



सीमा शुल्क(अपील) आयुक्त का कार्यालय, अहमदाबाद

OFFICE OF THE COMMISSIONER OF CUSTOMS (APPEALS), AHMEDABAD,

चौथी मंज़िल 4th Floor, हडको भवन HUDCO Bhawan, ईश्वर भुवन रोड Ishwar Bhuvan Road

नवरंगपुरा Navrangpura, अहमदाबाद Ahmedabad – 380 009

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DIN – 20250571MN000000F2C1

क	फ़ाइल संख्या FILE NO.	S/49-85 to 93/CUS/AHD/2024-25
ख	अपील आदेश संख्या ORDER-IN-APPEAL NO. (सीमा शुल्क अधिनियम, 1962 की धारा 128क के अंतर्गत)(UNDER SECTION 128A OF THE CUSTOMS ACT, 1962) :	AHD-CUSTM-000-APP-053 to 061-25-26
ग	पारितकर्ता PASSED BY	Shri Amit Gupta Commissioner of Customs (Appeals), Ahmedabad
	दिनांक DATE	30.05.2025
ङ	उद्भूत अपील आदेश की सं. व दिनांक ARISING OUT OF ORDER-IN-ORIGINAL NO. / BILLS OF ENTRY	AS PER TABLE – I OF THE ORDER
च	अपील आदेश जारी करने की दिनांक ORDER- IN-APPEAL ISSUED ON:	30.05.2025
छ	अपीलकर्ता का नाम व पता NAME AND ADDRESS OF THE APPELLANT:	M/s. Best Value Chem Pvt. Ltd., 706-708, Atlantis Heights, Dr. Vikram Sarabhai Road, Near Genda Circle, Vadodara – 390 023



1	यह प्रति उस व्यक्ति के निजी उपयोग के लिए मुफ्त में दी जाती है जिनके नाम यह जारी किया गया है।
	This copy is granted free of cost for the private use of the person to whom it is issued.
2.	सीमाशुल्क अधिनियम 1962 की धारा 129 डी डी (1) (यथा संशोधित) के अधीन निम्नलिखित श्रेणियों के मामलों के सम्बन्ध में कोई व्यक्ति इस आदेश से अपने को आहत महसूस करता हो तो इस आदेश की प्राप्ति की तारीख से 3 महीने के अंदर अपर सचिव/संयुक्त सचिव (आवेदन संशोधन), वित्त मंत्रालय, (राजस्व विभाग) संसद मार्ग, नई दिल्ली को पुनरीक्षण आवेदन प्रस्तुत कर सकते हैं।
	Under Section 129 DD(1) of the Customs Act, 1962 (as amended), in respect of the following categories of cases, any person aggrieved by this order can prefer a Revision Application to The Additional Secretary/Joint Secretary (Revision Application), Ministry of Finance, (Department of Revenue) Parliament Street, New Delhi within 3 months from the date of communication of the order.
	निम्नलिखित सम्बन्धित आदेश/Order relating to :
(क)	बैगेज के रूप में आयातित कोई माल।
(a)	any goods imported on baggage
(ख)	भारत में आयात करने हेतु किसी वाहन में लादा गया लेकिन भारत में उनके गन्तव्य स्थान पर उतारे न गए माल या उस गन्तव्य स्थान पर उतारे जाने के लिए अपेक्षित माल उतारे न जाने पर या उस गन्तव्य स्थान पर उतारे गए माल की मात्रा में अपेक्षित माल से कमी हो।
(b)	any goods loaded in a conveyance for importation into India, but which are not unloaded at their place of destination in India or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination.
(ग)	सीमाशुल्क अधिनियम, 1962 के अध्याय X तथा उसके अधीन बनाए गए नियमों के तहत शुल्क वापसी की अदायगी।
(c)	Payment of drawback as provided in Chapter X of Customs Act, 1962 and the rules made thereunder.
.3	पुनरीक्षण आवेदन पत्र संगत नियमावली में विनिर्दिष्ट प्रारूप में प्रस्तुत करना होगा जिसके अन्तर्गत उसकी जांच की जाएगी और उस के साथ निम्नलिखित कागजात संलग्न होने चाहिए :
	The revision application should be in such form and shall be verified in such manner as may be specified in the relevant rules and should be accompanied by :
(क)	कोर्ट फी एक्ट, 1870 के मद सं. 6 अनुसूची 1 के अधीन निर्धारित किए गए अनुसार इस आदेश की 4 प्रतियां, जिसकी एक प्रति में पचास पैसे की न्यायालय शुल्क टिकट लगा होना चाहिए।
(a)	4 copies of this order, bearing Court Fee Stamp of paise fifty only in one copy as prescribed under Schedule 1 item 6 of the Court Fee Act, 1870.
(ख)	सम्बद्ध दस्तावेजों के अलावा साथ मूल आदेश की 4 प्रतियां, यदि हो
(b)	4 copies of the Order-in-Original, in addition to relevant documents, if any
(ग)	पुनरीक्षण के लिए आवेदन की 4 प्रतियां
(c)	4 copies of the Application for Revision.
(घ)	पुनरीक्षण आवेदन दायर करने के लिए सीमाशुल्क अधिनियम, 1962 (यथा संशोधित) में निर्धारित फीस जो अन्य रसीद, फीस, दण्ड, जब्ती और विविध मदों के शीर्ष के अधीन आता है में रु. 200/- (रुपए दो सौ मात्र) या रु. 1000/- (रुपए एक हजार मात्र), जैसा भी मामला हो, से सम्बन्धित भुगतान के प्रमाणिक चलान टी.आर.6 की दो प्रतियां। यदि शुल्क, मांगा गया ब्याज, लगाया गया दंड की राशि और रूपए एक लाख या उससे कम हो तो ऐसे फीस के रूप में रु. 200/- और यदि एक लाख से अधिक हो तो फीस के रूप में रु. 1000/-
(d)	The duplicate copy of the T.R.6 challan evidencing payment of Rs.200/- (Rupees two Hundred only) or Rs.1,000/- (Rupees one thousand only) as the case may be, under the Head of other receipts, fees, fines, forfeitures and Miscellaneous Items being the fee prescribed in the Customs Act, 1962 (as amended) for filing a Revision Application. If the amount of duty and interest demanded, fine or penalty levied is one lakh rupees or less, fees as Rs.200/- and if it is more than one lakh rupees, the fee is Rs.1000/-.
4.	मद सं. 2 के अधीन सूचित मामलों के अलावा अन्य मामलों के सम्बन्ध में यदि कोई व्यक्ति इस आदेश से आहत महसूस करता हो तो वे सीमाशुल्क अधिनियम 1962 की धारा 129 ए (1) के अधीन फॉर्म सी.ए.-3 में सीमाशुल्क, केन्द्रीय उत्पाद शुल्क और सेवा कर अपील अधिकरण के समक्ष निम्नलिखित पते पर अपील कर सकते हैं

	In respect of cases other than these mentioned under item 2 above, any person aggrieved by this order can file an appeal under Section 129 A(1) of the Customs Act, 1962 in form C.A.-3 before the Customs, Excise and Service Tax Appellate Tribunal at the following address :	
	सीमाशुल्क, केंद्रीय उत्पाद शुल्क व सेवा कर अपीलिय अधिकरण, पश्चिमी क्षेत्रीय पीठ	Customs, Excise & Service Tax Appellate Tribunal, West Zonal Bench
	दूसरी मंज़िल, बहुमाली भवन, निकट गिरधरनगर पुल, असारवा, अहमदाबाद-380016	2 nd Floor, Bahumali Bhavan, Nr.Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016
5.	सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (6) के अधीन, सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (1) के अधीन अपील के साथ निम्नलिखित शुल्क संलग्न होने चाहिए-	
	Under Section 129 A (6) of the Customs Act, 1962 an appeal under Section 129 A (1) of the Customs Act, 1962 shall be accompanied by a fee of -	
(क)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए या उससे कम हो तो एक हजार रूपए.	
(a)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is five lakh rupees or less, one thousand rupees;	
(ख)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए से अधिक हो लेकिन रुपये पचास लाख से अधिक न हो तो; पांच हजार रूपए	
(b)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees ;	
	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पचास लाख रूपए से अधिक हो तो; दस हजार रूपए.	
(c)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than fifty lakh rupees, ten thousand rupees	
(घ)	इस आदेश के विरुद्ध अधिकरण के सामने, मांगे गए शुल्क के %10 अदा करने पर, जहां शुल्क या शुल्क एवं दंड विवाद में हैं, या दंड के %10 अदा करने पर, जहां केवल दंड विवाद में है, अपील रखा जाएगा।	
(d)	An appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.	
6.	उक्त अधिनियम की धारा 129 (ए) के अन्तर्गत अपील प्राधिकरण के समक्ष दायर प्रत्येक आवेदन पत्र- (क) रोक आदेश के लिए या गलतियों को सुधारने के लिए या किसी अन्य प्रयोजन के लिए किए गए अपील :- अथवा (ख) अपील या आवेदन पत्र का प्रत्यावर्तन के लिए दायर आवेदन के साथ रुपये पाँच सौ का शुल्क भी संलग्न होने चाहिए.	
	Under section 129 (a) of the said Act, every application made before the Appellate Tribunal- (a) in an appeal for grant of stay or for rectification of mistake or for any other purpose; or (b) for restoration of an appeal or an application shall be accompanied by a fee of five Hundred rupees.	



ORDER IN APPEAL

M/s. Best Value Chem Pvt. Ltd., 706 - 708, Atlantis Heights, Dr. Vikram Sarabhai Road, Near Genda Circle, Vadodara – 390 023 (hereinafter referred to as 'the Appellant') have filed nine (09) appeals as per details given in Table – I below challenging the re-assessment made in the Bills of Entry mentioned therein, filed at Customs, Hazira Port, Surat.

TABLE – I

Sr. No.	Appeal F. No.	Bill of Entry No	Bill of Entry Date
(1)	(2)	(3)	(4)
1	S/49-85/CUS/AHD/2024-25	9029669	02.10.2020
2	S/49-86/CUS/AHD/2024-25	8970996	28.09.2020
3	S/49-87/CUS/AHD/2024-25	4486149	14.08.2019
4	S/49-88/CUS/AHD/2024-25	8720104	06.09.2020
5	S/49-89/CUS/AHD/2024-25	8258969	23.07.2020
6	S/49-90/CUS/AHD/2024-25	6890418	15.02.2020
7	S/49-91/CUS/AHD/2024-25	7976102	10.09.2018
8	S/49-92/CUS/AHD/2024-25	9613034	11.01.2019
9	S/49-93/CUS/AHD/2024-25	7992082	10.09.2018



2. Facts of the case, in brief, as per appeal memorandum, are that the Appellant are engaged in manufacturing and supplying of Aromatic Chemicals such as Saturated Acrylic Monocarboxylic Acids used in fragrances. The Appellant are also holders of Advance Authorization under Chapter 4 of the Export-Import Policy framed by the Central Government under the provisions of the Foreign Trade (Development and Regulations) Act, 1962.

2.1 During the month of January, 2018, the Appellant imported certain products such as primary Amyl Alcohol, Propionaldehyde, Propionic Acid, Salicylic Acid, etc., on which the benefit of Advance Authorization was availed and the imports were affected without payment of Basic Customs Duty (BCD) and Integrated Goods and Service Tax (IGST) in terms of Notification No. 18/2015-Customs, dated 1st April, 2015 (as amended by Notification No. 79/2017-Customs, dated 13th October, 2017).

2.2 Accordingly, the impugned Bills of Entry were filed availing the exemption from BCD and IGST. The Appellant were exporting the finished goods with payment of IGST paid by them and were claiming rebate of IGST paid by them.

2.3 Rule 96 of CGST Rules prescribes the procedure to be followed by a registered person exporting goods on payment of IGST in order to claim the refund of IGST paid at the time of export of goods. Rule 96 (10) of the CGST Rules as substituted by Notification No. 54/2018-C.T., dated 09.10.2018 restricts refund of Integrated Tax paid on zero rated supplies wherein benefit of Advance Authorization Scheme have been availed. Consequently, the Rule 96 (10) of the CGST Rules debar or disentitles a person claiming refund of Integrated Tax paid on export of goods, if they have received benefit of Notification as enumerated thereunder.

2.4 Thus, the Appellant, in order to regularize the refund of IGST on export of finished goods, availed the option of paying the IGST, exemption of which was availed at the time of import of raw materials. In this regard, the Appellant wrote a letter dated 26.12.2023 to the Deputy Commissioner, Hazira Port, Surat, requesting for re-assessment of the impugned Bills of Entry in terms of Section 149 of the Customs Act, 1962 and permit them to make the payment of IGST. The above re-assessment was done in the impugned Bills of Entry.

2.5 The Appellant were agreeable to pay the IGST to the extent of the exemption of the same availed at the time of import of raw materials. However, the Appellant were advised to pay the interest on the IGST dues as the Customs Portal does not allow the re-assessment without payment of interest. Accordingly, the Appellant paid the due IGST amount along with the interest as detailed in Table – II below:-

TABLE - II

Sr. No.	Bill of Entry No	Bill of Entry Re-Assessment Date	Due IGST Paid (Rs. In Actuals)	Interest Paid (Rs. In Actuals)	Out of Charge Date
1	9029669	20.04.2024	7,31,623/-	3,85,756/-	03.05.2024
2	8970996	20.04.2024	3,19,358/-	1,69,041/-	03.05.2024
3	4486149	20.04.2024	10,40,331/-	7,12,698/-	03.05.2024
4	8720104	20.04.2024	3,22,577/-	1,73,794/-	03.05.2024
5	8258969	20.04.2024	2,42,937/-	1,34,980/-	03.05.2024
6	6890418	20.04.2024	3,29,305/-	2,04,756/-	03.05.2024
7	7976102	20.04.2024	5,99,407/-	5,02,024/-	03.05.2024
8	9613034	20.04.2024	6,04,746/-	4,74,684/-	06.05.2024
9	7992082	20.04.2024	5,85,372/-	4,90,029/-	03.05.2024

2.6 The Appellant have filed the present appeals only to the extent of challenging the amount paid as interest on the IGST, which they were constrained to pay due to the systems not permitting the re-assessment of impugned Bills of Entry without payment of interest. The Appellant are not contesting the payment of IGST paid by them for the purpose of regularizing the imports and to comply with Rule 96 (10) of the CGST

Rules, 2017 inasmuch as it bars the simultaneous availment from IGST at the time of import and refund of IGST on the exports made with payment of IGST.

3. Being aggrieved with the re-assessment of the impugned Bills of Entry, the Appellant have filed the present appeals and mainly contended that:

- The final assessment to the extent of the amount paid on interest on IGST, which they were constrained to pay due to system not permitting the re-assessment of Bill of Entry without payment of interest, is liable to be quashed and set aside;
- IGST is levied under Section 3 (7) of the Customs Tariff Act, 1975. However, the Customs Tariff Act, 1975 has limited provisions and it borrows various provisions from the Customs Act, 1962 for implementation of its provisions;
- Section 3 (12) of the Customs Tariff Act, 1975, which is the borrowing provision of Customs Act, 1975 with regard to IGST, does not borrow provisions of penalty and interest from the Customs Act, 1962. Therefore, interest cannot be recovered for non-payment of including IGST which is chargeable under Section 3 of the Customs Tariff Act, 1975;
- The Hon'ble Supreme Court in *India Carbon Ltd. Vs. State of Assam* (1997) 6 SCC 479, relied upon the earlier five-judge bench decision in the case of *J.K. Synthetic Ltd. Vs. CTO*, (1994) 4 SCC 276 and held that interest can be levied and charged on delayed payment of tax only if the statute that levies and charges the tax makes a substantive provision in this behalf. This provision of laws was approved and reiterated by the constitution bench in the case of *V.S.S Sugars Vs. Govt. of A.P. & Ors.*, (1999) 4 SCC 192;
- A similar question relating to liability of the plant, machinery etc. to confiscation and liability of the assessee to penalty under Rule 9 (2) and Rule 173 Q of the Central Excise Rules 1944, for non-payment of the additional duty in terms of the Additional Duties of Excise (Goods of Special Importance) Act, 1957, by taking recourse to the provisions of the Central Excise Rules, 1944 came up for consideration before the Hon'ble Delhi High Court in the case of *Pioneer Silk Mills Pvt. Ltd. Vs. UOI*, 1995 (80) ELT 507 (Del.). Revenue sought to invoke the provisions of the Central Excise Rules, 1944, by relying on the provisions of Section 3 (3) of the Additional Duties of Excise (Goods of Special Importance) Act, 1957, which read as under:

"(3) The provisions of the Central Excises and Salt Act, 1944, and the rules made thereunder, including those relating to refunds and exemptions from duty, shall, so far as may be, apply in relation to the levy and collection of the additional duties as they apply in relation to the levy and collection of the duties of excise on the goods specified in sub-section (1)"

- The provisions of Section 3 (3) above, are somewhat similarly worded as the provisions of Section 3 (6) of the Customs Tariff Act, 1975. The claim of the petitioners in that case was that under Section 3 of the Additional Duties Act, only those provisions of the Central Excise Act and Rules made thereunder, which

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pertain to the levy and collection of the duties of excise under Central Excise Act have been borrowed and therefore, no penalty can be imposed. Relying *inter-alia*, on the judgment of *Khemka & Co. (Agencies) Pvt. Ltd.*, the Hon'ble High Court upheld the contention that there is no provision in the Additional Duties Act which creates a charge in the nature of penalty and that the term "levy and collection" in Section 3 (3) of the Additional Duties Act has a restricted meaning in view of the use of the words "including those relating to refund and exemptions from duty", otherwise these words were rather unnecessary. The Hon'ble High Court also rejected the contention of the Revenue that since Chapter II of the Central Excises Act deals with levy and collection of duty, and this Chapter also contains provisions for offences and penalties, all sections under that Chapter would be applicable. This judgment of the Hon'ble Delhi High Court was upheld by the Hon'ble Supreme Court in 2002 (145) ELT A74 (SC);

- Reliance is also placed on the case of *Bajaj Health & Nutrition Pvt. Ltd. Vs. CC Chennai*, 2004 (166) ELT 189. The Hon'ble Tribunal set aside the interest and penalty on evasion of anti-dumping duties on the reasoning that the provisions of Customs Act, 1962 relating to non-levy, and refunds were borrowed only for the purpose of chargeability to anti-dumping duty under Section 9A (8) of the Customs Tariff Act, 1975 and the provision of the Customs Act relating to confiscation, interest and penalty were not borrowed;

They also relied upon the following decision in support of their claim:

- (i) *Tonira Pharma Ltd. Vs. Commissioner*, 2009 (237) E.L.T. 65 (Tribunal:
- (ii) *Siddeshwar Textile Mills Pvt. Ltd. Vs. Commissioner*, 2009 (248) E.L.T. 290 (Tri.);
- (iii) *Mahindra & Mahindra Limited* - Hon'ble High Court (The said judgment of Hon'ble Delhi High Court was affirmed by Hon'ble Supreme Court vide Order dated 28.07.2023 in SLP (C) No. 18824 of 2023);



PERSONAL HEARING:-

4. Personal hearing in the matter was held on 29.05.2025 in virtual mode. Shri. Manish Jain, Advocate, and Ms. Raksha Bhandari, Advocate, appeared for hearing on behalf of the Appellant. They had reiterated the submissions made at the time of filing of appeals. They also relied upon the decision of *M/s. A.R. Sulphonates Pvt. Ltd., vs. UOI* reported at 2025 (4) TMI 578 – Bombay High Court in support of their claim.

DISCUSSION & FINDINGS:-

5. I have carefully gone through the appeals memorandum as well as records of the case, submissions made by the Appellant during course of hearing as well as the documents and evidences available on record. The issue to be decided in the present appeals is whether re-assessment made by the proper officer in the impugned Bills of Entry levying the interest on IGST, in the facts and circumstances of the case, is legal and proper or otherwise.

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5.1 The appellant have filed the present appeals on 18.06.2024. The date of communication of the impugned Bills of Entry mentioned at Table – I above, have been shown as 20.04.2024. Thus, the appeals have been filed within normal period of 60 days, as stipulated under Section 128 (1) of the Customs Act, 1962. As the appeal has been filed against refund of interest on the IGST amount, pre-deposit under the provisions of Section 129E is not required. As the appeals have been filed within the stipulated time-limit, they have been admitted and being taken up for disposal on merits.

6. It is observed that the Appellant have filed the present appeals challenging the amount paid as interest on the IGST, which they have claimed to be constrained to pay due to the systems not permitting the re-assessment of impugned Bills of Entry without payment of interest. It is pertinent to mention that the *Hon'ble High Court of Bombay in the matter of M/s A.R. Sulphonates Pvt. Ltd. vs. Union of India in WP No. 19366 of 2024* has passed a judgment dated 09.04.2025 in a similar matter, reported at (2025) 29 Centax 212 (Bom). The relevant para is reproduced below for ease of reference:-

"66. Further, as far as the applicability of Section 3 (12), after its amendment by Finance (No. 2) Act, 2024, dated 16th August, 2024, is concerned, it would be appropriate to first refer to the provisions of the amended Section 3 (12) of the Tariff Act. Amended Section 3 (12) of the Tariff Act reads as under:-

"12:- The provisions of the Customs Act, 1962 (52 of 1962) and all rules and regulations made thereunder, including but not limited to those relating to the date for determination of rate of duty, assessment, non-levy, short levy, refunds, exemptions, interest, recovery, appeals, offences and penalties shall, as far as may be, apply to the duty or tax or cess, as the case may be, chargeable under this section as they apply in relation to duties leviable under that Act or all rules or regulations made thereunder, as the case may be."

67. In our view, the amended Section 3 (12) of the Tariff Act is prospective in nature and would apply only with effect from 16th August, 2024."



.....
76. For all the aforesaid reasons, we pass the following orders: -

- (i) It is declared that Circular No.16 of 2023-Customs dated 7th June, 2023, to the extent that it purports to levy interest upon the IGST payment, is beyond the provisions of the Customs Tariff Act, 1975 and is bad in law;
- (ii) The impugned Order dated 1st August, 2024, to the extent that it seeks to recover interest, confiscate goods, impose redemption fine and impose penalty, is quashed and set aside;
- (iii) It is declared that the amendment to the provisions of Section 3 (12) of the Customs Tariff Act, 1975 by Finance (No.2) Act, 2024 dated 16th August, 2024 is prospective in nature and is applicable only from 16th August, 2024 onwards;

Ait

6.1 It is observed that the issue of whether there existed a provision for charging interest and imposing penalties on levies under Section 3 of the Customs Tariff Act is no longer *res integra*. The Hon'ble Bombay High Court, in the case of *M/s Mahindra & Mahindra Ltd.*, reported at (2023) 3 Centax 261 (Bom), categorically held that the imposition of penalty and charge of interest under the then Section 3 (6) of the Customs Tariff Act (now renumbered as Section 3(12)) is not sustainable in respect of duties levied under Section 3. This ruling was affirmed by the Hon'ble Supreme Court vide order dated 28.07.2023 in Special Leave Petition (Civil) Diary No. 18824/2023. Furthermore, the department's review petition against the said order was also dismissed by the Hon'ble Supreme Court on 09.01.2024 in SLP (C) No. 16214/2023.

6.2 It is pertinent to mention that the Hon'ble Bombay High Court reaffirmed the above legal position in the case of *M/s A R Sulphonates Pvt. Ltd.*, reported at (2025) 29 Centax 212 (Bom). In that case, which involved similar facts concerning the chargeability of interest and imposition of penalty for delayed payment of IGST, the Court categorically held that neither interest can be levied nor penalty can be imposed in respect of such IGST demands.

In view of the above, I am of the considered view that the matter is no longer *res integra*, and it is now settled that neither interest can be charged nor penalty imposed in cases involving IGST leviable under Section 3 (7) of the Customs Tariff Act.

7. In light of the judicial principles established by the Hon'ble Supreme Court in *M/s Kamlakshi Finance Corporation Ltd.* (1991 (55) ELT 433 (SC)), I am bound to follow the judgment Hon'ble High Court of Bombay in *M/s A R Sulphonates Pvt. Ltd.*, especially since there is no stay on the operation of this order nor it has been overruled till date.

8. Accordingly, I hold that the interest is not chargeable on the IGST amount paid in the facts of the present appeals.

9. In view of the discussion made above, all the nine (09) appeals filed by the Appellant as per Table-I above, are allowed with consequential relief, if any, in accordance with law.

सत्यापित/ATTESTED
अधीक्षक/SUPERINTENDENT
सीमा शुल्क (अपील), अहमदाबाद.
CUSTOMS (APPEALS), AHMEDABAD.

Amit Gupta
(Amit Gupta)
Commissioner (Appeals),
Customs, Ahmedabad

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2. The Principal Commissioner of Customs, Custom House, Ahmedabad.
3. The Deputy Commissioner, Customs, Hazira Port, Surat.
4. Guard File.

