

	<p style="text-align: center;">सीमाशुल्क आयुक्त (सामान्य) का कार्यालय OFFICE OF THE COMMISSIONER OF CUSTOMS (GENERAL) CCSP सेल, CCSP Cell जवाहरलाल नेहरू सीमाशुल्क भवन/ Jawaharlal Nehru Custom House पो: शेवा, ता: उरण, महाराष्ट्र- ४००७०७/ At post Sheva, Tal Uran, Maharashtra-400707 Email: ccsp.jnch@gov.in</p>
---	---

File No.: GEN/3264/2025-CCSP-O/O COMMR-CUS-GEN-NHAVA SHEVA

Date: 11.12.2025

DIN No. 20251278NU0000518749

Show Cause Notice issued under the provisions of the Customs Act, 1962 and
Handling of Cargo In Customs Areas Regulations, 2009

**SHOW CAUSE NOTICE No. 1570(L)/2025-26/Commissioner of
Customs/CCSP/NS-G/CAC/JNCH**

Area measuring approx. 52,990 SQM of the Container Freight Station, M/s Sarveshwar Logistics Services Pvt. Ltd. (hereinafter referred to as Customs Cargo Service Provider (CCSP)) located at Village Dighode, Taluka-Uran, Dist. Raigad, Maharashtra was notified as "Customs Area" under Section 8 of the Customs Act, 1962 vide Notification No. 11/2016 dated 06.12.2016. Further, M/s Sarveshwar Logistics Services Pvt. Ltd. was appointed as "Custodian" under Section 45(1) and 141(2) of the Customs Act, 1962 and was also approved as 'Customs Cargo Service Provider (CCSP)' under the provisions of Handling of Cargo in Customs Areas Regulations 2009 (hereinafter referred to as HCCAR, 2009) vide Notification No.10/2017 dated 21.08.2017. Further, the custodianship and approval as a CCSP was further extended for 05 years vide Notification No. 07/2020 dated 13.01.2020 & letter dated 19.03.2025 till the validity of the AEO authorisation in 2028. In terms of the HCCAR Regulations, 2009, as amended from time to time, M/s. Sarveshwar Logistics Private Limited, was approved as a 'Customs Cargo Services Provider' subject to condition that they shall abide by all the provisions of the Customs Act, 1962 and the Handling of Cargo in Customs Areas Regulations, 2009, other regulations, notifications, orders issued there under.

Brief Facts of the case

2. Whereas a letter dated 22.08.2025 (RUD-I) was received from Special Investigation and Intelligence Branch (Export) (hereinafter referred to as SIIB(X), JNCH regarding their investigation into a case of smuggling of Red-sanders covered under Shipping Bill No. 3649312 dated 31.08.2024 filed by M/s Elite Exim Trading (IEC: AAHFE3064F) wherein it was requested to take necessary action against M/s Sarveshwar Logistics Services Pvt. Ltd. for violating the responsibilities of a Custodian under HCCAR, 2009.

3. Vide the aforementioned letter, it was informed that M/s. Elite Exim

Trading (IEC: AAHFE3064F) had filed Shipping Bill No. 3649312 dated 31.08.2024 for the export of goods declared as "Western Commode". Upon examination, the goods were determined to be consistent with the declared description, whereafter a Let Export Order was granted. The cargo was then loaded into a brown-coloured defaced 20 ft container bearing No. TLLU8399629 (actual container No. TRHU1590770), sealed with Customs bottle seal No. 4688860, and placed onto a private truck bearing registration No. MH-46-AF-4408, as authorized by the CFS for onward movement. After completing all gate formalities, the truck exited Sarveshwar CFS for BMCT Port for export loading.

3.1 However, during the course of investigation, it was found that the private truck vehicle number MH-46-AF-4408 and the customs cleared container failed to reach the port. Instead, on 3.9.2024, a blue-colored container bearing the same number TLLU8399629 (20'), loaded on a different unauthorized vehicle MH-06-BW-9900, had fraudulently entered BMCT Port, Nhava-Sheva, using documents pertaining to the Customs-cleared brown container. Upon inspection, the container was found to be carrying 9.26 MT of red sanders, a prohibited commodity for export. The original brown container carrying the declared export goods was diverted en-route and did not reach BMCT. The substituted blue container was traced and intercepted inside the port area during the intervening night of 03/04.09.2024 and was brought to the CFS under escort. It was found sealed with a Customs bottle seal bearing the identical number 4688860, matching the seal on the brown container.

3.2 During the investigation by SIIB(X),JNCH, 100% examination of the intercepted blue container No. TLLU8399629 was conducted under Panchnama (RUD II) on 04.09.2024 in the presence of a Wildlife Inspector. The container was found to contain 9,260 kg of Red Sanders logs, valued at approximately ₹9.26 crore. As Red Sanders is an endangered species listed under Appendix II of CITES and its export is prohibited, the logs and the container were seized under Section 110 of the Customs Act, 1962.

4. Further, vide SIIB letter dated 22.08.2025, it is informed that the representative of M/s. Sarveshwar Logistics Services Pvt. Ltd. during their statement dated 30.06.2025 (RUD-III) stated that in general, they don't allow movement of goods to port on private vehicle but in case of exporter M/s. Elite Exim Trading (IEC: AAHFE3064F) they allowed movement of goods on private vehicle not only in subject shipping bill but also in past shipping bills no. 2958137 dated 04.08.2023, 3705194 dated 04.09.2023 and 5849126 dated 06.12.2023. Moreover, they also accepted the fact that an un-authorised person entered the CFS to clear the subject goods for export. This is a serious lapse, undermining the integrity of the export clearance process.

5. Accordingly, summons was issued to the CCSP regarding the export of illegal goods by M/s Elite Exim and Pramod Prakash Patil, Operations Manager of M/s. Sarveshwar Logistics Services Pvt, Ltd. presented himself as authorised representative on behalf of M/s. Sarveshwar Logistics Services Pvt. Ltd.

Statement of Shri Pramod Prakash Patil (RUD-IV) was recorded under section

108 of the Customs Act, 1962 on 10.10.2025 in the office of CCSP CELL, situated at 2nd floor, B-205, JNCH, Nhava Sheva, Dist.- Raigad- 400707. On being asked, he interalia stated that-

- His name is Pramod Prakash Patil. He is working as Operation Manager in M/s. Sarveshwar Logistics Services Pvt. Ltd., and he has been called for inquiry regarding the role of the CCSP in the matter relating to the export of illegal goods by M/s. Elite Exim Trading (IEC: AAHFE3064F) covered under Shipping Bill No. 3649312 dated 31.08.2024.
- M/s. Sarveshwar Logistics Services Pvt. Ltd. is a Customs Area under the Customs Act, 1962, and is also approved as a Customs Cargo Service Provider (CCSP) under the provisions of HCCAR, 2009 until the validity of their AEO Licence, i.e., till 06.02.2028. The functioning and responsibilities of the CCSP include handling, storage, and delivery of import and export goods, and providing services for the movement of containers from the Port Terminals to the CCSP and vice-versa.
- He confirmed that they are aware of the HCCAR Rules, 2009, and the obligations applicable to the custodian of EXIM goods.
- An exporter desirous of using their facility has to either directly register with them or register through stuffing agent (already registered). During registration, they ask for KYC documents of the agents or walk in customers. They also obtain bank account details. The exporter or stuffing agent provide checklist of the goods to be exported along with vehicles details. Then the CCSP allows for Gate IN based on availability of space and allow them to cart their goods in the premises & then after receiving is given for the Customs formalities. Afterwards, after completion of Customs formalities, LEO will be granted.
- Once goods are granted LEO in ICEGATE system by the custom officers, LEO copy is generated by ICEGATE. Thereafter, a container is allocated for stuffing of the goods by the Shipping Line to the exporter/shipper. Subsequently, the goods are stuffed inside the said container under Customs Bottle seal and shipping line seal with the permission of the Stuffing Superintendent and Container Load Plan (CLP) is issued by the CCSP. Then the CLP and the original documents are submitted to the Shipping Line which generates Form-13/Pre-advice based on the same. Then the exporter representative hands over the Form-13 to the CCSP for movement towards port. Then CCSP will allocate a vehicle for movement of the goods and then load the container onto the vehicle for the same. After loading, Gate Pass will be generated which will be presented at the CCSP out-gate by the vehicle driver. The CCSP security will check the gate pass details such as Seal No, Container No. and Vehicle No. etc. and allow movement of the goods

outwards.

- The CCSP carries out pre-booking of export containers to map the vehicle with the container number on the terminal website. This procedure is invariably followed in every case.
- He affirmed that the procedure is invariably followed in every case.
- There is no direct communication between the CCSP and the Shipping Line. Form 13 generated by the Shipping Line is used by the CCSP for facilitating movement of goods to the port.
- Vehicle details are provided to the Port Terminal in every case; otherwise the vehicle is not allowed entry into the terminal.
- The transportation of containers is carried out either through vehicles owned by the CCSP or through vehicles employed from authorized contractual vendors. All such vehicles are equipped with GPS tracking systems, enabling the CCSP to monitor and track their real-time movement as and when required.
- They conduct proper KYC of the transporters, maintain all valid documents of the vehicles, and periodically review the same. Payments to transporters are based on the number of trips undertaken to the port. Approximately 20 transporters are registered with the CCSP.
- In ideal circumstances, movement of goods from CCSP to port takes 2–3 hours. However, depending on port conditions, it may take 7–8 hours or more. The CCSP verifies the EIR (Equipment Interchange Report) issued by the terminals and also keeps track through the terminal website. They can also track container movement through GPS if needed.
- The exporter, M/s. Elite Exim Trading, requested permission for export of goods covered under Shipping Bill No. 3649312 dated 31.08.2024. The request was approved by the Shift In-charge, and the goods were carted into the Export Warehouse. Subsequently, the goods were examined by Customs, and the Let Export Order (LEO) was granted. Thereafter, the goods were stuffed into the container, which was subsequently loaded onto the exporter's private vehicle and allowed to move towards the Port Terminal for onward export.
- The System Manager, who was handling the movement of the said container was informed by the exporter's representative that the cut-off time for the

container was approaching and that there had already been a delay due to completion of Customs formalities. In order to meet the cut-off deadline, the exporter's representative requested that the container be moved on the same vehicle No. MH-46-AF-4408, as it was readily available for dispatch. Owing to the immense pressure from the exporter, the System Manager permitted the movement accordingly. Further, the vehicle details were not updated in the terminal system in this instance.

- He admitted that the CCSP violated the provisions of HCCAR, 2009 by allowing movement of the container in order to facilitate the trade due to circumstantial pressures
- They have handled a total of 4 other shipments of the said exporter i.e. M/ s. Elite Exim Trading, beside the current shipment in a span of two years. As per the records available with thrm, movement of the goods were facilitated by private vehicle in 03 cases and in a vehicle registered with them in 01 case.
- They were not aware initially that fraud had taken place. They came to know only when SIIB (Export) brought the container back to the CCSP.
- On 04.09.2024, a sealed Container bearing same No. TLLU 8399629 on different vehicle no. MH-06-BW-9900 but blue coloured was brought to our CCSP under escort by Customs Officers. They verified the details and found that this container was blue coloured but carried the same number as that of an Orange color Container, which had left their CCSP carrying Western Commodities on 02.09.2024. Later this container was opened and examined in presence of independent Panchas and shipping line representative which resulted into recovery of 410 wooden logs weighing 9260Kgs, later confirmed to be Red Sanders by Wild Life Inspector Shri Rakesh Burman. The goods are restricted for export and were seized by Customs. He confirmed that the contents of the goods, carted in their CCSP and examined & cleared for export by customs officers were different. Clearly, entire container, cleared by customs for export to Sharjah under self-filed Shipping Bill No. 3649312 dated 31.08.2024 with declared description of Western Commodity of 450 Pcs. with declared FOB of 803992.5(INR) pertaining to M/s Elite Exim Trading (IEC-AAHFE3064F) had been replaced fraudulently with a different blue coloured container inscribed with same container number containing prohibited Red Sanders for illegally exporting prohibited goods to Sharjah by exporter M/s Elite Exim Trading (IEC-AAHFE3064F) and other persons. Also, it is found that a different truck was used to carry the contraband goods in a different container to port. It is found that the truck with the customs cleared container never reached the port as mandated and instead, a different container containing red sanders placed on a different truck reached the port for export under guise of documents cleared for export by customs for goods Western Commodity.

- The exporter was already registered with the CCSP since 2023. Their KYC formalities had already been completed at the time of registration. The person who entered the CCSP premises to facilitate clearance produced a Custom Broker G-Card No. 1870/2022 of M/s. Perfecto Logistics (11/2690), in the name of Shri Pramod Kumar Jha.
- The CCSP maintains proper records for every person entering the CCSP-designated area. CB passes are checked, and for other exporter representatives, manual passes are created and recorded.
- The G-card submitted by impersonator does not pertain to Shri Pramod Kumar Jha, CHA. Further, it appears that the person faked his identity at the gate and produced fake documents to gain access to the CCSP. Hence, it appears that the person utilized other person's documents for gaining access to the CCSP premises.
- He accepted that this constitutes a failure on part of CCSP to comply with security and access control obligations under HCCAR, 2009. He stated that a proper record is maintained for every person entering the CCSP designated area. For the CBs, their passes are checked and for the other exporter representatives, manual passes are created and the same are recorded. They are strictly following the rules and regulations of the HCCAR, 2009. However, these instances do not happen in the general course.
- Their internal investigation has found no evidence of any CCSP employee being involved in collusion related to the said export. Additionally, a complaint letter was submitted with the local police against the exporter for fraudulent activity.
- He further submitted that following this incident, they have conducted an internal audit of their procedures and strengthened them, and they have taken steps to ensure that such incidents do not occur again in the future..

In view of the above facts and the statement recorded, it is evident that the CCSP has admitted operational lapses, specifically regarding (i) the use of an unregistered/private vehicle for movement of export cargo, and (ii) permitting the entry of an unauthorized person into the CFS premises. These acts constitute clear violations of the Handling of Cargo in Customs Areas Regulations, 2009 (HCCAR, 2009).

6 . Further, the investigation has brought out multiple contraventions of the obligations cast upon the custodian under HCCAR, 2009, as detailed below:

(i) Violation of Regulation 5(n): Security and access control

Regulation 5(n) requires the custodian to maintain strict access control and prevent

unauthorized entry into the customs area. However, the CCSP's gate-management system permitted entry to an individual who used **forged/incorrect identity documents**, a lapse that has been expressly admitted by the CCSP's representative. This constitutes failure to implement the mandatory access-control protocol.

(ii) Violation of Regulation 6(1)

(b) : The CCSP is responsible for keeping a record of each activity or action taken in relation to the movement or handling of imported or export goods and goods brought for transshipment.

(i): Safety and security of goods

Under Regulation 6(1)(i), the custodian is obligated to ensure the safety and security of goods under its custody.

In the present case, the container that was duly examined, sealed, and cleared at the CFS **did not reach the port**, and a substituted container bearing the **same seal number** was intercepted at BMCT containing **prohibited Red Sanders**. Thus it appears that the CCSP failed to keep record of activity/actions taken in relation to movement of export goods and also to ensure the safety and security of goods in its custody resulting in a complete breakdown in the custodian's responsibility to safeguard the integrity of export cargo.

(iii) Violation of Regulation 6(1)(k): Secure and authorised transit of goods

Regulation 6(1)(k) mandates that the custodian must ensure secure, authorised, and supervised transit of goods to other customs areas. Contrary to this requirement, the CCSP:

- permitted dispatch of the export container on an **unmonitored and unauthorised private vehicle**,
- failed to update the vehicle details on the terminal system, and
- did not ensure GPS-enabled or supervised movement..
- These failures materially enabled the **substitution of the container during transit**.

(iv) Violation of Regulation 6(1)(q): Compliance with Customs Act and allied regulations

Regulation 6(1)(q) places an overarching obligation on the custodian to comply with all provisions of the Customs Act and all rules, notifications, and orders issued thereunder.

The substitution of the container and subsequent seizure of prohibited Red Sanders in place of the declared consignment shows **non-adherence to statutory custodial and movement requirements**, amounting to a breach of this regulation.

Accordingly, the above failures of the CCSP appear to constitute **violations of**

Regulations 5(n), 6(1)(b), 6(1)(i), 6(1)(k), and 6(1)(q) of HCCAR, 2009.

Liability under Section 117 of the Customs Act, 1962

Section 117 provides for the imposition of penalty where any person contravenes any provision of the Customs Act, or abets such contravention, in cases where no specific penalty is prescribed.

In the present case, the CCSP's conduct in:

- permitting unauthorized access into a notified customs area,
- allowing movement of export cargo on an unmonitored and unmapped private vehicle, and
- failing to ensure secure, supervised, and tamper-proof transit of a sealed export container,

constitutes **acts and omissions that directly facilitated** the attempted export of **prohibited goods**.

These failures amount to **abetment of a contravention under the Act**, particularly in view of the subsequent **substitution of the sealed container** with a contraband-laden container bearing identical seal numbers. The CCSP is, therefore, **appears to be liable for penal action under Section 117** of the Customs Act, 1962.

6.1 The authorization of the export container's movement through a private, unsupervised vehicle, coupled with the custodian's failure to ensure secure, sealed, and continuously monitored transit, created conditions that **enabled tampering and substitution** of the consignment during its journey to the port. This constitutes a serious dereliction of custodial responsibility.

Based on the records of investigation conducted by SIIB (X), including the statement of the CCSP's representative wherein procedural lapses have been admitted, as well as other documentary evidence available on record, this office has **reason to believe** that:

- (a) the CCSP **failed to maintain mandatory security and access control**,
- (b) the CCSP **failed to ensure secure, supervised, and properly documented transit** of export containers, and
- (c) these omissions collectively enabled the **substitution of the export container**, facilitating the attempted export of **prohibited (CITES-listed) goods**, thereby resulting in contravention of HCCAR, 2009 and the Customs Act, 1962.

7 . Legal provisions- Since the CCSP appears to have not adhered to the responsibilities of CCSP as mentioned in HCCAR 2009 which have to be

necessarily complied with by every CFS, reflecting a grave breach of security and custodial obligations on the part of M/s Sarveshwar CFS, which is entrusted with critical responsibilities as per the HCCAR, 2009 and therefore the CCSP M/s. Sarveshwar Logistics Services Pvt. Ltd. Limited appears to have violated Regulation 5(1)(n), 6(1)(b), 6(1)(i), 6(1)(k) and 6(1)(q) of the Handling of Cargo in Customs Areas Regulations, 2009 read with Customs Act, 1962 which are as follows:

- *Regulation 5(n) – Provide to the satisfaction of the Commissioner of Customs: security and access control to prohibit unauthorized access into the premises.*
- *Regulation 6(1)(b) keep a record of each activity or action taken in relation to the movement or handling of imported or export goods and goods brought for transshipment;*
- *Regulation 6(1)(i) be responsible for the safety and security of imported and export goods under its custody*
- *Regulation 6(1)(k) – The custodian shall be responsible for the secure transit of goods from the said customs area to any other customs area at the same or any other customs station, in accordance with the permission granted by the Deputy Commissioner or Assistant Commissioner of Customs.*
- *Regulation 6(1)(q) – abide by all the provisions of the Act and the rules, regulations, notifications and orders issued thereunder.*

8. Other Relevant provisions of Laws and Regulations:

A. Section 117 of the Customs Act, 1962,

Penalties for contravention, etc., not expressly mentioned:

“Any person who contravenes any provision of this Act or abets any such contravention or who fails to comply with any provision of this Act with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure, shall be liable to a penalty not exceeding four lakh rupees”.

B. Regulation 11 of the Handling of Cargo in Customs Area Regulations, 2009;

Suspension or revocation of approval for appointment of a Customs Cargo Service provider:

(1) The Commissioner of Customs may, subject to the provisions of these regulations, suspend or revoke the approval granted to the Customs Cargo Service provider subject to the observance of procedure prescribed under regulation 12 and also order for forfeiture of security, if any, for failure to comply with any of the provisions of the Act and the

rules, regulations, notifications and orders made thereunder;

(2) notwithstanding anything contained in sub-regulation (1), the Commissioner of Customs may, in appropriate cases where immediate action is necessary, suspend the approval granted to a Customs Cargo Service provider where an enquiry against such Customs Cargo Service provider is pending or contemplated.

C. Regulation 12(8) of the Handling of Cargo in Customs Area Regulations, 2009;

If any Customs Cargo Service provider contravenes any of the provisions of these regulations, or abets such contravention or who fails to comply with any provision of the regulation with which it was his duty to comply, then, he shall be liable to a penalty which may extend to fifty thousand rupees.

9. Hence, it appears that M/s Sarveshwar Logistics Services Pvt. Ltd. by their aforesaid acts of omission/commission have failed to fulfill their responsibilities of the Custodian and also contravened the provisions of the Customs Act, 1962 and Regulation 5(n), Regulations 6(1)(b), 6(1)(i), 6(1)(k) and 6(1)(q) of the HCCAR, 2009 and have therefore made themselves liable for penal action under the provisions of Customs Act, 1962 and Regulation 12 of the HCCAR, 2009.

10. Now, therefore, the CCSP i.e. M/s Sarveshwar Logistics Services Pvt. Ltd. is hereby called upon to Show Cause to the Commissioner of Customs (General) through the Dy./Asst. Commissioner of Customs, CCSP Cell, Jawaharlal Nehru Customs House, Nhava Sheva, Maharashtra, within 30 days of receipt of this Notice, as to why:

- i. Action should not be initiated under Regulation 11 of HCCAR, 2009 for suspension or revocation of their appointment as Customs Cargo Service Provider after following the procedure under Regulation 12 ibid.
- ii. Penalty under Section 117 of the Customs Act, 1962 read with HCCAR, 2009 should not be imposed on the CCSP.
- iii. Penalty as per Regulation 12(8) of the Handling of Cargo in Customs Areas Regulations (HCCAR), 2009 should not be imposed on the CCSP.

11. Regulation 12 of the Handling of Cargo in Customs Area Regulations, 2009 provides for procedure for suspension or revocation of approval and imposition of penalty, according to which consequent to issue of a notice in writing to the Customs Cargo Service Provider,

(i) Customs Cargo Service Provider may submit a written statement of defense to the Assistant Commissioner or Deputy Commissioner of Customs, as nominated in the notice and can also specify in the said statement whether they desire to be heard in person by the said Assistant Commissioner or Deputy Commissioner of Customs.

(ii) On receipt of the written statement of defense from the Customs Cargo Service Provider, or where no such statement has been received within the time-limit specified in the notice, the Assistant Commissioner or Deputy Commissioner of Customs may inquire into such of the grounds as are not admitted by the Customs Cargo Service Provider.

(iii) The Assistant Commissioner or Deputy Commissioner of Customs shall, in the course of inquiry, consider such documentary evidence and take such oral evidence as may be relevant or material to the inquiry in regard to the grounds forming the basis of the proceedings and he may also put any questions to any person tendering evidence, for or against the CCSP, for purpose of ascertaining the correct position.

(iv) M/s Sarveshwar Logistics Services Pvt. Ltd. is entitled to receive a copy of the Inquiry Report of the Dy. Commissioner of Customs from CCSP Cell, JNCH. They may file a representation to the Commissioner of Customs (General), JNCH against the Inquiry Report within 30 days of the receipt of the same.

12. This Show Cause Notice is issued without prejudice to any other action that may be taken against Sarveshwar CFS under the Handling of Cargo in Customs Areas Regulations (HCCAR) 2009 or any other law for the time being in force in India. This office reserves the right to expand or modify this SCN.

Digitally signed by
Bhetanabhotla Sumidaa Devi
Date: 11-12-2025 11:28:39

(B.Sumidaa Devi)
Commissioner of Customs (GEN),
MUMBAI CUSTOMS ZONE-II, JNCH.

To,

M/s Sarveshwar Logistics Services Pvt. Ltd.
at Dighode Circle, Village Dighode, Taluka-Uran,
Dist. Raigad, Maharashtra-400702

Copy to:-

1. The Chief Commissioner of Customs, JNCH, Mumbai Zone-II.
2. The Asst. Commissioner of Customs, CAC
3. Office copy

RUDs

1. SIIB Letter dated 22.08.2025.
2. Panchnama dated 04.09.2024
3. Statement dated 05.09.2024 & 30.06.2025 of Shri Pramod Prakash Patil, Operation Manager, M/s Sarveshawar Logistics Services Pvt. Ltd. before SIIB(X), JNCH
4. Statement dated 10.10.2025 of Shri Pramod Prakash Patil, Operation Manager, M/s Sarveshawar Logistics before CCSP, JNCH.
5. Gate Pass copy