CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
NEW DELHI

PRINCIPAL BENCH - COURT NO. 4

CUSTOMS APPEAL NO. 50130 OF 2026

(Arising out of Order-in-Appeal No. 02/SB/COMMR,/ACE/2024 dated 28.05.2024 passed by Commissioner of Customs, New Delhi)

M/s D.S. Cargo Agency **...... Appellant**
Flat No. 1485, DDA Janta Flats
Sector - 16B, Dwarka
New Delhi
.

Versus

Commissioner of Customs **...... Respondent**
New Customs House,
Near IGI Airport,
New Delhi-110037.

APPEARANCE:
Shri Mohd. Faraz Anees, Shri Mukeshwar Nath Dubey, Shri Shivendy Sharma and Shri Yash Singh, advocates for the appellant
Shri Ram Parvesh Prasad, authorised representative for the department

CORUM: HON'BLE MR. ASHOK JINDAL, MEMBER (JUDICIAL)

DATE OF HEARING/DECISION: July 08, 2026

FINAL ORDER NO. /2026

MR. ASHOK JINDAL:

Heard the parties.

2. It is a case where penalty has been imposed under section 112 of the Customs Act, 1962 onn account of that the appellant did not obtain KYC being custom broker of the importer.

3. The learned counsel for the appellant has submitted that proceedings were initiated agsint the appellant under CBLR 2018 and they have been discharged. Therefore, no penalty can be imposed under section 112 of the Customs Act, 1962.

4. On the other hand, learned authorised representative for the department supported the impugned order.

5. Admittedly, it is a case where penalty has been imposed on the appellant on the basis of that the appellant could not obtain KYC of the importer but for the said act, the appropriate proceedings to be initiated against the appellant is under CBLR 2018 which has already been dropped by the Hon'ble High Court.

6. In that circumstances, I hjold that no penalty can be imposed on the appellant. Accordingly, penalty imposed under section 112 and 114AA of the Customs Act, 1962 and set aside.

7. Therefore, I set aside the impugned order and allow the appeal with consequential relief.

(Order pronounced and dictated in open court)

(MR. ASHOK JINDAL)
MEMBER (JUDICIAL)

Apoorva