CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL MUMBAI

WEST ZONAL BENCH

CUSTOMS APPEAL NO: 85786 OF 2025

[Arising out of Order-in- Original F. No: CUS/RFD/ENC/94/2023/492 dated 12th February 2025 passed by the Commissioner of Customs, Nagpur.]

US Enterprises
21-A Gurukrupa Apartment, Paryavaran Nagar
Somalwada Square, Wardha Road, Nagpur - 440025 … ***Appellant***

versus

Commissioner of Customs
GST Bhavan, Telangkhedi Road, Civil Lines
Nagpur - 440001 ***…Respondent***

APPEARANCE:

Ms Aishwarya Kantawala, Advocate for the appellant

Shri Ram Kumar, Deputy Commissioner (AR) for the respondent

CORAM:

HON'BLE MR C J MATHEW, MEMBER (TECHNICAL)
HON'BLE MR AJAY SHARMA, MEMBER (JUDICIAL)

FINAL ORDER NO: 86773/2025

DATE OF HEARING: 06/05/2025
DATE OF DECISION: 04/11/2025

PER: C J MATHEW

The grievance of M/s US Enterprises, holder of customs broker licence no. PMT/CHA/04/99/NGP, in this appeal against order[1] of Commissioner of Customs, Nagpur, arises from suspension of their ‘customs broker’ licence under regulation 16 of Customs Brokers Licensing Regulations, 2018 in connection with filing of bill of entry no. 6208225/19.10.2024 for a consignment which was found to contain 1178 cartons of fireworks that had not been declared and were, in addition, restricted for import. Suspension was initially ordered and, following post-decisional hearing, continued for reasons set out in the impugned order.

2. Learned Counsel for appellant submitted that the order of suspension had not determined the manner in which the appellant had breached obligation in regulation 10(d), 10(e) and 10(n) of Customs Brokers Licensing Regulations, 2018. It is also pointed out that they had requested for some of the documents that had been relied upon for arriving at the conclusion that the alleged acts merited suspension.

3. We have heard Learned Authorized Representative.

4. Suspension is not a penalty or a detriment but merely a mechanism available with the customs authorities to prevent a customs broker from continuing to operate while initiation of inquiry proceedings under the Customs Brokers Licensing Regulations, 2018 was being contemplated. While the suspension order is elaborate in

[1] [order no. CUS/RFD/ENC/94/2023/492 dated 12th February 2025]

including all the possible charges that were likely to be framed under regulation 18 of Customs Brokers Licensing Regulations, 2018, and needlessly so, it does not in any way detract from the power to suspend a licence or circumscribe the circumstances in which such suspension was ordered to be continued. The narration of the alleged breach did not warrant detailed scrutiny at this stage of contemplation of inquiry process under the Regulations. It is, however, of relevance, that the Regulations prescribe 'post-decisional hearing' and that is not a mere formality. The appellant herein had sought for certain documentation, upon which the decision to suspend the licence was hinged, and the failure to furnish those documents dispite specific request vitiates the proceedings leading to continuation of suspension.

5. Accordingly, the impugned order is set aside and appeal is allowed.

(Order pronounced in the open court on 04/11/2025)

(AJAY SHARMA)
Member (Judicial)

(C J MATHEW)
Member (Technical)

**/as*