

**CUSTOMS, EXCISE & SERVICE TAX APPELLATE TRIBUNAL
NEW DELHI.**

PRINCIPAL BENCH,
COURT NO. I

E-HEARING

CUSTOMS APPEAL NO. 50020 OF 2025

[Arising out of the Order-in-Original No. 58/VPS/POLICY/2024 dated 24/09/2024 passed by The Commissioner of Customs (Airport & General), New Delhi.]

M/s Vogue Logistics Pvt. Ltd.,
1251/2A, 1st Floor, New Patel Nagar,
New Delhi – 110 008.

Appellant

VERSUS

**Commissioner of Customs,
(Airport & General),**
New Customs House, Near IGI Airport,
New Delhi – 110 037.

Respondent

APPEARANCE

Shri Devesh Tripathi and Ajay Kumar, Advocates – for the appellant.
Shri Shiv Shankar, Authorized Representative (DR) – for the
Department

CORAM : **HON'BLE SHRI JUSTICE DILIP GUPTA, PRESIDENT**
HON'BLE SHRI P.V. SUBBA RAO, MEMBER (TECHNICAL)

FINAL ORDER NO. 50404/2026

DATE OF HEARING/DECISION : 19.03.2026

JUSTICE DILIP GUPTA

The appellant has sought the quashing of the order dated 24.09.2024 passed by the Commissioner of Customs (Airport & General), New Delhi by which the customs brokers licence of the appellant has been revoked under the provisions of the Customs

Brokers Licensing Regulations, 2018¹. The order also forfeits the security deposit and imposed penalty .

2. A perusal of the show cause notice dated 08.04.2024 shows that paragraph 1 deals with the description the appellant. Paragraph 2 mentions that the show cause notice dated 12.01.2024 issued by the Additional Commissioner of Customs under the provisions of the Customs Act, 1962 was received on 15.01.2024 with a request to take action against the appellant under the 2018 Regulations. Paragraph 3, which starts from page 1 of the order and continues up to page 20, merely states facts of the show cause notice issued under Customs Act. Paragraphs 4 and 5 of the show cause notice state :-

"4. Whereas from the above, it appears that the CB M/s Vogue Logistics Pvt. Ltd. has violated the following regulations of CBLR, 2018 for the reasons narrated in preceding paras :-

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 ;

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 (q) : co-operate with the Customs authorities and shall join investigations promptly in the event of an inquiry against them or their employees ;

5. Whereas, it appears that the above CB was found to be contravening the provision of Regulation 10 (d), 10 (e) and 10 (q) of CBLR, 2018 for the reasons narrated in preceding paras, therefore, in order to establish the contravention as detailed above, an enquiry/examination is essential. Therefore, in terms of Regulation 17 of CBLR, 2018, **Shri Narendra Kumar Soni, Assistant Commissioner, TKD Import, New Delhi** is being appointed as an Inquiry officer in the above discussed case. M/s Vogue Logistics Pvt. Ltd., the authorized Customs Broker is required to join the proceedings before the Inquiry officer and to submit his representation, if any, to the inquiry officer within thirty days of the issuance of this show cause notice. The Inquiring authority shall submit a report within ninety days of the issuance of this show cause notice to the Commissioner of Customs (Airport & General), New Customs House, New Delhi”.

3. Shri Devesh Tripathi, learned counsel thereafter submitted that as the show cause notice is vague and does not state any reason as to why the appellant had violated the provisions of regulations 10 (d), (e), and (q) of the 2018 Regulations. In support of his contention, learned counsel placed upon certain decisions of the Tribunal, including the decision of the Tribunal in Customs Appeal in **M/s Entire Logistics Pvt. Ltd. versus Commissioner of Customs (Airport & General), New Delhi²**.

4. Shri Mukesh Kumar Shukla, learned authorized representative appearing for the department, however, supported the impugned order and submitted that it does not call for any interference in this appeal.

5. The submissions advanced by the learned counsel for the appellant and the learned authorized representative appearing for the department have been considered.

6. A perusal of the show cause notice dated 08.04.2024 that was issued to the appellant under the provisions of the 2018 Regulations does show that paragraph 3 of the earlier show cause notice dated 12.01.2024 issued under the provisions of Customs Act have merely been reproduced. Paragraph 3 begins from page 1 of the show cause notice and continues up to page 20 of the show cause notice. Thereafter in paragraph 4 it has been alleged that the appellant had violated regulations 10 (d), (e), and (q) of the 2018 Regulations. No reasons have been stated as to why the appellant had violated these provisions of the 2018 Regulations.

7. This Tribunal in **M/s Entire Logistics Pvt. Ltd.** examined a similar matter and set aside the impugned order. The order passed by the Tribunal is reproduced below :-

"2. This order dated 14.02.2024 seeks to adjudicate the show cause notice dated 22.08.2023 that was issued to the appellant. The first paragraph of the show cause notice gives particulars of the appellant. The second paragraph of the show cause notice is reproduced below:

"2. Whereas, a letter dated 26.05.2023 (RUD-1) was received through an email dated 26.05.2023 (RUD-2) from Technical Branch Customs (Prev.), Jodhpur (Hqrs. at Jaipur) regarding Forwarding of Show Cause Notice No. GEN/ADJ/COMM /410/2022-Adjn/O/o- Commr-Cus-Prev-Jodhpur dated 30.12.2022 issued against Shri Manubhai Chunilal Soni & Others (Action against M/s. Entire Logistics Pvt. Ltd.) wherein the above said Show Cause Notice was forwarded to initiate action against the Custom Broker M/s Entire Logistics Pvt. Ltd., B-362, Lok Vihar, Pitam Pura, New Delhi under CBLR, 2013 read with CBLR, 2018.

2.1 As the signed copy of the above said Show Cause Notice was not forwarded, therefore, this office vide email dated 05.06.2023 (RUD-3) requested to forward the signed copy of the said Show Cause Notice alongwith all RUD's for initiation of necessary action by this office.

2.2 Whereas, Technical Branch Customs (Prev.), Jodhpur (Hqrs. at Jaipur) vide e-mail dated 06.06.2023 forwarded the e-signed copy of SCN dated 30.12.2022 alongwith RUD's (RUD-4) for taking necessary action against M/s Entire Logistics Pvt. Ltd. from Commissioner of Customs (NS-V), SIIB (Imp), JNCH, Mumbai Customs Zone-11."

3. Paragraph 3 of the show cause notice deals with the role of Customs Broker communicated by the show cause notice dated 30.12.2022. Various paragraphs of this show cause notice running from page numbers 657 to 662 of the appeal memo have been reproduced.

4. Paragraph 3 of the show cause notice is followed by paragraph 4 which is as follows:

"4. Whereas from the above and facts conveyed through the above said Show Cause Notice No. GEN/ADJ/COMM /410/2022-Adjn/O/o-Commr-Cus-Prev-Jodhpur dated 30.12.2022, it appears that the CB has violated provisions of Regulation 10(a), 10(d), 10(e), 10(n) & 13 (12) of CBLR 2018 read with Regulation 11(a), 11(d), 11(e), 11(n) & 17 (9) of CBLR 2013 respectively for the reasons narrated in preceding paras and in order to establish the contravention as detailed above, an enquiry/examination is essential. Therefore, in terms of Regulation 17 of CBLR 2018 read with Regulation 20 of CBLR 2013, Ms Bullo Mamu, Deputy Commissioner of Customs, IGI Airport, New Delhi is being appointed as an Inquiry officer in the above discussed case. M/s Entire Logistics Pvt. Ltd., the authorized Customs Broker is required to join the proceedings before the Inquiry officer and to submit his representation, if any, to the inquiry officer within thirty days of the issuance of this Show Cause Notice. The Inquiring authority shall submit a report within ninety days of the issuance of this Show Cause Notice to the Commissioner of Customs (Airport & General), New Custom House, New Delhi.

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;

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(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;”.

5. Paragraph 5 of the show cause notice then proceeds to state that from the above it appears that the appellant is found to be contravening the provisions of regulations 10(a), 10(d), 10(e), 10(n) and 13 (12) of the Customs Brokers Licensing Regulations 20183 for the reasons narrated in the preceding paragraphs. It, therefore, calls upon the appellant to join the proceedings before the enquiry officer and the enquiry officer was required to submit his report within 90 days from the date of issuance of the show cause notice.

6. It clearly transpires that the show cause notice does not even make an attempt to state the allegations concerning the five regulations that have been alleged to be violated. It has been left to the wisdom of the appellant to decipher what can be culled out against the 3 the 2018 Regulations 4 C/50374/2024 appellant in respect of the five alleged violations of the 2018 Regulations.

7. It was imperative for the officer issuing the show cause notice to precisely spell out the allegations pertaining to the regulations of which violation has been alleged.

8. There is, therefore, substance in the submission advanced by Shri Salil Arora, learned counsel appearing for the appellant that the impugned order should be set aside for this sole reason, as the show cause notice does not even state the allegations in respect of violation of the five regulations under the 2018 Regulations.

9. It is not necessary to examine the impugned order because the order, as noticed above, deserves to be set aside for the sole reason that the show cause notice, which is the foundation of the order, is absolutely vague and does not even state the allegations in respect of the five violations.

10. In such circumstances, the impugned order dated 14.02.2024 passed by the Commissioner of Customs deserves to be set aside and is set aside. The appeal is, accordingly, allowed”.

8. The show cause notice dated 08.04.2024 that was issued to the appellant in the present case is similar to the show cause notice that was issued to **M/s Entire Logistics Pvt. Ltd.**, as is clear from paragraph 2, 3, 4 and 5 of the decision of the Tribunal.

9. Against this order of the Tribunal in **M/s Entire Logistics Pvt. Ltd.**, the department filed an appeal before the Delhi High Court which was numbered as **CUSAA 55/2025³**. This appeal was dismissed by the Delhi High Court by judgment dated 12.03.2026 and the relevant portion of the judgment is reproduced below :-

“9. Since the counsel for the appellant has specifically relied on para 4 of the show cause notice, it is necessary for us to refer to the said para. For the convenience, we have reproduced the said para, which reads thus:

“4. Whereas from the above and facts conveyed through the above said Show Cause Notice No. GEN/ ADJ/ COMM /410/2022-Adjn/O/o-Commr-Cus-Prev-Jodhpur dated 30.12.2022, it appears that the CB has violated provisions of Regulation 10(a), 10(d),10(e), 10(n) & 13(12) of CBLR 2018 read with Regulation 11(a),11(d), 11(e), 11(n) & 17(9) of CBLR 2013 respectively for the reasons narrated in preceding paras and in order to establish the contravention as detailed above, an enquiry/examination is essential. Therefore, in terms of

3. Commissioner of Customs, Airport and General, New Delhi versus M/s Entire Logistics Pvt. Ltd.

Regulation 17 of CBLR 2018 read with Regulation 20 of CBLR 2013, Ms Bullo Mamu, Deputy Commissioner of Customs, IGI Airport, New Delhi is being appointed as an Inquiry officer in the above discussed case. M/s Entire Logistics Pvt. Ltd., the authorized Customs Broker is required to join the proceedings before the Inquiry officer and to submit his representation, if any, to the inquiry officer within thirty days of the issuance of this Show Cause Notice. The Inquiring authority shall submit a report within ninety days of the issuance of this Show Cause Notice to the Commissioner of Customs (Airport & General), New Custom House, New Delhi."

10. The perusal of the aforesaid para contemplates that the material borrowed from the show cause notice dated 30th December, 2022 issued under the Customs Act, particularly from paras 37–37.4, 38, 38.1, 49 and 50 were relied on. The material in the said show cause notice which is relied on for initiating action against the respondent was for the purpose of the initiation of action under the Customs Act, 1962 wherein the show cause notice pertains to the penalty being imposed under Section 112(a), 112(b), 114AA and 117 of the Customs Act, 1962.

11. As far as the said material is concerned, the least that was expected of the appellant was to specify in the show cause notice, as to how the said material comes within the ambit and satisfaction of the opinion to be formed for the purpose of prima facie recording violation of the regulations 10(a), 10(d), 10(e) and 10(n). However, the respondent was not provided with any specific allegations explaining the mode or manner in which the alleged violations are attributable to them.

12. Though Order-in-Original in detail considers the violations by the respondent, however, the fact remains that the Order-in-Original has travelled beyond the scope of the show cause notice.

13. One can understand that the appellant at the relevant time, giving a concession before the CESTAT, saying that they be permitted to withdraw the Order-in-Original and causing a fresh show cause notice to the respondent based on the material which was relied on or in which the reasons are recorded against the respondent.

14. However, there is complete failure on the part of the appellant to do so and it is only after the CESTAT allowed the appeal,

having recorded that the appellant has travelled beyond the show cause notice, the appellant has tried to justify their show cause notice based on the material which is found to be basis for passing the Order-in-Original.

15. It is a settled position of law that in case if the show cause notice is vague or the order based on the show cause notice considers such material which was never part of the record of the show cause notice, the order can be said to be in violation of the principles of natural justice. The said position is also affirmed by the judgment of the Apex Court in **Commissioner of Central Excise, Bangalore vs Brindavan Beverages (P) Ltd. and Ors.** (2007) 5 SCC 388, which reads as under:

*"14. There is no allegation of the respondents being parties to any arrangement. In any event, no material in that regard was placed on record. **The show-cause notice is the foundation on which the Department has to build up its case. If the allegations in the show cause notice are not specific and are on the contrary vague, lack details and/or unintelligible that is sufficient to hold that the noticee was not given proper opportunity to meet the allegations indicated in the show-cause notice.** In the instant case, what the appellant has tried to highlight is the alleged connection between the various concerns. That is not sufficient to proceed against the respondents unless it is shown that they were parties to the arrangements, if any. As no sufficient material much less any material has been placed on record to substantiate the stand of the appellant, the conclusions of the Commissioner as affirmed by CEGAT cannot be faulted."*

16. In such an eventuality, the Tribunal has recorded that the Order-in-Original is passed contrary to the show cause notice, by only recording a reason to that effect. In our opinion, the said reason can be said to be justified in the wake of the findings recorded by us hereinabove.

17. That being so, we are of the view that no substantial question of law is involved in the present appeal.

18. The appeal, as such, stands dismissed. Pending applications, if any, also stand dismissed”.

10. The present case is squarely covered by the decision of the Tribunal in **M/s Entire Logistics Pvt. Ltd.** and the decision of the Delhi High Court in the matter of **M/s Entire Logistics Pvt. Ltd.**

11. The impugned order dated 24.09.2024 adjudicating the show cause notice, therefore, deserves to be set aside for the reason that the show cause notice that was issued to the appellant was vague. The order is, accordingly, set aside and the appeal is allowed.

(Dictated and pronounced in open court.)

(JUSTICE DILIP GUPTA)
PRESIDENT

(P.V. SUBBA RAO)
MEMBER (TECHNICAL)