
	<p style="text-align: center;">सीमाशकआयनकाकायालय(सामाय)  <b>OFFICE OF THE COMMISSIONER OF CUSTOMS,</b>  <b>(GENERAL)</b>  सीसीएसपी विभाग/CCSP SECTION,  जवाहरलालनहसीमाशकभवन,हावा-शवा/  <b>JAWAHARLAL NEHRU CUSTOM HOUSE, NHAVA-</b>  <b>SHEVA रायगढ, महारा, RAIGAD, MAHARASHTRA- 400707</b>  ई-मेल:/E-mailId:ccsp.jnch@gov.in</p>	 सत्यमेव जयते
---	---	---

F.No.CUS/1370/2025-CCSP-O/OCOMMR-CUS-GEN-NHAVASHEVA

Date: 11-05-2026

SCN No.-185/2026-27/Commissioner of Customs/CCSP/NS-G/CAC/JNCH  
Adj F.No.-S/10-193/2026-27/Adj/Commr. of Customs/CCSP/NS-G/CAC/JNCH

**DIN-20260578NU000000AF54**

**Show Cause Notice issued under the provisions of Handling of Cargo in Customs Areas Regulations, 2009 read with Customs Act, 1962.**

M/s. Navkar Corporation Limited (hereinafter referred to as the Customs Cargo Service Provider or CCSP or Noticee), located at Survey No. 89/93/95/97 at Somathane Village, Kon-Savla Road, Taluka Panvel, Dist. Raigad, Maharashtra-410206, was notified as a Customs Area under Section 8 of the Customs Act, 1962, vide Notification No. 05/2014 dated 15.05.2014. Further, the entity was appointed as Custodian under Sections 45(1) and 141(2) of the Customs Act, 1962, and approved as a Customs Cargo Service Provider (CCSP) under the provisions of the Handling of Cargo in Customs Areas Regulations (HCCAR), 2009, through the same notification. The custodianship and approval as CCSP were subsequently extended for 10 years vide CFS Notifications No. 04/2019 and 05/2019, both dated 31.05.2019.

In terms of HCCAR, 2009, as amended from time to time, M/s Navkar Corporation Limited was required to comply with all provisions of the Customs Act, 1962 and the rules, regulations, notifications, and orders issued thereunder.

**BRIEF FACTS OF THE CASE**

2. Commissioner of Customs, NS-I, Import Bond Section, Jawaharlal Nehru Customs House (JNCH), Nhava Sheva, vide letter dated 04.01.2025, suspended the warehousing operations of the licensed warehouse bearing Warehouse Code No. NSA1U016 of CFS M/s Navkar Corporation Limited under Section 58B(2) of the Customs Act, 1962, on account of contravention of the provisions of the Customs Act, 1962 and violation of the licence conditions of the public bonded warehouse by storing non-bonded cargo in the bonded area.

3. Thereafter, a letter dated 15.09.2025 was received from the Import Bond Section, JNCH, Nhava Sheva, enclosing a copy of Show Cause Notice No. 43/2025-26/Commr/Bond/NS-I/CAC/JNCH dated 11.04.2025 and Order-in-Original No. 131/25-26/COMMR/NS-I/Bond(I)/CAC/JNCH dated 22.07.2025.

4.1 In the said Order-in-Original dated 22.07.2025, it has been recorded that a team of officers from the Bond Section, JNCH visited the open bonded warehouse of M/s Navkar Corporation Limited (Warehouse Code No. NSA1U016) on 02.01.2025 and observed the following violations during the visit and subsequent investigation:

a. No marking and fencing were present in the open bonded area to distinguish or

identify the open area from the rest of the CFS, during visit by Bond Officers on 02.01.2025.

- b. CCTV cameras were not covering the open-bonded area properly.
- c. Improper signage i.e. unfixed signage board without warehouse name and code was present in the warehouse
- d. Non-bonded goods were found present in the open bonded area. Details are as mentioned below in Table A :

**Table-A**

Sr. No.	Bs/Entry No. & Date	Container No.	Description of Goods/ quantity of goods as per BoE	Observation during physical verification
1.	7304423/ 18.12.2024	CAIU6053910	Potassium sulphate / (504000)	Import Container having intact line seal (122775)
		CAIU3513400	Potassium sulphate / (504000)	Import Container having intact line seal (TWTPE2400986)
2.	7397339/ 22.12.2024	MSNU2359807	LD MILLING MACHINE	Import Container having intact line seal (328938)
3.	7421212/ 24.12.2024	TEMU5131143	Mobil Jet Oil / (544 CTN)	Mobil Jet Oil / (544 CTN)
		FCIU4782660	Mobil Jet Oil / (544 CTN)	Mobil Jet Oil / (544 CTN)
4.	7483972/ 27.12.2024	SEGU1808588	Birla Carbon Black/ (400 Bags)	Birla Carbon Black/ 400 Bags
5.	7440936/ 24.12.2024	HYJU1116205	Used Bolt Former Machine	Import Container having intact line seal (530199)
6.	7472761/ 26.12.2024	BSIU2970304	OD Concentrate For Compound Animal Feed	Import Container having intact line seal (KMC597982)
7.	7482496/ 27.12.2024	DRYU3050564	Misc. Cleaning Items & spare parts (408 CTN)	Misc. Cleaning Items & spare parts (408CTN)

4.2 Based on the above findings, the adjudicating authority in the Bond Section, JNCH, vide Order-in-Original dated 22.07.2025, inter alia, ordered as follows:

- Imposed a penalty of Rs. 1,00,000/- (Rupees One Lakh only) under section 117 of the

Customs Act, 1962 for

- (a) Failing to provide properly fencing or demarcation of Open Bonded Area
  - (b) Failing to provide CCTV camera system to capture the open bonded area
  - (c) Failing to provide proper signage to indicate the site is a custom bonded warehouse;
- Imposed a penalty of Rs. 1,00,000/- (Rupees One Lakh only) under section 117 of the Customs Act, 1962 for Storing Non-Bonded Goods in Bonded Area for storing 09 containers of Non-bonded Goods pertaining to 07 Bs/E in open bonded area of Warehouse.
  - Ordered for revocation of Suspension of Warehousing operation of Open Bonded area of M/s Navkar Corporation Limited (NSA1U016).

## 5. Violations

5.1 Regulation 6(1)(d) of HCCAR, 2009 mandates clear demarcation and segregation of areas meant for storage and handling of imported goods. In the instant case, the open bonded area situated within the notified area of the CCSP, lacked proper fencing and signage board, resulting in the failure to distinctly identify it from the surrounding Customs notified area for handling EXIM cargo. The absence of adequate physical demarcation facilitated the movement of imported goods into the open bonded area, thereby constituting a clear violation of the aforesaid regulations.

5.2 It is also observed that non-bonded goods pertaining to seven (07) Bills of Entry were moved out of the approved Customs area and subsequently stored within the open bonded warehouse premises. This movement and storage were undertaken without obtaining the requisite prior written permission from the proper officer of Customs. Such action constitutes a deviation from the prescribed procedures governing the handling and storage of imported goods and is in contravention of Regulation 6(1)(f) of HCCAR, 2009. Such failure is also in direct contravention of Section 45 of the Customs Act, 1962, which mandates that imported goods shall remain in the custody of the approved custodian and shall not be removed or otherwise dealt with except with the permission of the proper officer.

5.3 Furthermore, CCTV system installed was found to be inadequate as the open bonded area situated within the notified Customs area was not properly covered which led to non-availability of the CCTV recordings of the incident. This is a clear violation & gross negligence in surveillance and monitoring of goods under their custody. Hence, CCSP failed to maintain the safety & security of EXIM goods under its custody as mandated under Regulation 6(1)(i) of HCCAR, 2009.

## 6. Submission

6.1 Vide email dated 19.12.2025, M/s Navkar Corporation Limited submitted that the matter relating to storage of non-bonded goods in the open bonded area had already been adjudicated vide Order-in-Original No. 131/25-26/COMMR/NS-I/Bond(I)/CAC/JNCH dated 22.07.2025 and that the penalty imposed under Section 117 of the Customs Act, 1962 had been paid vide Electronic Payment Challan No. 1671347215 dated 24.07.2025 for following violations.

1-With reference to the requirement for proper fencing and demarcation of the open bonded area, they submitted that:

Earlier, fencing was installed to clearly demarcate the open bonded area. However, due to the movement of ODC cargo, the fencing had to be temporarily removed. They now confirm that a fixed-type fencing structure has been constructed to ensure clear and permanent demarcation of the open bonded area. The photographs of the newly installed fencing are attached herewith for kind perusal and records.

## 2- Failure to Install and Maintain CCTV Surveillance in the Open Bonded Area

They confirm that the lapse has been rectified. After the officer's visit, a PTZ (movable) camera and one fixed CCTV camera with recording facility have been installed to ensure complete coverage of the entire open bonded area. The surveillance system is fully functional and being regularly monitored. CCTV image is placed opposite

## 3- Failure to Display Proper Signage Indicating Customs Bonded Area

They have now placed proper, clearly visible signage indicating the Customs bonded warehouse area, along with the Bond Code No. NSA1U016, at all appropriate locations for easy identification.

## 4- Non-bonded Goods Found in Open Bonded Area

It is submitted that 09 containers pertaining to home consumption Bills of Entry were inadvertently found placed in the open bonded area. This occurred due to an error by their Kalmar operator, as these containers had been grounded temporarily for Customs examination purposes.

6.2 The Noticee further submitted that the deficiencies were rectified immediately upon inspection and observation by the officers; that the containers were shifted to the designated non-bonded area; and that necessary instructions and corrective measures had been issued to the operating staff to avoid any recurrence; that all corrective actions had been completed and are being strictly adhered to.

6.3 From the aforesaid submission, it appears that the corrective actions were undertaken only after the inspection and detection of the violations by the officers. Such post-facto rectification does not efface or condone the lapses that existed at the time of inspection.

7. **Legal Provisions-** The aforesaid acts and omissions on the part of CCSP appear to have violated provisions of HCCAR, 2009 read with the Customs Act, 1962.

The relevant provisions are reproduced below:

### I. Regulation 6. Responsibilities of Customs Cargo Service provider:

*(1) The Customs Cargo Service provider shall -*

*(d) demarcate separate areas for loading of export goods for their storage with respect to categories of exporters, nature of goods, examined and sealed containers or other criterion as the <sup>3</sup>[Principal Commissioner of Customs or Commissioner of Customs, as the case may be] may specify having regard to the custody and handling of export goods in a customs area;*

*(f) not permit goods to be removed from the customs area, or otherwise dealt with, except under and in accordance with the permission in writing of the <sup>1</sup>[Superintendent of Customs or Appraiser];*

*(i) be responsible for the safety and security of imported and export goods under its custody;*

*(q) abide by all the provisions of the Act and the rules, regulations, notifications and orders issued thereunder."*

### II. Regulation 11. Suspension or revocation of approval for appointment of a Customs Cargo Service provider:

*(1) The <sup>1</sup>[Principal Commissioner of Customs or Commissioner of Customs, as the case*

may be] 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 <sup>1</sup>[Principal Commissioner of Customs or Commissioner of Customs, as the case may be] 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.

### III. Regulation 12. Procedure for suspension or revocation of approval and imposition of penalty: -

(8) 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.

### IV. Clearance of Imported goods :

#### Section 45. Restrictions on custody and removal of imported goods. -

(1) Save as otherwise provided in any law for the time being in force, all imported goods unloaded in a customs area shall remain in the custody of such person as may be approved by the <sup>1</sup> [Principal Commissioner of Customs or Commissioner of Customs] until they are cleared for home consumption or are warehoused or are transhipped in accordance with the provisions of Chapter VIII.

(2) The person having custody of any imported goods in a customs area, whether under the provisions of sub-section (1) or under any law for the time being in force, -

(a) shall keep a record of such goods and send a copy thereof to the proper officer;

(b) shall not permit such goods to be removed from the customs area or otherwise dealt with, except under and in accordance with the permission in writing of the proper officer <sup>2</sup> [or in such manner as may be prescribed] .

<sup>3</sup> [(3) Notwithstanding anything contained in any law for the time being in force, if any imported goods are pilfered after unloading thereof in a customs area while in the custody of a person referred to in sub-section (1), that person shall be liable to pay duty on such goods at the rate prevailing on the date of delivery of an <sup>4</sup> [arrival manifest or import manifest] or, as the case may be, an import report to the proper officer under section 30 for the arrival of the conveyance in which the said goods were carried.]

### V. Section 141. Conveyances and goods in a customs area subject to control of officers of customs. -

<sup>1</sup> [(1)] All conveyances and goods in a customs area shall, for the purpose of enforcing the provisions of this Act, be subject to the control of officers of customs.

<sup>2</sup> [(2) The imported or export goods may be received, stored, delivered, dispatched or otherwise handled in a customs area in such manner as may be prescribed and the responsibilities of persons engaged in the aforesaid activities shall be such as may be prescribed.]

**VI. Section 117. 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 <sup>1</sup> [four lakh rupees].*

8 . From the foregoing facts and records, M/s Navkar Corporation Limited being a Custodian and Customs Cargo Service Provider under the provisions of the Customs Act, 1962 and the Handling of Cargo in Customs Areas Regulations, 2009 (HCCAR, 2009), was entrusted with the responsibility of safe custody & handling of imported goods within the notified customs area. However, it has been observed that the CCSP has failed to fulfil its responsibilities as a Custodian/CCSP and contravened the provisions of HCCAR, 2009 read with Customs Act, 1962.

9 . The aforesaid acts of omission and commission on the part of M/s Navkar Corporation Limited have violated Sections 45 of the Customs Act, 1962, as well as Regulations 6(1)(d), 6(1)(f), 6(1)(i), and 6(1)(q) of the Handling of Cargo in Customs Areas Regulations, 2009 (HCCAR, 2009). Accordingly, the CCSP appears liable for penal action under Regulation 11 read with Regulation 12(8) of HCCAR, 2009 and Section 117 of the Customs Act, 1962.

10. Now, therefore, the CCSP i.e. M/s. Navkar Corporation Limited is hereby called upon to Show Cause to the Commissioner of Customs (General), JNCH through the Assistant/Deputy 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. Furthermore, I nominate the Assistant/Deputy Commissioner of Customs, CCSP Cell (JNCH) to inquire into such of the grounds which are not admitted by the Customs Cargo Service Provider. M/s. Navkar Corporation Limited should also inform in writing whether they desire to be heard in person or not.

12. Also, 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 defence to the Assistant Commissioner or Deputy Commissioner of Customs, CCSP Cell 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 defence 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, CCSP Cell 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, CCSP Cell 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. Navkar Corporation Limited is entitled to receive a copy of the Inquiry Report of the Deputy/Asst. 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.

13. This Show Cause Notice is issued without prejudice to any other action that may be taken against M/s. Navkar Corporation Limited 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 amend/modify this SCN.



(Unmesh Sharad Wagh)  
COMMISSIONER OF CUSTOM (GENERAL),  
JNCH, MUMBAI ZONE-II.

To,


M/s. Navkar Corporation Limited.  
at Survey No. 89/93/95/97 at Somathane Village,  
Kon-Savla Road, Taluka Panvel,  
Dist. Raigad, Maharashtra-410206

Copy to: -

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

RUDs

1. Import Bond Section, JNCH letter dated 15.09.2025
2. M/s Navkar Corporation Limited, email dated 19.12.2025
3. Order-in-Original 131/25-26/COMMR/NS-I/Bond(I)/CAC/JNCH dated 22.07.25 issued by Commissioner(NS-I), Bond Section, JNCH, Mumbai-II

 <p>सत्यमेव जयते</p>	<p><b>OFFICE OF THE Pr. COMMISSIONER OF CUSTOMS, NS-I</b></p> <p><b>IMPORT BOND SECTION</b></p> <p><b>Jawaharlal Nehru Custom House, Nhava Sheva,</b></p> <p><b>Distt-Raigad, Maharashtra – 400 707.</b></p> <p><b>Email Id – <a href="mailto:ibond-jnch@gov.in">ibond-jnch@gov.in</a></b></p>
---	--

**DIN क्र. /DIN No.: 20250778NW000000AD4E**

**फा. क्रमांक /F.No.:** CUS/BDWH/W57/4/2025-Bond-O/o Commr-CUS-Nhava Sheva-I

**आदेश क्र. /Order No.:** 131/25-26/COMMR/NS-I/Bond (I)/CAC/JNCH

**आदेश की तारीख/Date of Order** : 22.07.2025

**जारी करने की तारीख/Date of Issue** : 22.07.2025

**आदेश कर्ता/Passed By:** Shri Yashodhan Wanage, Pr. Commissioner of Customs, NS-I

**Party name: /पार्टी का नाम:** M/s. Navkar Corporation Limited (W/H-NSA1U016)

**ORDER-IN-ORIGINAL/ मूल आदेश**

1. This copy is granted free of charge for the use of the person to whom it is issued.  
यह प्रति जिस व्यक्ति को जारी की जाती है उन्हें निःशुल्क दी जाती है।
2. Any appeal against this order in accordance with Regulation 12(9) of the HCCAR, 2009 lies with the CESTAT, West Regional Bench, 14, P D'Mello Rd, Masjid (e), Mumbai, Maharashtra 400009, addressed to the Assistant Registrar of the said Tribunal under Section 129 (A) of the Customs Act, 1962  
इस आदेश के विरुद्ध अपील सीमा शुल्क अधिनियम, १९६२ की धारा १२९ (ए) के तहत सीइएसटीएटी, पश्चिमी प्रादेशिक न्यायपीठ, ३४, पि. डि मेलो रोड, मस्जिद (पु) मुंबई ४००००९ को की जा सकती है। अपील उक्त अधिकरण के सहायक रजिस्ट्रार को सम्बोधित होगी।
3. Main points in relation to filing an appeal.  
अपील दाखिल करने संबंधी मुख्य मुद्दे।
  - a. **Form** - Form No CA3 in quadruplicate and four copies of the order appealed against (at least one of which should be certified copy)  
**फॉर्म** - सीए ३, चारपंक्तियां में तथा उस आदेश की चार प्रतियां जिसके खिलाफ अपील की

- गयी है (इन चार प्रन्तियो में से कम से कम एक प्रति प्रमाणिक होनी चाहिए।
- b. **Time Limit** – within 3 months from date of communication of this order.  
समय सीमा – इस आदेश की सूचना की तारिक से ३ महीने के भीतर।
- c. **Fee-** (a) Rs. One Thousand – where amount of duty & interest demanded & penalty imposed in Rs. 5 Lakh or less.  
**फीस -** (क ) एक हज़ार रुपये – जहाँ मांगे गये शुल्क एवं ब्याज की तथा लगायी गयी शाशिस्त की रकम ५ लाख रुपये या उससे कम है।
- (b)Rs. Five Thousand – Where amount of duty & interest demanded & penalty imposed is more than Rs. 5 Lakh but not exceeding Rs. 50 Lakh.  
(ब ) पांच हज़ार रुपये – जहाँ मांगे गये शुल्क एवं ब्याज की तथा लगायी गयी शाशिस्त की रकम ५ लाख रुपये या उससे से अधिक परन्तु ५० लाख से कम है।
- (c) Rs. Ten Thousand – Where amount of duty & interest demanded & penalty imposed is more than Rs. 50 Lakh.  
(ग ) दस हज़ार रुपये – जहाँ मांगे गये शुल्क एवं ब्याज की तथा लगायी गयी शाशिस्त की रकम ५ लाख रुपये या उससे से अधिक परन्तु ५० लाख रुपये से अधिक है।
- d. **Mode of payment** – A crossed Bank draft in favor of the Assistant Registrar, CESTAT. Mumbai payable at Mumbai from a nationalized Bank.  
**भुगतान की रिती-** क्रॉस बैंक ड्राफ्ट जो राष्ट्रकृत बैंक द्वारा सहायक रजिस्ट्रार साईसटीएटी मुंबई के पक्ष में जारी किया गया है तथा मुंबई में देय हो।
- e. **General** – For the provision of law & from as referred to there & other related matters, Customs Act, 1962, Customs (Appeal) Rules, 1982, Customs, Excise and Service Tax Appellate Tribunal (Procedure) Rules, 1982 may be referred.  
**सामान्य :**विधि के उपबंधों के लिए तथा ऊपर यथा संदर्भित एवं अन्यसम्बन्धित मामलों के लिए, सीमाशुल्क अधिनियम, १९६२, सीमाशुल्क (अपील) नियम , १९८२, सीमाशुल्क उत्पाद शुल्क एवं सेवाकर अपील अधिकरण (प्रक्रिया) नियम १९८२ का सन्दर्भ लिया जाए।
4. Any person desirous of appealing against this order shall, pending the appeal, deposit 7.5% of duty demanded or the penalty levied therein and produce proof of such payment along with the appeal failing which the appeal is liable to be rejected for non-compliance with provisions of Section 129 of the Customs Act, 1962.  
इस आदेश के विरुद्ध अपील करने के लिए इच्छुक व्यक्ति अपील अनिर्णित रहने तक उसमें मांगे

गए शुल्क अथवा उधुहित्थशासित का ७.५०% जमा करेगा और ऐसे भुगतान का प्रमाण प्रस्तुत करेगा ऐसा न किए जाने पर अपील सीमाशुल्क अधिनियम १९६२ की धारा १२९ E के उपबंधों की अनुपालन न किये जाने के लिए नामंजूर किये जाने की दायी होगी।

### **BRIEF FACTS OF THE CASE**

5. M/s. Navkar Corporation Limited (herein after referred to as “Licensee”), a public bonded warehouse, situated at Survey No. 89/93/95/97 at Somathane Village, Kon-Savla Road, Taluka Panvel, Dist. Raigad, Navi Mumbai-410206 within the jurisdiction of JNCH was issued Public Bonded Warehousing License (Warehouse Code NSA1U016) dated 17.11.2016 vide F. No. S/6-Gen-6269/2009/Bond-JNCH.
6. The Licensee was issued the License under section 57 of the Customs Act, 1962 subject to the conditions mentioned in Annexure of the License as detailed below:
  - (1). The License holder shall be held strictly responsible for the safe custody of the bonded goods and for the due observance of the law.
  - (2). Originally, the stock to be held at any time in the warehouse shall be within Rs. 50.00/- Crores in value and duty liability thereon should not exceed at any time Rs. 15.00/- Crores vide issued license dated 02.11.2016. Further, modifications in stock value limit and duty limit have been granted, on the basis of request submitted by the Licensee from time to time. Latest modification was done vide letter issued dated 01.03.2022 in which the stock value limit and duty limit were approved not to be exceeding Rs 100.00/- Crores and Rs 50.00/- Crores respectively.
  - (3). The packages and their disposition in the Warehouse shall be such that every package is easily accessible for inspection and shall be stacked Bond cum-item wise unless directed otherwise by the Asstt. /Dy. Commissioner of Customs (BOND Section), JNCH, Nhava Sheva.
  - (4). The Licensee shall maintain stock books (each page of the books to be machine numbered) and stack cards in such manner as the Asstt. /Dy. Commissioner of Customs may prescribe so as to enable a ready check to be made to ensure that the provisions of the Customs laws and the conditions of the License are complied with by the License holder.

- (5). The stock books shall be produced on demand being made by the Customs officers.
- (6). The License shall cease to be valid whenever there is a change in the constitution of the firm.
- (7). The License regularized under the regulations shall remain valid till its surrender/cancellation. Henceforth, there shall be no requirement for renewal of warehousing license on annual basis. However, the licensee shall be required to renew the Insurance policy annually and also continue to comply with the solvency condition (as applicable) and the same shall be required to be submitted annually.
- (8). The License holder, if they wish to cancel the License, should inform this office well in advance from the date from which they wish to cancel the License.
- (9). The Bonder shall receive payment from the clients in the manner approved by the Govt. of India for this purpose alone and in the event of their failure to do so their license is liable to be revoked.
- (10). The Bonder shall submit a Monthly statement of stock in the prescribed format. The statement should be hand delivered and should reach the Bond Deptt, JNCH, Nhava-Sheva by 2nd working day of every month.
- (11). No other goods shall be stored in the bonded premises other than those specifically permitted.
- (12). The Bonder shall apply for the extension of the bonded goods well before the expiry of warehousing period.
- (13). The Bonder shall extend the Triple Duty General/Consignment Bond given u/s 59 (1 & 2) of the Customs Act, 1962 from time to time, on their own till the subsistence of warehousing license/storage of goods and pay immediately on demand, Customs dues, if any.
- (14). Bonder shall make arrangements for the audit of bonded warehouse from time to time according to the provisions of Customs Laws read with other relevant laws.

(15). The validity of the License is subject to the extension and acceptance of General Bond rendered under Section 59 (1) & (2) of Customs Act, 1962 and renewal of Insurance and compliance of solvency condition as applicable.

(16). A Licensee shall appoint a warehouse keeper who has sufficient experience in warehousing operations and customs procedures, to discharge functions under the new regulations on his behalf.

(a). The warehouse keeper shall obtain a Digital signature from authorities licensed by the Controller of Certifying Authorities for filing of electronic documents required under the Act, rules or regulations.

(b). A licensee shall provide at the warehouse in respect of which a license has been issued, such facilities, equipment and personnel as are sufficient to control access to the warehouse and provide secure storage of the goods in it, including

(i). Doors and other building components of sturdy construction;

(ii). Secure locks on doors and windows;

(iii). Signage that prominently indicates that the site or building is a Customs Bonded Warehouse;

(c). Adequate personnel, equipment and space for the examination of goods by officers of customs, and

(d) Computerized system for accounting of receipt, storage, operations and removal of goods.

(e). The software for maintenance of electronic records must incorporate the feature of audit trail which means a secure, computer generated, time-stamped electronic record that allows for the course of events relating to the creation, modification, or deletion of an electronic record and includes actions at the record or system level, such as, attempt to access the system or delete or modify a record.

(17). The details prescribed in the forms (A-statement for live bonds and for B-for time expired bonds) shall be maintained electronically.

(18). The licensee may appoint one or more employees as authorized signatories. The specimen signature of such authorized signatories and the specimen impression of the stamp of the licensee, contact details including E-mail ID of the warehouse keeper and authorized signatories should be kept updated with the bond officers at all times.

(19). The warehouse shall have facilities such as computer, photocopier, scanner and printer in the warehouse.

(20). A Public Bonded warehouse is strictly for warehousing of goods belonging to third parties. An applicant seeking a license for a Public Bonded Warehouse shall declare that goods imported by him shall not be stored in the Public Bonded Warehouse for which the application has been made.

(21). The Bonded goods of expired bonds should be shifted to JNCH warehouse by the licensee at their cost.

(22). The licensee shall make separate arrangements for storage of sensitive and nonsensitive goods. The sensitive goods should be kept in the closed enclosure.

(23). The licensee shall abide by any additional terms and conditions, if any specified by the Board, in future.

**7.** Further, vide letter dated 24.02.2017, area of 3645 Sq. Feet (Length 64.5 Ft. \* Width 56.5 Ft) was approved as Open Public Bonded Area with the addition of following conditions in original license issued dated 17.11.2016: -

(i). The aforesaid Public Open Bonded Warehouse shall be used for storage of Full Cargo Load (FCL) import containers cleared from Port Terminals of JNPT under Direct Port (DPD) Procedure by filing Bills of Entry for Warehousing vide Public Notice No. 12/2017 dated 31.01.2017.

(ii). The aforesaid Open-Bonded Warehouse area shall be allowed to be used only for warehousing of non-sensitive and non-hazardous goods.

(iii). The custodian of the bonded warehouse shall ensure that there is no intermingling of bonded containers and non-bonded containers stored in the CFS.

**8.** A team of Officers from Bond Section, JNCH, Nhava Sheva visited the Open Bonded Warehouse M/s. Navkar Corporation Limited (NSA1U016) located at Panvel, Raigad on 02.01.2025 (visit concluded on 03.01.2025) to check whether fencing of open bonded area is present or not and to check if any non-bonded cargo is stored in bonded area. The following observations/Lapses/anomalies were made vide visit report dated 03.01.2025:

I. The area of open bonded warehouse was found as per the license issued vide letter dated 24.02.2017.

II. On verifying the open bonded area, it was observed that no fencing and demarcation was present to identify the open bonded area. On being enquired about the same warehouse keeper stated that earlier the area had been covered by movable fencing, however due to movement of export-import containers fencing was removed. Thereafter the said area was identified with the help of license copy issued by the office of Commissioner of Customs, Bond Section, JNCH along with CFS maps and the diagrams available records.

III. On observation it was found out that 09 containers were lying in open bonded area. On being enquired about warehouse keeper informed that the cargo contained in 9 containers were non-bonded cargo.

IV. Further, the details of these goods/cargos were not provided by the warehouse keeper on 02.01.2025, however he provided an undertaking, to provide all the relevant documents regarding the goods (non-bonded cargo) kept in open bonded area in containers and further not to move the said goods without prior permission of the proper officer having jurisdiction in the subject matter.

V. The documents related to the goods (kept in non-bonded area) was provided by the warehouse keeper on 03.01.2025, and further the warehouse keeper stated that said goods belong to Home Consumption Bill of Entry pertaining to CFS NAVKAR.

VI. The inventory of goods as containers was taken and goods were physically verified with the Bs/E provided, Details of inventory in Table A as below: -

**Table A (09 Containers pertaining to Non-bonded goods lying in Open-Bonded Area)**

<b>Sr. No.</b>	<b>Container No.</b>	<b>Bs/E Date</b>	<b>&amp; Description of Goods/quantity of goods as per BoE</b>	<b>Observation during physical verification</b>
<b>1</b>	CAIU6053910	7304423/ 18.12.2024	Potassium sulphate / (504000)	Import Container having intact line seal (122775)
<b>2</b>	CAIU3513400		Potassium sulphate / (504000)	Import Container having intact line seal (TWTPE2400986)
<b>3</b>	MSNU2359807	7397339/ 22.12.2024	LD MILLING MACHINE	Import Container having intact line seal (328938)
<b>4</b>	TEMU5131143	7421212/ 24.12.2024	Mobil Jet Oil / (544 CTN)	Mobil Jet Oil / (544 CTN)
<b>5</b>	FCIU4782660		Mobil Jet Oil / (544 CTN)	Mobil Jet Oil / (544 CTN)
<b>6</b>	SEGU1808588	7483972/ 27.12.2024	Birla Carbon Black/ (400 Bags)	Birla Carbon Black/400 Bags
<b>7</b>	HYJU1116205	7440936/ 24.12.2024	USED BOLT FORMER MACHINE	Import Container having intact line seal (530199)
<b>8</b>	BSIU2970304	7472761/ 26.12.2024	OD CONCENTRATE FOR COMPOUND ANIMAL FEED	Import Container having intact line seal (KMC597982)
<b>9</b>	DRYU3050564	7482496/ 27.12.2024	Misc. Cleaning Items & spare	Misc. Cleaning Items & spare

			parts (408 CTN)	parts (408CTN)
--	--	--	-----------------	----------------

VII. The present value limit and duty limit for the warehoused goods are Rs.100/- Crores and Rs. 50/- Crores respectively. As per monthly report submitted by the warehouse as on 31.12.2024, the value of bonded goods warehoused in the said warehouse is Rs 29,92,70,709/- and duty involved in Rs. 28,75,58,599/- which were within the permissible Value and permissible Duty limits.

VIII. Insurance Policy No. 260200592310000396 dated 10.02.2024 issued from National Insurance which is valid from 10.12.2024 to 09.02.2025 of Sum Insured/Limit of Indemnity of Rs. 50 Crores.

IX. The software being used by the said warehouse is named "Tracker" powered by "Phoenix", a software for bonded warehouse was provided by M/s Digital Disruptors Pvt. Ltd.

X. Fire hydrant system was also found installed in the vicinity of the open bonded area. No License was displayed in the warehouse.

XI. Digital signature of warehouse keeper is enabled and the same is being used in space certificate issued by him (copy attached). The same is enabled since 03.02.2018 & valid up to 24.11.2025. The digital signature is being used in the Monthly statement/Space certificate. Lay out Plan of the warehouse was not available in the warehouse.

XII. There are only 02 cameras for surveillance of open bonded area, however CCTVs are not fully covering open bonded areas. The monitor and storage of CCTV footage are centrally located in the Warehouse.

XIII. Signage was found in the warehouse indicating that the site is a Customs Bonded Warehouse, however warehouse code was not mentioned on the signage.

XIV. Copy of License was displayed in the warehouse.

9. During the course of investigation, Bs/E mentioned in **Table A** were checked in ICES and the status of Bs/E as on 04.01.2025 is summarized as below:

**Table B (Status of Bs/E mentioned in Table A)**

<b>Sr No.</b>	<b>Status of Bills of Entry</b>	<b>Nos.</b>
1	OOB Given in ICES	4
2	Examined but OOB not Given	1
3	OOB not given	2
<b>Total Bs/E</b>		<b>7</b>

10. During the course of investigation, Summons dated 24.02.2025 were issued to **Shri Nanasaheb Babaji Zaware**, CFS Manager of M/s Navkar Corporation Limited and relevant documents in respect of licensing details and other relevant documents were called and scrutiny of the all the submissions were done. Subsequently, Statement of **Shri Nanasaheb Babaji Zaware**, CFS Manager of M/s Navkar Corporation Limited was recorded under section 108 of the Customs Act, 1962 on 25.02.2025 in this office, wherein he inter alia stated that:

(i) He is working as CFS Manager of M/s. Navkar Corporation Limited. As a CFS Manager, he is entrusted to take care of General administration, Custom Laision, and overseeing overall operations of Bonded Warehouse in respect of M/s Navkar Corporation Ltd (W/h Code NSA1U016).

(ii) Regarding no fencing and demarcation for identification of open bonded area, he stated that earlier movable fencing was placed to demarcate open bonded area from the rest of CFS premises, however due to movement of ODC cargo fencing was removed temporarily. However, now the fixed type fencing of height 5 Ft has been built to demarcate and separate open bonded area from the rest of the CFS premises.

(iii) With regard to Non-Bonded goods in 09 containers pertaining to Home Consumption Bs\E which were found in Open bonded Area, he stated that it was a mistake by KALMAR operator and were grounded for Examination purpose. However, it has been rectified immediately after the visit proceedings.

(iv) With regards to CCTV, he stated that PTZ movable camera was already installed which was covering the open bonded area and after the visit proceedings, fixed type cameras with recording facility have been installed to capture the Open bonded area completely.

(v) In respect of Signage, he stated that they have placed proper signage indicating the site is a custom bonded warehouse mentioning warehouse code i.e. NSA1U016.

**11. Violations noticed during the visit conducted by the team of Bond Section on 02.01.2025 and 03.01.2025 as well as investigation conducted in this regard:**

**a.** No marking and fencing were present in the open bonded area to distinguish or identify the open area from the rest of the CFS, during visit by Bond Officers on 02.01.2025.

**b.** Nine (9) containers pertaining to Non-bonded goods vide 07 Bs/Es mentioned in Table A were found present in the open bonded area.

**c.** CCTV cameras were not covering the open-bonded area properly.

**d.** Improper signage i.e. unfixed signage board without warehouse name and code was present in the warehouse

**Findings of Investigation**

**12.** As per Regulation 4 of Warehouse (Custody and Handling of Goods) Regulation, 2016 and conditions no. **16(b)** of licensing condition of the License issued under Section 57 of Customs Act, 1962, the Licensee shall provide **“such facilities, equipment and personnel as are sufficient to control access to the warehouse and provide secure storage of the goods in it”** During inspection of the warehouse dated 02.01.2025, it was noticed that there was no marking and fencing were present in the open bonded area to distinguish or identify the open bonded area from the rest of the CFS. Therefore, it appears that the licensee has failed to comply with the Regulation 4 of Warehouse (Custody and Handling of Goods) Regulation, 2016 and condition no. 16(b) of licensing condition mentioned in the ‘Annexure’ of the License issued under Section 57 of Customs Act, 1962. **Hence, the Licensee appears to be liable for penalty under Section 117 of the Customs**

**Act, 1962 read with Regulation 12 of the Warehouse (Custody and Handling of Goods) Regulations, 2016.**

13. As per Condition (11) of the Annexure under which the license is granted under section 57 of the Customs Act, 1962, **“no other goods shall be stored in the bonded premises other than those specifically permitted.”**

As per section 57 of the Customs act, 1962, **“The principal Commissioner of Customs or Commissioner of Customs may, subject to such conditions as may be prescribed, License public warehouse wherein dutiable goods may be deposited.”**

During inspection of the warehouse dated 02.01.2025, it was observed that **09 containers** of Non-bonded Goods pertaining to **07 Bs/E** were found stored in open bonded warehouse. Therefore, it appears that the Licensee failed to comply with Condition 11 of the Licensing Conditions mentioned in 'Annexure' of the license issued under section 57 of the Customs Act, 1962, Section 57 of the Customs Act, 1962 read with the Public Warehouse Licensing Regulations, 2016 and the Warehouse (Custody and Handling of Goods) Regulations, 2016. **Hence, the Licensee appears to be liable for penalty on 07 counts under Section 117 of the Customs Act, 1962 read with Regulation 12 of the Warehouse (Custody and Handling of Goods) Regulations, 2016.**

14. As per Regulation 4 of Warehouse (Custody and Handling of Goods) Regulation, 2016 and conditions no. 16(b) of licensing condition of the License issued under Section 57 of Customs Act, 1962, the Licensee shall provide **“such facilities, equipment and personnel as are sufficient to control access to the warehouse and provide secure storage of the goods in it”**

During inspection of the warehouse dated 02.01.2025, it was noticed that CCTV cameras were not covering the open-bonded area properly. Therefore, it appears that the licensee has failed to comply with the Regulation 4 of Warehouse (Custody and Handling of Goods) Regulation, 2016 and condition no. 16(b) of licensing condition mentioned in the 'Annexure' of the License issued under Section 57 of Customs Act, 1962. **Hence, the Licensee appears to be liable for penalty under Section 117 of the Customs Act, 1962 read with Regulation 12 of the Warehouse (Custody and Handling of Goods) Regulations, 2016.**

15. As per Regulation 4 of Warehouse (Custody and Handling of Goods) Regulation, 2016 and conditions no. 16(b) of licensing condition of the License issued under Section 57 of Customs Act, 1962, the Licensee shall provide **“such facilities, equipment and personnel as are sufficient to control access to the warehouse and provide secure storage of the goods in it, including, -signage that prominently indicates that the site or building is a customs bonded warehouse.”**

During inspection of the warehouse dated 02.01.2025, it was noticed that improper signage i.e. unfixed signage board without warehouse name and code, was displayed at the open bonded warehouse. Therefore, it appears that the Licensee has failed to comply with Para (16) (b) (iii) of the Licensing Conditions mentioned in 'Annexure' of the license under section 57 of the Customs Act, 1962 read with the Public Warehouse Licensing Regulations, 2016 and the Warehouse (Custody and Handling of Goods) Regulations, 2016. **Hence, the Licensee appears to be liable for penalty under Section 117 of the Customs Act, 1962 read with Regulation 12 of the Warehouse (Custody and Handling of Goods) Regulations, 2016.**

16. **LEGAL PROVISIONS APPLICABLE IN THE CASE:**

- **Section 57 of Customs Act, 1962 provides that:**

*The principal Commissioner of Customs or Commissioner of Customs may, subject to such conditions as may be prescribed, License a public warehouse wherein dutiable goods may be deposited.”*

- **Section 117 of Customs Act, 1962 provides that:**

**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 1 [four lakh rupees.*

- **Regulation 4 of Warehouse (Custody and Handling of Goods) Regulation, 2016**

**Facilities, equipment and personnel**

*A licensee shall provide at the warehouse in respect of which a license has*

been issued, -

(a) such facilities, equipment and personnel as are sufficient to control access to the warehouse and provide secure storage of the goods in it, including-

- (i) doors and other building components of sturdy construction;
- (ii) secure locks on doors and windows; and
- (iii) signage that prominently indicates that the site or building is a customs bonded warehouse.

(b) adequate personnel, equipment and space for the examination of goods by officers of customs; and

(c) a computerized system for accounting of receipt, storage, operations and removal of goods

- **Regulation 12 of Warehouse (Custody and handling of Goods) Regulations, 2016:** -if a licensee contravenes any of the provisions of these regulations or abets such contravention or fails to comply with any of the provision of these regulations, he shall be liable to penalty in accordance with the provisions of the Act.
- CBIC CIRCULAR 25/2016 dated 08/06/2016.
- CBIC CIRCULAR 26/2019 dated 09/06/2016.

**17.** As, the licensee prima facie appears to have violated the condition of the License (enclosed as Annexure- A to the license), issued vide F. No. S/6-Gen-6269/2009/Bond-JNCH dated 17.11.2016 and appears to have failed to comply with the Warehouse (Custody and Handling of Goods) Regulations, 2016, the license of the warehouse was suspended pending investigation by the competent authority as per provisions of sub-section 2 of Section 58B of the Customs Act, 1962 vide suspension letter dated 04.01.2025 issued vide F. No. CUS/BDWH/57/4/2025/Bond-O/o Commr-CUS-Nhava Sheva-I.

**18.** In light of the above facts and findings, a Show Cause Notice (SCN No.43/2025-26/COMMR/BOND/NS-I/CAC/JNCH) dated 11.04.2025 under Section 124 of the Customs Act, 1962 was issued to the licensee, M/s Navkar Corporation Limited (W/H Code: NSA1U016), calling upon them to show cause in writing to the Commissioner of Customs, Nhava Sheva-I, as to why a penalty under the relevant sections of the Customs Act, 1962 should not be imposed on the licensee on account of the violations elaborated in Paras 12 to 15.

**19. WRITTEN SUBMISSION AND PERSONAL HEARING IN THE CASE**

(a). The licensee, in response to SCN has made the following submission vide letter dated 26.05.2025:-

- (i) Licensee submitted that they are a law-abiding business entity who has been notified as a CFS for more than 15 years with a flawless track record. Any perceived discrepancies/lacuna were not out of any *mala fide* intention, but they have been conducting their business operations in a *bona fide* manner with no intention to contravene the Customs law in any form or manner.
- (ii) They have taken corrective steps as suggested by the Ld. Customs authorities during their visit (e.g. installing fixed CCTV cameras and fixed fencing). They will continue to abide by all Customs regulations.
- (iii) They requested to drop the show cause notice and lifts the suspension of warehousing operations.

(b) The licensee, in response to SCN has made the following submission during Personal Hearing dated 19.06.2025:-

- (i) They have been apprised of the violations regarding the improper fencing, marking, signage, lack of proper CCTV and storage of non-bonded goods in the open bonded area and vice versa.
- (ii) They accepted their mistake and violations and submitted that as per the instructions of bond office they have rectified the lacunae leading to their suspension, including proper fencing, signage boards, markings, additional CCTV for proper coverage and have requested to revoke the suspension of open bonded area.

**20.** It is submitted by Licensee vide letter dated 26.05.2025 that they have taken corrective steps e.g. installing fixed CCTV cameras and fixed fencing to the open bonded area. Accordingly, in order to ascertain the present status of open-bonded area, a team of officers from Bond Section visited the premises of the open bonded warehouse NSA1U016 on 24.06.2025. The following observations were made vide visit report dated 03.01.2025:

**(a) Fencing-** Open bonded Area of 3654 square feet of warehouse is now segregated by a fixed fencing from the rest of the CFS premises.

**(b) Marking & Signboard-** Adequate marking and Signboards are installed at the open bonded warehouse.

**(c) CCTV-** Previously CCTVs were not covering the bonded area entirely, however, now 02 Cameras were installed to cover open bonded area, out of which one is fixed camera covering the open bonded area and the another is PTZ camera on High Mast pole covering the entire area.

**(d)** Open Bonded Area was found to be empty during the inspection.

## **21. Discussions & Findings:**

**21.1** Upon a thorough scrutiny of the case records, material evidence on record, the findings from the investigation, and the representations made by the Licensee, I note the following: Prior to the enforcement of the Warehousing Regulations, 2016, Customs officials maintained physical oversight over Customs bonded warehouses. Such oversight involved supervision of the movement, storage, and clearance of goods, monitoring inflows and outflows, ensuring adherence to Customs laws, and safeguarding Government revenue. The physical presence of Customs personnel served as an additional security layer and facilitated real-time surveillance.

**21.2** However, with the introduction of the Warehousing Regulations, 2016, the model of physical supervision was replaced by a system placing the responsibility for compliance squarely on the warehouse operators. The Customs Department transitioned to a non-physical, audit-based supervisory regime. Consequently, the Public Bonded Warehouses are now obligated to ensure full compliance with all applicable legal provisions without direct Customs officer supervision.

**21.3** Upon review of the evidence and inspection reports, I find that M/s. Navkar Corporation Limited (NSA1U016) has violated several regulatory provisions, including failure to maintain adequate fencing or demarcation of the open bonded area, absence of a functional CCTV surveillance system covering the bonded premises, and storing non-bonded goods within the bonded warehouse. These lapses expose the

warehouse to substantial legal and financial consequences, including the imposition of penalties and revocation of the warehouse license.

**21.4** I now proceed to discuss the issues to be decided in the instant inquiry before me. On a careful perusal of the facts on record, I find that following main issues are involved in this case, which are required to be decided: -

**(a)** Has the Licensee failed to comply with statutory and regulatory obligations under the Customs Act, 1962, the Public Warehouse Licensing Regulations, 2016, the Warehouse (Custody and Handling of Goods) Regulations, 2016, and the terms of its license?

**(b)** If non-compliance is established, what is the appropriate quantum of penalty or fine?

**(c)** Is the license granted under Section 57 of the Customs Act subject to cancellation under Section 58B?

**21.5** Investigative findings have revealed multiple specific instances of non-compliance and operational irregularities at the warehouse managed by M/s Navkar Corporation Ltd. These matters will now be addressed sequentially, with close evaluation of the factual record and the Licensee's submissions, in order to arrive at a fair and legally sound conclusion.

**21.6 (a). Storing Non-Bonded Goods in Bonded Area**

I note that the Licensee has stored non-bonded goods in the bonded area without any justified reasons or prior authorization from the proper officer.

Condition No. 11 of the Licensing Conditions (Annexure) of the license granted to M/s. Navkar Corporation Limited (NSA1U016) under Section 57 of the Customs Act, 1962, clearly stipulates that, "No other goods shall be stored in the bonded premises other than those specifically permitted."

**(b)** I observe that the Licensee was found to have stored the that **09 containers** of Non-bonded Goods pertaining to **07 Bs/E** in open bonded warehouse during the visit on 02.01.2025 and 03.01.2025.

(c) Accordingly, the non-bonded goods as mentioned in para 21.6(b) are found to be stored in the bonded area, which constitutes a violation of the warehouse conditions. By storing non-bonded goods in the bonded area without prior permission from the proper officer, the Licensee has contravened Condition No. 11 of the License, which strictly prohibits the storage of goods other than those specifically permitted in the bonded premises.

(d) I find that the Licensee has failed to comply with the relevant regulations and licensing conditions. The Licensee has not provided sufficient or legitimate reasons for storing non-bonded goods in the bonded warehouse.

(e) Therefore, I find that M/s. Navkar Corporation Limited (NSA1U016) is liable for penal action under the provisions section 117 of the Customs Act, 1962, in conjunction with Regulation 12 of the Warehouse (Custody and Handling of Goods) Regulations, 2016.

**21.7 (a) Failing to provide a secure area for storage of goods.**

I note that the Licensee has kept the Open Bonded Area of the warehouse not properly fenced or demarcated. Furthermore, no CCTV Camera was present to capture the open bonded area and Bonded Area was kept without proper signage.

(b) Para 16 (b) of Annexure of the license issued under Section 57 of the Customs Act, 1962, and Regulation 4(a) of the Warehouse (Custody and Handling of Goods) Regulations, 2016, mandates that the **Licensee shall provide, at the warehouse in respect of which the license has been granted, such facilities, equipment, and personnel as are deemed sufficient to control access to the warehouse and to ensure the secure storage of goods.** The term "Secure Storage of Goods" includes the requirement of a proper boundary or demarcation to adequately secure the bonded area of the warehouse.

(c) On the account of observation as pointed out in para 21.7(a), the Licensee has contravened Condition No. 16 (b) of the License read with Regulation 4(a) of the Warehouse Regulations.

(d) The Licensee has not provided sufficient or legitimate reasons for violating the relevant provisions. Therefore, I find that M/s. Navkar Corporation Limited (NSA1U016) is liable for penal action under the provisions section 117 of the Customs Act, 1962, in conjunction with

Regulation 12 of the Warehouse (Custody and Handling of Goods) Regulations, 2016.

- 22.1** I find that, the violation as enumerated above are of technical nature. These are procedural irregularities which are rectifiable. Investigation conducted by this office has not brought up any adverse findings of mala-fide intentions on part of warehouse operator. Also, there is no serious act of commission or omission by warehouse operator having revenue implication.
- 22.2** In view of foregoing, I take a lenient view regarding action as envisaged under section 58B of the Customs Act 1962. I find that penalty envisaged under section 117 of the Customs Act 1962, is sufficient in the instant case and stringent action of cancellation of license under Section 58B is not warranted.
- 23.** In view of the above, I pass the following order:

**ORDER**



- (i) I impose a penalty of Rs. 1,00,000/- (Rupees One Lakh only) under section 117 of the Customs Act, 1962 on Navkar Corporation Limited (NSA1U016) for (a)Failing to provide properly fencing or demarcation of Open Bonded Area (b)Failing to provide CCTV camera system to capture the open bonded area (c)Failing to provide proper signage to indicate the site is a custom bonded warehouse;
- (ii) I impose a penalty of Rs. 1,00,000/- (Rupees One Lakh only) under section 117 of the Customs Act, 1962 on M/s. Navkar Corporation Limited (NSA1U016) for Storing Non-Bonded Goods in Bonded Area for storing **09 containers** of Non-bonded Goods pertaining to **07 Bs/E** in open bonded area of Warehouse.
- (iii) I order for revocation of Suspension of Warehousing operation of Open Bonded area of M/s Navkar Corporation Limited (NSA1U016).
- 24.** This order is issued without prejudice to any other action that may be taken in respect of the goods in question and/or the persons/ firms concerned, covered or not covered by this order, under the provisions of Customs Act, 1962, and/or any other law for the time being in force in the Republic of India.

**(Yashodhan Wanage)**  
**Pr. Commissioner of Customs**  
**NS-I, JNCH**

To,  
M/s. Navkar Corporation Limited, Public Bonded Warehouse (NSA1U016),  
Somathane Village, Kon-Savla Road, Taluka Panvel, Dist. Raigad, Navi  
Mumbai-410206

Copy to:

1. The Chief Commissioner of Customs, JNCH
2. CAC, JNCH
3. CRAC, JNCH
4. Notice Board (Through CHS Section for display on Notice Board)
5. Office copy.

	<p>प्र. सीमाशुल्क आयुक्त कार्यालय (नहावाशेवा - I)  <b>OFFICE OF THE PR. COMMISSIONER OF CUSTOMS (NS-I)</b>  आयातबंध अनुभाग / <b>IMPORT BOND SECTION</b> / सी C - 304  जवाहरलाल नेहरू सीमा शुल्क भवन / <b>JAWAHARLAL NEHRU CUSTOM HOUSE</b>  नहावाशेवा, तालुका उरण / <b>NHAVA SHEVA, TALUKA - URAN</b>  जिल्हारायगड / <b>DISTRICT - RAIGAD - 400707</b></p>	 <b>आज़ादी का अमृत महोत्सव</b>
--	--	---

F. No. CUS/BDWH/57/4/2025/Bond-O/o Commr-CUS-Nhava Sheva-I  
DIN

Dt:04.01.2025

To,

M/s Navkar Corporation Ltd,  
Survey no 89,93,95,97 Parts,  
Somathane Village, Kon Road  
Taluka Panvel, District- Raigad 410206.

**Subject:-** Suspension of warehousing operations of license having Warehouse Code as NSA1U016 u/s 58B (2) of Customs Act, 1962 for the contravention of the provisions of the Customs Act, 1962 and infringement of license conditions of the Public Bonded warehouse - reg.

Whereas, a case of contravention of the provisions of the Customs Act, 1962 read with Public Warehousing Regulations, 2016 and infringement of license conditions of the Public Bonded warehouse of M/s Navkar Corporation Limited, Survey no 89,93,95,97 Parts, Somathane Village, Kon Road, Taluka Panvel, District- Raigad 410206, having **Warehouse Code - NSA1U016**, is **under enquiry** by this office especially **open bonded area (3645 square feet)** which was **not fenced**.

2. And, whereas, in view of the deliberate mis-declaration, negligence and infringement of licence conditions on your part by **storing non-bonded goods** in the open bonded area **(3645 square feet) which was not fenced**; non-compliance of the operating the Public Bonded Warehouse with no secured fence to secure storage of dutiable goods, which has put the Government revenue at risk, the **warehouse operations** of open bonded area **covering 3645 square feet within the Licensed Warehouse Code (NSA1U016)** is hereby **suspended** as per the provisions of **sub-section 2 of the Section 58B of the Customs Act, 1962** with immediate effect until further orders.

3. No goods shall be deposited in the said suspended warehouse area during the period of suspension; however, provisions of **Chapter IX of the Customs Act, 1962** shall continue to apply to the goods already **deposited in the warehouse**. As the suspended **bonded warehouse area is not even fenced**, to avoid intermingling of non-bonded goods with bonded goods of the CFS within which said bonded area is located, the goods already deposited, if any, in the said area be shifted to **another licensed Public Bonded Warehouse** located in close proximity under the Supervision of Bond Officer.

It is further directed to make proper demarcation of the open bonded area, with proper fencing to secure the bonded area immediately.

This order comes into effect from the date of the issue.

(D.S.Garbyal)

**Signed by Dhirendra Singh  
Garbyal**

Commissioner of Customs, NS-I,

**Date: 04-01-2025 20:28:45**

JNCH, Nhava Sheva.

**FW: Submission of Compliance Details – Order in original No No. 131/25-26 Commr/NS-I/Bond(I)/CAC COMMR/NS-I/Bond(I)/CAC/JNCH dated 22.07.2025 bond code No NSA1U016**

**nanazaware** <nanazaware@navkarcorp.com >

Fri, 19 Dec 2025 12:20:19 PM +0530

To "CCSP CELL JNCH"<ccsp.jnch@gov.in>

Cc "Mahesh Adapa"<mahesh.adapa@navkarcorp.com>,"Navneet Shukla"<navneet.shukla@jsw.in>,"Nana"<nanazaware@navkarcorp.com>,"sumirsingh"<sumirsingh@navkarcorp.com>

## 2 Attachment(s)

NSA1U016 OPEN BOND PHO...  
5 MB

NSA1U016 OPEN BOND CCT...  
3.2 MB

Respected Sir,

With reference to your mail dated 09.12.2025 by 16.15 , it is submitted that as per the Order in original No. 131/25-26 COMMR/NS-1/Bond(I)CAC/JNCH dated 22.07.2024 issued to **M/s Navkar Corporation Ltd.** regarding storage of non-bonded goods in the open bonded area, the said case has been adjudicated. and penalty under section 117 of customs act 1962 has been imposed to us .said penalty has been paid vide **Electronic Payment Challan No. 1671347215 dated 24.07.2025**.for following violations.

1-With reference to the requirement for proper fencing and demarcation of the open bonded area, we wish to submit the following:

Earlier, fencing was installed to clearly demarcate the open bonded area. However, due to the movement of ODC cargo, the fencing had to be temporarily removed. We now confirm that **a fixed-type fencing structure has been constructed** to ensure clear and permanent demarcation of the open bonded area.The **photographs of the newly installed fencing** are attached herewith for your kind perusal and records.

### 2- Failure to Install and Maintain CCTV Surveillance in the Open Bonded Area

We confirm that the lapse has been rectified. After the officer's visit, a **PTZ (movable) camera and one fixed CCTV camera with recording facility** have been installed to ensure complete coverage of the entire open bonded area. The surveillance system is fully functional and being

regularly monitored. CCTV image is placed opposite

### 3- Failure to Display Proper Signage Indicating Customs Bonded Area

We have now placed **proper, clearly visible signage** indicating the Customs bonded warehouse area, along with the **Bond Code No. NSA1U016**, at all appropriate locations for easy identification.

### 4- Non-bonded Goods Found in Open Bonded Area

It is submitted that 09 containers pertaining to home consumption Bills of Entry were inadvertently found placed in the open bonded area. This occurred due to an error by our Kalmar operator, as these containers had been grounded temporarily for Customs examination purposes.

The issue was **immediately rectified** upon the visit and observation of the officer, and all

such containers were shifted to the designated non-bonded area. Necessary instructions and corrective measures have been issued to the operating staff to avoid any recurrence. All corrective actions have been completed and are being strictly adhered to.

**Warm Regards,**  
**Nana Zaware**  
Manager - Auctions



**Admin Office:**

Survey No. 89/93/95/97, Somathane Village,  
Kon-Savla Rd., Taluka-Panvel, Dist. Raigad,  
Maharashtra – 410 206, India.

Tel: - +91- 2143 – 262028 to 34 EXT: 232  
+91- 2143-662525 (100 Lines)

Email: - [nanazaware@navkarcfs.com](mailto:nanazaware@navkarcfs.com)

Web: - [www.navkarcfs.com](http://www.navkarcfs.com)

---

**From:** CCSP CELL JNCH [<mailto:ccsp.jnch@gov.in>]

**Sent:** 09 December 2025 16:15

**To:** Navkar Corporation <[nanazaware@navkarcorp.com](mailto:nanazaware@navkarcorp.com)>

**Subject:** Suspension of warehouse operations of M/s Navkar Corporation Pvt. Ltd. (Code: NSA1U016) under Section 58B(2) of the Customs Act, 1962 for violation of Public Bonded Warehouse provisions

Please refer to Order-in-Original No. 131/25-26/COMMR/NS-I/Bond(I)/CAC/JNCH dated 22.07.2025 issued to M/s Navkar Corporation Ltd. in respect of storage of non-bonded goods in the open bonded warehouse.

Vide the said order, penalty under Section 117 of the Customs Act, 1962 has been imposed on M/s Navkar Corporation Ltd. for the following violations:

- (a) Failure to provide proper fencing and/or demarcation of the open bonded area;
- (b) Failure to install and maintain a CCTV camera system for surveillance and coverage of the open bonded area;
- (c) Failure to display proper signage indicating the premises as a Customs Bonded Warehouse; and
- (d) Storage of non-bonded goods in the open bonded area pertaining to 07 Bills of Entry.

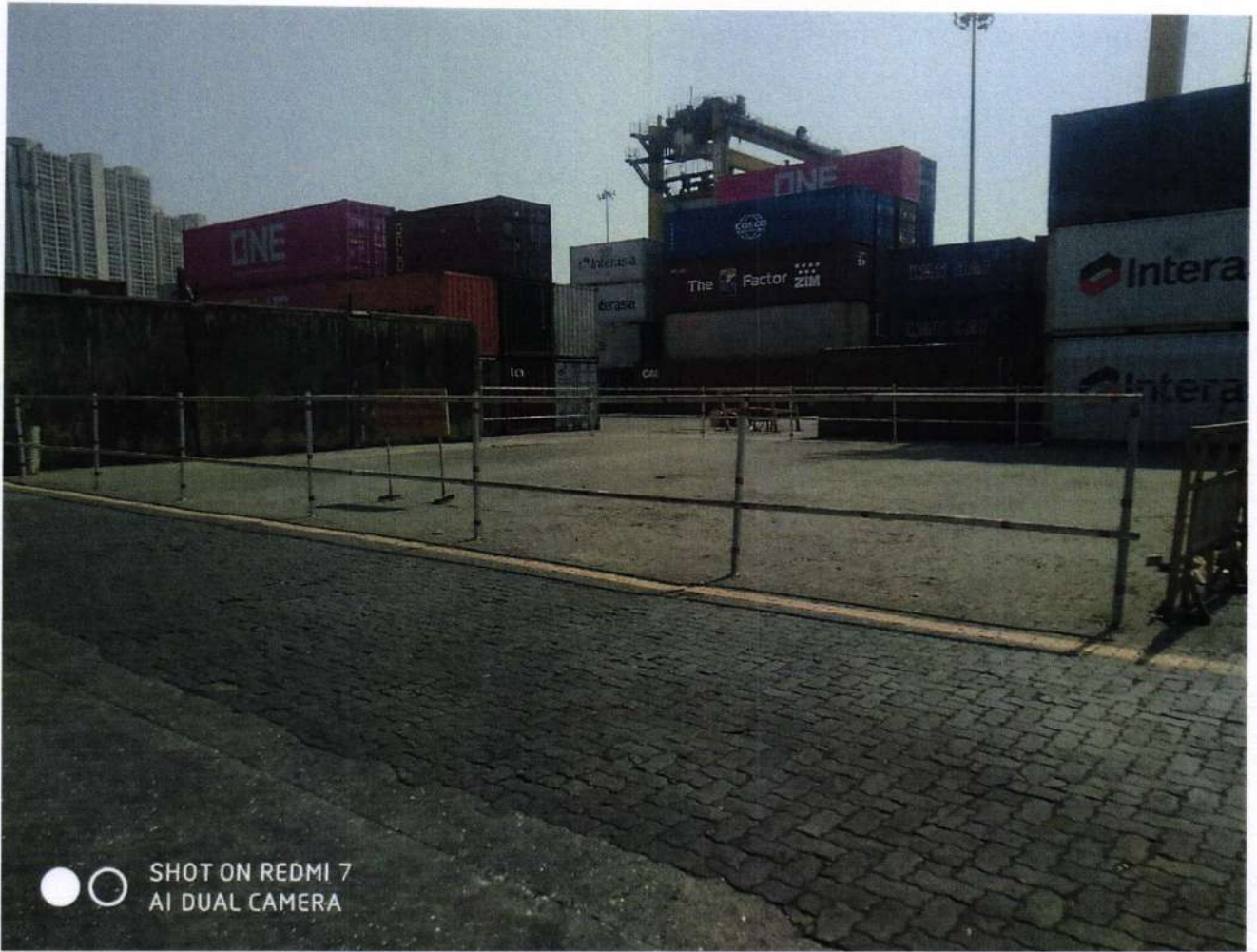
In this regard, it is requested to clarify the above violations with reference to the provisions of the Handling of Cargo in Customs Areas Regulations, 2009 (HCCAR, 2009) and to submit relevant documentary evidence in support of your claims/clarifications, including any compliance reports, CCTV records, or any other pertinent documents.

regards

CCSP Cell, JNCH





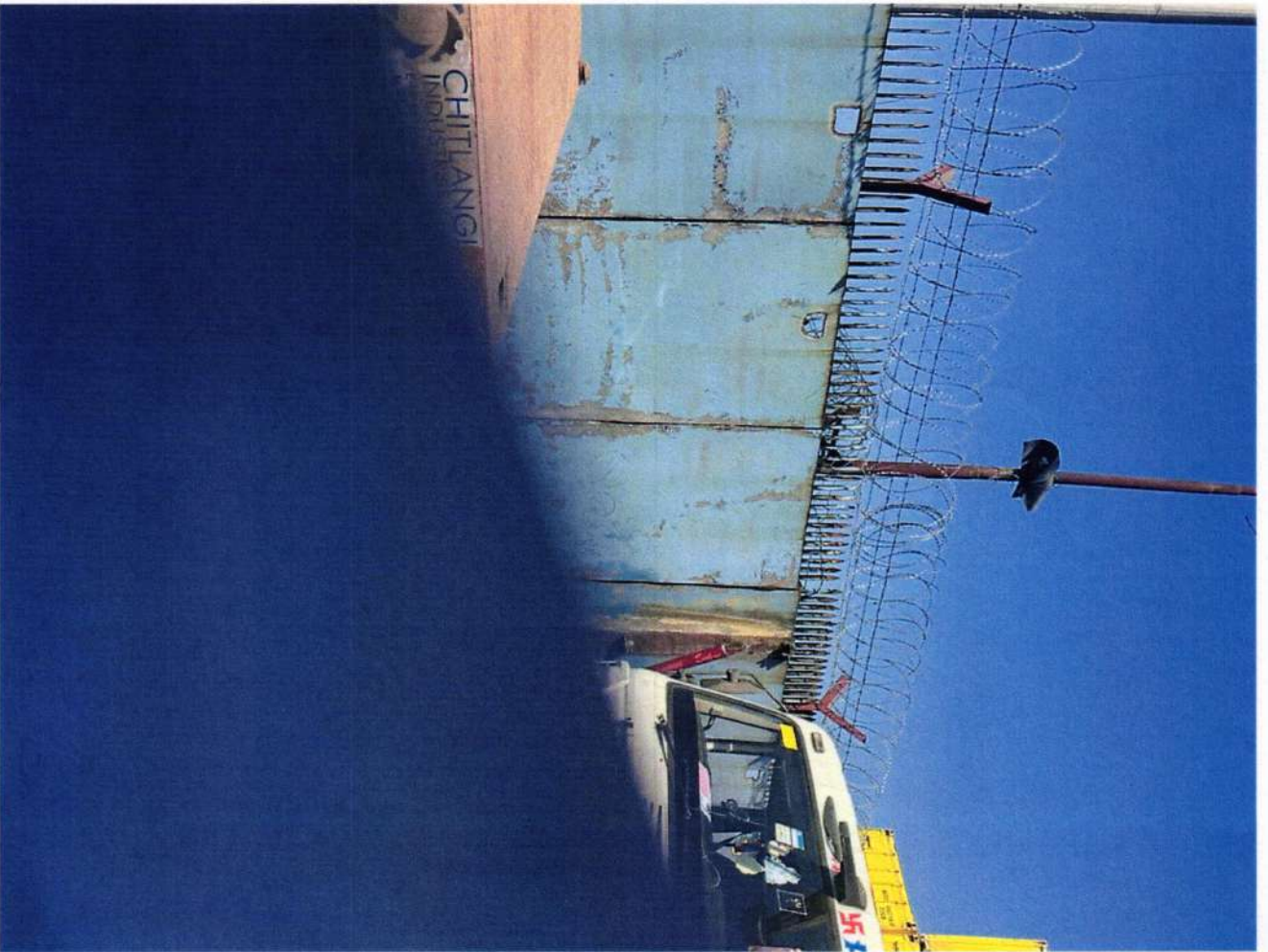


SHOT ON REDMI 7  
AI DUAL CAMERA



08-05-2025 13:43:22

Bay 11 customs bond area



25 00:00:14

Bay 11 customs bond area

