person(s)/firm(s), etc, under the provisions of the Customs Act, 1962 and Rules/Regulations framed thereunder or under any other law for the time being in force.



(Ajay Kumar Pandey)

Pr. Commissioner of Customs (General)
Mumbai Customs Zone-I

To,

M/s Navbharat Consolidation Pvt. Ltd
(11/1708 and CB NO. AAFCN6922QCH)
5D1, 5th Floor, D Wing
Gundecha Onclave, Khairani Road
Sakinaka Andheri (E)
Mumbai-400072.

Copy to:

1. The Pr./Chief Commissioner of Customs, Mumbai Zone I, II, III.
2. The Commissioner of Customs NS-General JNCH

3. EDI of NCH, ACC & JNCH

4. BCBA

5. OFFICE COPY

6. Notice board