IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17-09-2026

CORAM

THE HON'BLE MR.JUSTICE HEMANT CHANDANGOUDAR

WP No. 522 of 2026
CNR: {HCMA013158022025}
and
WMP Nos.633 and 634 of 2026

Case QR

M/s.Newport Shipping and Logistics,
No.114/61, 2nd Floor, Moore Street,
Chennai- 600 001.
Rep. by its Deputy General Manager
and Authorized Signatory Mr.M.Prakash.

..Petitioner(s)

Vs

1. The Commissioner of Customs (Appeals-I),
   3rd Floor, New custom House, GST Road,
   Meenambakkam, Chennai-600 016.

2. The Joint Commissioner of Customs,
   Chennai IV Commissionerate,
   No.60, Rajaji Salai,
   Customs House, Chennai- 600 001.

..Respondent(s)

Writ Petition filed under Article 226 of the Constitution of India seeking a writ of certiorari calling for the records pertaining to order in Appeal Seaport C.Cus.I No.841-843/2025 dated 19.11.2025, passed by the 1st respondent herein, which had confirmed the O in O.No.113405/ 2025 dated 30.05.2025 passed by the 2nd respondent and to quash the same, in so far as, the petitioner is concerned, viz., M/s.Newport Shipping and Logistics, as the said order passed is without jurisdiction and authority of law and a non- speaking order by itself and in clear violation to the principal of natural justice and also against the various judicial pronouncements.

For Petitioner(s): Mr.S.Baskaran

For Respondent(s): Mr.M.Santhanaraman,
Senior Standing Counsel

ORDER

The petitioner has filed the present writ petition challenging the order in Appeal dated 19.11.2025 passed by the first respondent, confirming the Order-in-Original dated 30.05.2025 passed by the second respondent. By the Order-in-Original, a penalty of Rs.20,00,000/- was imposed on the petitioner, a Customs Broker, under Section 114 of the Customs Act, 1962, on the ground that the petitioner had aided and abetted the exporter in attempting to export prohibited goods, which were liable for absolute confiscation under Sections 113(d) and 113(i) of the Act.

2. Based on specific intelligence, the Customs authorities intercepted the consignments declared by the exporter as buffalo meat. On examination, the goods were found to be prohibited bull/ox meat. The allegation against the petitioner is that, in its capacity as Customs Broker, it had assisted the exporter in clearing the goods for export. A show cause notice was accordingly issued to the petitioner and the exporter under Section 124 of the Customs Act.

3. The petitioner submitted its reply to the show cause notice. As the reply was not found satisfactory, adjudication proceedings were initiated. After

affording an opportunity of hearing, the second respondent passed the Order-in-Original imposing penalty on the petitioner as well as the exporter.

4. Aggrieved by the said order, the petitioner preferred an appeal under Section 128(1) of the Customs Act before the first respondent. The appeal was dismissed and the Order-in-Original was confirmed. Hence, the present writ petition.

5. Learned counsel for the petitioner submits that there is no material to show that the petitioner had knowledge of the nature of the goods or had aided or abetted the exporter in attempting to export the prohibited goods. Therefore, the penalty imposed under Section 114 of the Customs Act is unsustainable.

6. Learned Senior Standing Counsel appearing for the respondents, on the other hand, submits that the petitioner had colluded with the exporter and facilitated the attempted export of the prohibited goods. He submits that the authorities, after considering the materials on record, rightly imposed the penalty. He further submits that the petitioner has an alternative remedy of appeal before the Customs, Excise and Service Tax Appellate Tribunal under Section 129A of the Customs Act and, therefore, the present writ petition is not maintainable.

7. This Court has considered the submissions made on either side and perused the materials on record.

8. The Order-in-Original, particularly paragraph 37.3, shows that the second respondent proceeded on the basis that the petitioner had filed two shipping bills on behalf of the exporter and had failed to verify the correctness of the information furnished by the exporter. The second respondent also referred to the petitioner's statement that the shipping bills were filed after verification of the health certificate, APEDA registration of the slaughterhouse and other documents. It was further noted that the petitioner had booked the containers with the shipping line, obtained the empty container plot letter and handed it over to the transporter's representative nominated by the exporter.

9. The second respondent further observed that, had the petitioner verified that the abattoir was situated in Andhra Pradesh and noticed that the container was being transported from Chennai to Hyderabad, it would have questioned the exporter as to why the goods were originating from Hyderabad, Telangana.

10. In the considered view of this Court, the above circumstances, by themselves, do not establish that the petitioner knew that the goods were prohibited or that it had consciously aided or abetted the exporter in attempting to export such goods. There is no material on record to show that the petitioner knew the actual nature of the goods or had colluded with the exporter.

11. The fact that the petitioner filed the shipping bills, arranged the containers and processed the documents furnished by the exporter cannot, by itself, establish abetment in the absence of material showing conscious

involvement or collusion. The finding against the petitioner is essentially based on its alleged failure to ascertain the source of the meat and to question the exporter regarding the movement of the container. Such failure, by itself, cannot establish abetment.

12. No doubt, a Customs Broker is required to exercise due diligence regarding the correctness and completeness of the information submitted to the Customs authorities. However, the material on record must still establish that the petitioner knowingly aided or abetted the attempted export of prohibited goods. In the present case, there is no such material establishing knowledge, conscious involvement or collusion on the part of the petitioner.

13. As regards the alternative remedy under Section 129A of the Customs Act, the existence of such remedy does not bar the exercise of jurisdiction under Article 226 of the Constitution in an appropriate case. In the present case, the finding of abetment is not supported by any material establishing the petitioner's knowledge, conscious involvement or collusion with the exporter. The penalty has essentially been imposed on the ground that the petitioner failed to ascertain the source of procurement of the meat. In these circumstances, the petitioner need not be relegated to the alternative appellate remedy.

14. For the foregoing reasons, the Order-in-Original dated 30.05.2025, insofar as it imposes a penalty of Rs.20,00,000/- on the petitioner, and the appellate order dated 19.11.2025 confirming the same, cannot be sustained.

Accordingly, the writ petition is allowed and the impugned orders, insofar as they relate to the petitioner, are set aside. The connected miscellaneous petitions are closed. There shall be no order as to costs.

17-09-2026

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

To

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   Meenambakkam, Chennai-600 016.

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HEMANT CHANDANGOUDAR, J.

ssk

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