IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 11-02-2026

CORAM

THE HONOURABLE MR JUSTICE ABDUL QUDDHOSE

WP No. 38980 of 2025
AND
WMP NO. 43648 OF 2025

M/s.Sunway Logistics,
1st Floor, C. Portion
No.1, Moore Street Chennai 600 001.
Rep. By Its Partner
Mr.B.Sundar Raman

Petitioner(s)

Vs

The Commissioner Of Customs (General),
Chennai Customs Zone, 60 Rajaji Salai
Custom House, Chennai 600 001.

Respondent(s)

PRAYER:-Writ Petition filed under Article 226 of the Constitution of India, praying for an issuance of Writ of Certiorari, calling for the records of the respondent herein, pertaining to Suspension Order No.38/ 2025 dated 10.10.2025 in F. No GEN/CB/ACTN/49/2025, thereby suspending the CB License No R- 468 / 2018-CHA (PAN No. ADPFS1811F) of the petitioner firm, M/s.Subway Logistics, across all customs station, with immediate effect in terms of Regulation 16 (1) of the Customs Broker Licensing Regulation, 2018 and to quash the same in so far as, the said impugned order had been passed without jurisdiction and authority of law and in utter violation to the principles of natural justice, and in gross violation to the fundamental rights guaranteed to the petitioner herein under the constitution.

For Petitioner(s): Mr.S.Baskaran

For Respondent(s): Mr.K.S.Ramaswamy,
CGSC For Respondent

ORDER

This writ petition has been filed challenging the impugned suspension order dated 10.10.2025, issued by the respondent suspending the petitioner's CB license (Customs Broker License), under Regulation 16 (1) of the Customs Broker Licensing Regulation, 2018.

2.The impugned order has been passed on the ground that while acting as a customs broker for an importer, the petitioner has violated the provisions of CBLR, 2018.

3.The petitioner has challenged the impugned order on the following grounds:-

(a) For an incident that occurred in September 2023, the respondent has passed the impugned suspension order on 10.10.2025, which is contrary to the Regulation 16(1) of CBLR, 2018. According to the petitioner, only in the case of immediate necessity, the license of the petitioner can be suspended. According to the petitioner, though the incident occurred in September 2023, the impugned suspension order passed by the respondent on 10.10.2025, after the lapse of more than two years is contrary to the Regulation 16(1) of CBLR, 2018.

(b) The show cause notices which were treated as offence reports by the respondent was adjudicated by passing the order-in-original. In the said order-in-original, the Adjudicating Authority at Mumbai had refrained from imposing any penalty on the petitioner. Since the show cause notices which were treated as offence reports have been adjudicated upon and no penalty has been imposed by the Adjudicating Authority, the impugned suspension order dated 10.10.2025 has to be consequently quashed.

4.A counter has been filed by the respondent before this Court reiterating the contents of the impugned suspension order. The respondent would submit that instead of preferring statutory appeal, the petitioner has filed this writ petition, which is not maintainable.

5.The following facts are undisputed:-

(a) The show cause notices issued to the petitioner were treated as offence reports by the respondent for the purpose of passing the impugned suspension order.

(b) The incident had occurred in September 2023, whereas, the impugned suspension order has been passed only on 10.10.2025, after the lapse of more than two years.

(c) The Regulation 16(1) of CBLR, 2018, makes it clear that only in the case of immediate necessity, the license issued to a customs broker can be suspended.

(d) The show cause notices which are treated as offence reports by the respondent were adjudicated by the Adjudicating Authority by passing two orders-in-original, wherein the Adjudicating Authority had refrained from imposing any penalty on the petitioner.

6.From the undisputed facts recorded supra, it is clear that the petitioner's license which has been suspended under the impugned order dated 10.10.2025, is contrary to the Regulation 16(1) of the CBLR, 2018, which stipulates the following:-

6.1.Only in the case of immediate necessity, the customs broker license can be suspended.

7.Although the respondent may contend before this Court that the Chennai Division of the Customs Department was only intimated about the violation committed by the petitioner in the year 2025, the said contention has to be rejected by this Court since the Customs Department was very well aware of the violation said to have been committed by the petitioner in September 2023 itself. When the other division of Customs Department viz, Mumbai Customs was aware of the alleged violation said to have been committed by the petitioner in the year 2023 itself, just because the Chennai Division was informed about the same in the year 2025, the respondent cannot contend that the cause of action for suspending the petitioner's license arose only in the year 2025.

8.Admittedly, as seen from the undisputed facts recorded supra, the show cause notices were treated as offence reports. The said show cause notices were also adjudicated upon by the Adjudicating Authority, wherein the Adjudicating Authority had refrained from imposing penalty on the petitioner in respect of the very same proceedings. While that being so, the question of suspending the petitioner's license through the impugned order does not arise as the show cause notices which have been treated as offence reports by the respondent has already been adjudicated upon by the Adjudicating Authority who had refrained from imposing penalty on the petitioner.

9.The notification dated 08.04.2010 issued by the Customs Department in Circular No.9/2010-Cus, relied upon by the learned counsel for the petitioner also stipulates that within a period of 30 days, in case of immediate necessity only any customs broker license can be suspended.

10.In the case on hand, the license has been suspended under the impugned order dated 10.10.2025 for an incident that had occurred in September 2023. Though the learned Standing Counsel appearing for the respondent would submit that since a statutory appeal remedy is available to the petitioner in respect of the impugned suspension order dated 10.10.2025, the said contention has to be rejected by this Court in view of the fact that the impugned order has been passed by total non-application of mind to the fact that the very same show cause notices which were treated as offence reports by the respondent have already been adjudicated upon by the Adjudicating Authority, who had refrained from imposing any penalty on the petitioner. Since in respect of the same set of facts the show cause notices have been adjudicated upon by the Adjudicating Authority and having not imposed any penalty in the order-in-original, the question of suspending the petitioner's license under the impugned order does not arises.

11.During the course of submissions, learned Standing Counsel appearing for the respondent also submits that if the petitioner is aggrieved by the impugned order, he is having the right to file an application seeking for a revision. This Court is of the considered view that no useful purpose will be served if the said liberty is granted to the petitioner, that too when the petitioner is able to establish that the very same show cause notices which were treated as an offence report has been adjudicated upon by the Adjudicating Authority by declaring that no penalty can be levied on the petitioner.

12.Thus, this Court is of the considered view that the impugned order dated 10.10.2025 passed by the respondent is arbitrary and illegal and the same is hereby quashed. Accordingly, the writ petition is allowed. No costs. Consequently, connected miscellaneous petition is closed.

11-02-2026

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Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

To

The Commissioner Of Customs (General),
Chenani Customs Zone, 60 Rajaji Salai
Custom House, Chennai 600 001.

ABDUL QUDDHOSE J.

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