



प्रधान आयुक्त का कार्यालय, सीमा शुल्क, अहमदाबाद

सीमा शुल्क भवन, आल इंडीया रेडिओ के बाजु मे, नवरंगपुरा, अहमदाबाद 380009

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निबन्धित पावती डाक द्वारा / By SPEED POST A.D.

फा. मं./ F. No.:VIII/10-18/Commr./O&A/2023-24
DIN-20250571MN0000777B49

आदेशकीतारीख/Date of Order : 07.05.2025
जारीकरनेकीतारीख/Date of Issue : 07.05.2025

द्वारापारित :-

शिव कुमार शर्मा, प्रधान आयुक्त

Passed by :-

Shiv Kumar Sharma, Principal Commissioner

मूल आदेश संख्या :

**Order-In-Original No: AHM-CUSTM-000-PR.COM-06-25-26 Dated 07.05.2025 in
the case of M/s Saishakti Impression**

1. जिस व्यक्ति(यों) को यह प्रति भेजी जाती है, उसे व्यक्तिगत प्रयोग के लिए निःशुल्क प्रदान की जाती है।
1. This copy is granted free of charge for private use of the person(s) to whom it is sent.
2. इस आदेश से असंतुष्ट कोई भी व्यक्ति इस आदेश की प्राप्ति से तीन माह के भीतर सीमा शुल्क, उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण, अहमदाबाद पीठ को इस आदेश के विरुद्ध अपील कर सकता है। अपील सहायक रजिस्ट्रार, सीमा शुल्क, उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण, दुसरी मंजिल, बहुमाली भवन, गिरिधर नगर पुल के बाजु मे, गिरिधर नगर, असारवा, अहमदाबाद-380 004 को सम्बोधित होनी चाहिए।
2. Any person deeming himself aggrieved by this Order may appeal against this Order to the Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad Bench within three months from the date of its communication. The appeal must be addressed to the Assistant Registrar, Customs, Excise and Service Tax Appellate Tribunal, 2nd Floor, Bahumali Bhavan, Nr. Girdhar Nagar Bridge, Girdhar Nagar, Asarwa, Ahmedabad - 380004.
3. उक्त अपील प्रारूप सं. सी.ए.3 में दाखिल की जानी चाहिए। उसपर सीमा शुल्क (अपील) नियमावली, 1982 के नियम 3 के उप नियम (2) में विनिर्दिष्ट व्यक्तियों द्वारा हस्ताक्षर किए जाएंगे। उक्त अपील को चार प्रतियों में दाखिल किया जाए तथा जिस आदेश के विरुद्ध अपील की गई हो, उसकी भी उतनी ही प्रतियाँ संलग्न की जाएँ (उनमें से कम से कम एक प्रति प्रमाणित होनी चाहिए)। अपील से सम्बंधित सभी दस्तावेज भी चार प्रतियों में अग्रेषित किए जाने चाहिए।
3. The Appeal should be filed in Form No. C.A.3. It shall be signed by the persons specified in sub-rule (2) of Rule 3 of the Customs (Appeals) Rules, 1982. It shall be filed in quadruplicate and shall be accompanied by an equal number of

copies of the order appealed against (one of which at least shall be certified copy). All supporting documents of the appeal should be forwarded in quadruplicate.

4. अपील जिसमें तथ्यों का विवरण एवं अपील के आधार शामिल हैं, चार प्रतियों में दाखिल की जाएंगी तथा उसके साथ जिस आदेश के विरुद्ध अपील की गई हो, उसकी भी उतनी ही प्रतियों संलग्न की जाएंगी (उनमें से कम से कम एक प्रमाणित प्रति होगी)।
4. The Appeal including the statement of facts and the grounds of appeal shall be filed in quadruplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be a certified copy.)
5. अपील का प्रपत्र अंग्रेजी अथवा हिन्दी में होगा एवं इसे मंक्षिप्त एवं किसी तर्क अथवा विवरण के बिना अपील के कारणों के स्पष्ट शीर्षों के अंतर्गत तैयार करना चाहिए एवं ऐसे कारणों को क्रमानुसार क्रमांकित करना चाहिए।
5. The form of appeal shall be in English or Hindi and should be set forth concisely and under distinct heads of the grounds of appeals without any argument or narrative and such grounds should be numbered consecutively.
6. केंद्रिय सीमा शुल्क अधिनियम, 1962 की धारा 129 ए के उपबन्धों के अंतर्गत निर्धारित फीस जिस स्थान पर पीठ स्थित है, वहां के किसी भी राष्ट्रीयकृत बैंक की शाखा से न्यायाधिकरण की पीठ के महायक रजिस्ट्रार के नाम पर रेखांकित माँग ड्राफ्ट के जरिए अदा की जाएंगी तथा यह माँग ड्राफ्ट अपील के प्रपत्र के साथ संलग्न किया जाएगा।
6. The prescribed fee under the provisions of Section 129A of the Customs Act, 1962 shall be paid through a crossed demand draft, in favour of the Assistant Registrar of the Bench of the Tribunal, of a branch of any Nationalized Bank located at the place where the Bench is situated and the demand draft shall be attached to the form of appeal.
7. इस आदेश के विरुद्ध सीमा शुल्क, उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण में शुल्क के 7.5% जहां शुल्क अथवा शुल्क एवं जुरमाना का विवाद है अथवा जुरमाना जहां शीर्ष जुरमाना के बारेमें विवाद है उसका भुक्तान करके अपील की जा शकती है।
7. An appeal against this order shall lie before the Tribunal on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute".
8. न्यायालय शुल्क अधिनियम, 1870 के अंतर्गत निर्धारित किए अनुसार संलग्न किए गए आदेश की प्रति पर उपयुक्त न्यायालय शुल्क टिकट लगा होना चाहिए।
8. The copy of this order attached therein should bear an appropriate court fee stamp as prescribed under the Court Fees Act, 1870.

Subject: Show Cause Notice No.VIII/10-18/Commr./O&A/2023-24 dated 08.11.2023 issued by Principal Commissioner, Customs, Ahmedabad in case of M/s Saishakti Impression, L-18-19, Ascon City, City Light Road, Opp., US Pizza, Nr. Science Centre, Surat, Gujarat-395007.

BRIEF FACTS OF THE CASE

M/s. Saishakti Impression, L-18-19, Ascon City, City Light Road, Opp. US Pizza, Nr. Science Centre, Surat, Gujarat-395007 (hereinafter referred to as "the importer" or "the Noticee" for the sake of brevity), holding Importer Exporter Code No. 5213011128 had imported 03 Sets of capital goods viz. 'High Speed Cutter Polar N 115 Plus with PNET Compucut and Stack Lifts LW 1000-4, LW 1200-4 with Pre-piling Device including Accessories(01 Set)', 'Easygluer 100 High Speed Universal Folding and Gluing Machine Process Straight Line, Lock Bottom and Double Wall Boxes including accessories(01 Set)' and 'Heidelberg Supersetter A106 Model Supersetter A106 including Accessories(01 Set)' under EPCG Licence No. 5230013095 dated 23.12.2013 by saving duty of **Rs.1,24,70,042/-** (Actual Duty Utilized of **Rs.87,45,699/-**) and had cleared the same vide below mentioned Bills of Entry at zero duty while availing the benefit of exemption available under Notification No. 22/2013-Cus dated 18.04.2013. The details of import were as under:

S. No.	B/E No. & Date	Number of machinery cleared	Value of Goods as per BE	Duty Saved/ available as per EPCG Licence	Total Duty Forgone/Debited at the time of clearance	BG Amount (Rs.)
1	4199610 dtd. 27.12.2013	1	10941050		2856818	2100000
2	4254591 dtd. 03.01.2014	1	6023500		1574625	
3	4297778 dtd. 08.01.2014	1	16522750		12470042	
	TOTAL	3	33487300	1,24,70,042/-	87,45,699/-	21,00,000/-

2. The Importer had executed Bond dated 26.12.2013 for Rs. 4,00,00,000/- backed by Bank Guarantee No. 00130100004123 dated 21.12.2013 for Rs.21,00,000/-issued by the Axis Bank Ltd, add.- Vardhman Complex Opp. G.E.B. Race Course Circle(North), Vadodara-390007, for EPCG License No. 5230013095 dated 23.12.2013. They had undertaken to fulfill the Export Obligation as specified in the Notification and the License.

3. The necessary Installation Certificate certifying that the installation of imported machinery i.e. 03 sets of High Speed Cutter Polar N 115 Plus with PNET Compucut and Stack Lifts LW 1000-4, LW 1200-4 with Pre-piling Device including Accessories (01 Set), Easygluer 100 High Speed Universal Folding and Gluing Machine Process Straight Line, Lock Bottom and Double Wall Boxes including accessories (01 Set) and Heidelberg Supersetter A106 Model Suprasetter A106 including Accessories (01 Set) in the declared premises as mentioned in EPCG License has not been provided by the said Importer.

4. As per Notification No.22/2013-Cus dated 18.04.2013, the importer was required to fulfill the Export Obligation on FOB basis equivalent to six times of the Duty saved on the goods imported as may be specified on the Licence or Authorization. The relevant portion of the said Notification is:-

Notification No. 22 / 2013-CUSTOMS

New Delhi, the 18th April, 2013

"G.S.R. 248 (E). - In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts goods specified in the Table 1 annexed hereto, from, - (i) the whole of the duty of customs leviable thereon under the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), and (ii) the whole of the additional duty leviable thereon under section 3 of the said Customs Tariff Act, when specifically claimed by the importer. 2. The exemption under this notification shall be subject to the following conditions, namely:- (1) that the goods imported are covered by a valid authorisation issued under the Export Promotion Capital Goods (EPCG)

Scheme in terms of Chapter 5 of the Foreign Trade Policy permitting import of goods at zero customs duty; (2) that the authorisation is registered at the port of import specified in the said authorisation and the goods, which are specified in the Table 1 annexed hereto, are imported within eighteen months from the date of issue of the said authorisation and the said authorisation is produced for debit by the proper officer of customs at the time of clearance: Provided that the benefit of import of capital goods at concessional duty under this notification for creation of modern infrastructure shall be extended only to such retailers who have a minimum area of 1000 square metres: Provided further that the catalyst for one subsequent charge shall be allowed, under the authorisation in which plant, machinery or equipment and catalyst for initial charge have been imported, except in cases where the Regional Authority issues a separate authorisation for catalyst for one subsequent charge after the plant, machinery or equipment and catalyst for initial charge have already been imported; (3) that the importer is not issued, in the year of issuance of zero duty EPCG authorisation, the duty credit scrips under Status Holder Incentive Scrip (SHIS) scheme under para 3.16 of the Foreign Trade Policy. In the case of applicant who is Common Service Provider (herein after referred as CSP), the CSP or any of its specific users should not be issued, in the year of issuance of the zero duty EPCG authorisation, the duty credit scrips under SHIS. This condition shall not apply where already availed SHIS benefit that is unutilised is surrendered or where benefits availed under SHIS that is utilised is refunded, with applicable interest, before issue of the zero duty EPCG authorisation. SHIS scrips which are surrendered or benefit refunded or not issued in a particular year for the reason the authorisation has been issued in that year shall not be issued in future years also; (4) that the authorisation for annual requirement shall indicate export product to be exported under the authorisation. The importer shall submit a Nexus Certificate from an independent Chartered Engineer (CEC) in the format specified in Appendix 32A of HBP (vol. I) notified under the Foreign Trade Policy, certifying nexus of imported capital goods with the export product, to the Customs authorities at the time of clearance of imported capital goods. A copy of the CEC shall be submitted to the concerned Regional Authority alongwith copy of the bill of entry, within thirty days from the date of import of the Capital Goods; (5) that the goods imported shall not be disposed of or transferred by sale or lease or any other manner till export obligation is complete; (6) that the importer executes a bond in such form and for such sum and with such surety or security as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs binding himself to comply with all the conditions of this notification as well as to fulfill export obligation on Free on Board (FOB) basis equivalent to six times the duty saved on the goods imported as may be specified on the authorisation, or for such higher sum as may be fixed or endorsed by the Regional Authority in terms of Para 5.10 of the Handbook of Procedures Vol I, issued under para 2.4 of the Foreign Trade Policy, within a period of six years from the date of issue of Authorisation, in the following proportions, namely :-

<i>S. N.</i>	<i>Period from the date of issue of Authorization</i>	<i>Proportion of total export obligation</i>
<i>(1)</i>	<i>(2)</i>	<i>(3)</i>
1	<i>Block of 1st to 4th year</i>	<i>50%</i>
2	<i>Block of 5th to 6th year</i>	<i>50%</i>

(7) that if the importer does not claim exemption from the additional duty leviable under section 3 of the Customs Tariff Act, 1975, the additional duty so paid by him shall not be taken for computation of the net duty saved for the purpose of fixation of export obligation provided the Cenvat credit of additional duty paid has not been taken;
(8) that the importer, including a CSP, produces within 30 days from the expiry of each block from the date of issue of authorisation or within such extended period as the Deputy Commissioner of Customs or Assistant Commissioner of Customs may allow, evidence to the satisfaction of the Deputy Commissioner of Customs or Assistant Commissioner of Customs showing the extent of export obligation fulfilled, and where the export obligation of any particular block is not fulfilled in terms of the condition (6), the importer shall within three months from the expiry of the said block pay duties of customs equal to an amount which bears the same proportion to the duties leviable

on the goods, but for the exemption contained herein, which the unfulfilled portion of the export obligation bears to the total export obligation, together with interest at the rate of 15% per annum from the date of clearance of the goods; "

It was evident from the above notification that the said importer was required to execute a bond in such form and for such sum and with such surety or security as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs binding himself to fulfill export obligation on FOB basis equivalent to six times the duty saved on the goods imported as may be specified on the licence or authorization, or for such higher sum as may be fixed or endorsed by the licencing Authority or Regional Authority, within a period of six years from the date of issuance of licence or authorization i.e. complete 50% export obligation within first block of 1st to 4th years and remaining 50 % in second block of 5th to 6th years.

5. The aforesaid EPCG License No. 5230013095 dated 23.12.2013 was issued to the Importer for a period of 6 years and the Bond dated 26.12.2013 was executed for a period of 10 years. Accordingly, the Importer was required to fulfill the Export Obligation within a period of 6 years from the date of EPCG Licence as per the condition laid down in the Notification and EPCG Licence itself and submit the Export Obligation Discharge Certificate issued by the DGFT Authority to the Department.

6. A letter F.No.VIII/6-3290/ICD-SACHIN/2013-14 dated 11.07.2022 was issued to the Importer to either furnish the EODC issued by DGFT, Surat or any extension granted by DGFT, Surat for fulfillment of Export Obligation, but the same had been returned undelivered.

6.1 As no reply was received from the Importer, a letter F.No. ICD-Sachin/DGFT/07/2020-21 dated 21.10.2022 was written to the Foreign Trade Development Officer, DGFT, Surat requesting them to intimate whether the Importer has been issued EODC against EPCG License No. 5230013095 dated 23.12.2013 or any documents showing the fulfillment of the Export Obligation submitted by the aforesaid Importer. The Assistant Director, Directorate General of Foreign Trade, Surat vide letter F.No. EPCG/Mis/2020-21 dated 28.10.2022, intimated that the Importer had not submitted any documents to them against fulfillment of Export Obligation. Thus, it was evident from the above that the Importer had failed to fulfill the Export obligation as specified in the Licence and had not complied with the mandatory conditions of the Customs Notification No.22/2013-Cus dated 18.04.2023, EPCG Licence and Bond dated 26.12.2013.

7. As per the provisions of Section 143 of the Customs Act, 1962, the aforesaid Capital Goods were allowed clearance by the proper Officer on execution of Bond by the Importer wherein the Importer had bound himself to discharge liability within a specified period in certain manner, which he had failed to do, by not fulfilling the Export Obligation. Therefore, the Department was entitled to recover the Duty less paid by raising a demand and appropriating the Bank Guarantee furnished by the Importer against the demand. The said Section is produced herein below for reference:

"SECTION 143. Power to allow import or export on execution of bonds in certain cases. - (1) Where this Act or any other law requires anything to be done before a person can import or export any goods or clear any goods from the control of officers of customs and the Assistant Commissioner of Customs or Deputy Commissioner of Customs is satisfied that having regard to the circumstances of the case, such thing cannot be done before such import, export or clearance without detriment to that person, the Assistant Commissioner of Customs or Deputy Commissioner of Customs may, notwithstanding anything contained in this Act or such other law, grant leave for such import, export or clearance on the person executing a bond in such amount, with such surety or security and subject to such conditions as the Assistant Commissioner of Customs or Deputy Commissioner of Customs approves, for the doing of that thing within such time after the import, export or clearance as may be specified in the bond.

(2) If the thing is done within the time specified in the bond, the Assistant Commissioner of Customs or Deputy Commissioner of Customs shall cancel the bond as discharged in full and shall, on demand, deliver it, so cancelled, to the person who has executed or who

is entitled to receive it; and in such a case that person shall not be liable to any penalty provided in this Act or, as the case may be, in such other law for the contravention of the provisions thereof relating to the doing of that thing.

(3) If the thing is not done within the time specified in the bond, the Assistant Commissioner of Customs or Deputy Commissioner of Customs shall, without prejudice to any other action that may be taken under this Act or any other law for the time being in force, be entitled to proceed upon the bond in accordance with law."

8. In view of the above, the Importer had failed to fulfill the conditions laid down under Notification No. 22/2013-Cus dated 18.04.2013 in as much as they had failed to export goods manufactured from 03 Sets of above mentioned capital goods totally valued at **Rs. 3,34,87,300/-** imported under EPCG License No. 5230013095 dated 23.12.2013 which was equivalent to six times of the Duty saved amount on the goods imported and also did not produce EODC issued by DGFT, Surat or any extension granted by DGFT, Surat for fulfillment of Export Obligation. They were therefore liable to pay Customs Duty of **Rs. 87,45,699/-** in respect of the said imported goods along with interest at the applicable rate, in terms of conditions of the said Notification read with condition of Bond executed by the Importer and Section 143 of the Customs Act,1962.

8.1 It appeared that the imported Capital goods had not been used for the intended purpose for which the exemption from payment of Duty was claimed and therefore, the aforesaid Capital Goods appeared liable for confiscation under Section 111(o) of the Customs Act, 1962 and thus the said importer appeared to have rendered themselves liable for penal action under the provisions of Section 112(a) and Section 117 of the Customs Act, 1962.

8.2 Since, the said Importer could not fulfill conditions laid down under Notification No.22/2013-Cus dated 18.04.2023, the Bank Guarantee No. 00130100004123 dated 21.12.2013 for Rs.21,00,000/- issued by the Axis Bank Ltd, add.- Vardhman Complex Opp. G.E.B. Race Course Circle(North), Vadodara-390007, for EPCG License No. 5230013095 dated 23.12.2013 were required to be encashed and appropriated against the proposed demand.

8.3 As per para (8) of Customs Notification No. 22/2013-Cus dated 18.04.2013, the importer was required to produce, within 30 days from the expiry of each block from the date of issue of authorization or within such extended period, evidence to the extent of export obligation fulfilled by them, and where the export obligation of any particular block was not fulfilled, the importer were required to pay duties of customs equal to an amount which for the unfulfilled portion of the export obligation along with interest within three months from the expiry of the said block. The said Importer had also given an Undertaking/Bond to this effect. Further, the said importer had neither submitted the Installation Certificate nor had submitted the Export Obligation Discharged Certificate. Letter dated 11.07.2022 was also written to the Importer to intimate the extent of Export obligation fulfilled by them but they did not reply to the letter. Thus, it appeared that they had neither completed their Export obligation nor paid the Duty on import of Capital Goods. The DGFT also informed that the Importer had not submitted any documents regarding fulfillment of Export Obligation. Thus, it appeared that the said importer had neither fulfilled their Export Obligation nor paid the Customs Duty alongwith interest for non-fulfillment of Export Obligation. These facts were not disclosed to the Department or DGFT, thereby, suppressing the facts with a malafide intention to evade the payment of Duty.

8.4 It also appeared that Shri Dhiraj Patel, Partner of M/s. Saishakti Impression, L-18-19, Ascon City, City Light Road, Opp. US Pizza, Nr. Science Centre, Surat, Gujarat-395007 had intentionally taken the undue benefits of EPCG Scheme and evaded payment of Customs Duty of **Rs. 87,45,699/-** in respect of the above capital goods by not fulfilling the Export Obligations as envisaged in Notification No.22/2013-Cus dated 18.04.2013. Thus, he had knowingly committed acts which rendered the said goods in question liable for confiscation under Section 111(o) of the Customs Act, 1962 by committing an offence of the nature as described under Section 112(a) of the Customs Act,1962. Resultantly, he had rendered himself liable to penalty under Section 112(a) of the Customs Act. 1962.

9. In view of the above, M/s. Saishakti Impression, L-18-19, Ascon City, City Light Road, Opp. US Pizza, Nr. Science Centre, Surat, Gujarat-395007 was called upon to show cause to the Principal Commissioner of Customs, Ahmedabad, as to why:

- (i) The benefit of Zero Duty for EPCG Scheme under Notification No. 22/2013-Cus dated 18.04.2013 on the imported goods i.e. 03 Sets of above mentioned capital goods under EPCG Licence No. 5230013095 dated 26.12.2013 should not be denied.
- (ii) Customs Duty totally amounting to **Rs. 87,45,699/- (Rupees Eighty Seven Lakh, Forty Five Thousand, Six Hundred and Ninety Nine only)** being the Duty forgone at the time of import under EPCG Licence, should not be demanded and recovered from them in terms of Notification No.22/2013-Cus dated 18.04.2013 as amended, read with the Conditions of Bond dated 26.12.2013 executed and furnished by them in term of Section 143 of the Customs Act,1962 by enforcing the terms of the said Bond and as to why the Bank Guarantee No. 00130100004123 dated 21.12.2013 for Rs.21,00,000/- issued by the Axis Bank Ltd, add.- Vardhman Complex Opp. G.E.B. Race Course Circle(North), Vadodara-390007 backed against the Bond, should not be appropriated and adjusted towards the Duty liability as mentioned above.
- (iii) Interest at the applicable rate should not be recovered from them on the Customs Duty as mentioned at (ii) above in terms of Notification No 22/2013-Cus dated 18.04.2013 as amended from time to time read with Conditions of Bond executed in term of Section 143 of the Customs Act,1962.
- (iv) The imported Capital Goods valued at **Rs. 3,34,87,300/- (Rupees Three Crore, Thirty Four Lakh, Eighty Seven Thousand and Three Hundred only)** should not be held liable for confiscation under Section 111(o) of the Customs Act, 1962 read with conditions of Bond executed, in terms of Section 143 of the Customs Act, 1962 read with Notification No.22/2013-Cus dated 18.04.2013 as amended from time to time.
- (v) Penalty should not be imposed on the Importer under Section 112(a) of the Customs Act, 1962 for the acts of omission & commission mentioned above.
- (vi) Penalty should not be imposed on the Importer under Section 117 of the Customs Act, 1962 for the acts of omission & commission mentioned above.

10. Shri Dhiraj Patel, Partner of M/s. Saishakti Impression, was also called upon to show cause to the Principal Commissioner of Customs, Ahmedabad as to why penalty should not be imposed on him under the provisions of Section 112(a) of the Customs Act, 1962 for the acts of omission & commission mentioned above.

DEFENCE

11. The importer vide e-mail dated 30.01.2024 stated they had availed the Amnesty scheme available under Public Notice No.2/2023 dated 01.04.2023 issued by the DGFT and also enclosed copy of deficiency letter issued by the DGFT wherein amongst other deficiencies, payment of Customs duty with interest was to be paid as per the Public Notice. The importer vide letter dated 26.06.2024 informed the DGFT that they had effected payment of Rs.1,14,89,380/- towards compliance under the amnesty scheme. However, the importer stated that no discharge letter had been issued by the DGFT despite several reminders by them.

CASE KEPT IN ABEYANCE

12. In view of the above submissions, the show cause notice was kept in abeyance in view of the Board's Circular No.16/2017-Customs dated 02.05.2017. The importer was informed, accordingly, by this office vide letter No.VIII/10-18/Commr/O&A/2023-24 dated 28.01.2025 till receipt of closure of the License.

CLOSURE OF EPCG LICENCE No. 5230013095 dated 23.12.2013

13. The importer vide e-mail dated 15.02.2025 informed that DGFT, Surat vide letter dated 05.02.2025 had regularized and closed the EPCG Licence No. 5230013095 dated 23.12.2013 against the payment of Customs duty and interest totaling to Rs.1,14,89,380/-.

DISCUSSION AND FINDINGS

14. I have carefully gone through the show cause notice and records in the case.

15. The case of the department is that the importer had failed to fulfill the conditions laid down under Notification No. 22/2013-Cus dated 18.04.2013 in as much as they had failed to export goods manufactured from 03 Sets of above mentioned capital goods totally valued at **Rs. 3,34,87,300/-** imported under EPCG License No. 5230013095 dated 23.12.2013, which was equivalent to six times of the Duty saved amount on the goods imported and also did not produce EODC issued by DGFT, Surat nor produced any extension granted by DGFT, Surat for fulfillment of Export Obligation. Accordingly, the importer was liable to pay Customs Duty of **Rs. 87,45,699/-** in respect of the said imported goods along with interest at the applicable rate, in terms of conditions of the said Notification read with condition of Bond executed by the Importer and Section 143 of the Customs Act,1962.

16. The Amnesty Scheme was provided by the DGFT under Public Notice No.2/2023 dated 01.04.2023 for one time settlement of default in export obligation by Advance and EPCG authorization holders.

17. I find that the importer had requested for closure of the relevant EPCG Authorisation under one time settlement of default in export obligation in terms of Public Notice No.2/2023 dated 01.04.2023 issued by the DGFT (Amnesty Scheme) vide their application dated 13.01.2014. The importer vide their e-mail dated 15.02.2025 informed this office that the EPCG LICENCE No. 5230013095 dated 23.12.2013 has been closed by DGFT, Surat and also enclosed the Final Duty Paid Regularization letter No.52EEPC05737AM24 dated 05.02.2025 issued by DGFT, Surat against the payment of Customs duty of Rs.93,89,380/- with interest Rs.21,00,000/- [total Rs.1,14,89,380/-] .

18. The following details of payment made by the importer under the Amnesty Scheme were sent to the jurisdictional formation ICD, Sachin for verification.

VERIFICATION OF PAYMENT OF DUTY/PENALTY ETC.

Duty demanded in SCN (in Rs.)	87,45,699
Interest payable as per Amnesty Scheme (in Rs.)	27,43,662
Total Amount payable (in Rs.)	1,14,89,361
Encashment of BG vide TR-6 challan No.123/2023-24 dated 17.01.2024	21,00,000
TR-6 challan No.198/2023-24 dated 28.03.2024	93,89,380
Total amount paid by the importer	1,14,89,380

The customs, ICD, Sachin vide their e-mail dated 03.03.2025 confirmed the final Duty Paid Regularization Letter issued by the DGFT, Surat against the EPCG LICENCE No. 5230013095 dated 23.12.2013 and also verified the payment of Rs.93,89,380 vide challans from the respective Bank and encashed the Bank Guarantee amount of Rs.21,00,000/-[totaling Rs.1,14,89,380/-] . Hence, I find that the entire liability towards the said EPCG license stands discharged against the Amnesty Scheme.

19. Accordingly, I pass the following order:-

ORDER

(i) I deny the benefit of Zero Duty for EPCG Scheme under Notification No. 22/2013-Cus dated 18.04.2013 on the imported goods i.e. 03 Sets of above mentioned capital

goods in the name of M/s. Saishakti Impression under EPCG Licence No. 5230013095 dated 26.12.2013.

- (ii) I order to recover the Customs Duty totally amounting to **Rs. 87,45,699/- (Rupees Eighty Seven Lakh, Forty Five Thousand, Six Hundred and Ninety Nine only)** being the Duty forgone at the time of import under EPCG Licence from M/s Saishakti Impression in terms of Notification No.22/2013-Cus dated 18.04.2013 as amended, read with the Conditions of Bond dated 26.12.2013 executed and furnished by them in term of Section 143 of the Customs Act,1962.
- (iii) I also order to recover applicable interest of **Rs.27,43,662/- (Rupees Twenty Seven Lakh, Forty Three Thousand and Six Hundred Sixty Two only)** in terms of Notification No 22/2013-Cus dated 18.04.2013 as amended from time to time read with Conditions of Bond executed in term of Section 143 of the Customs Act,1962, and determined as per the Amnesty scheme provided by the DGFT vide Public Notice No.2/2023 dated 01.04.2023.
- (iv) I appropriate the encashment of Bank Guarantee No. 00130100004123 dated 21.12.2013 paid by M/s Saishakti Impression vide TR-6 challan No.123/2023-24 dated 17.01.2024 amounting to **Rs.21,00,000/- (Rupees Twenty One Lakh only)** and also TR-6 challan No.198/2023-24 dated 28.03.2024 amounting to **Rs. 93,89,380/- (Rupees Ninety Three Lakh, Eighty Nine Thousand and Three Hundred Eight only)** [totaling **Rs. 1,14,89,380/-**] towards the total liability, including duty and interest of Rs.1,14,89,362 determined under the Amnesty Scheme mentioned above.
- (v) I refrain from confiscation of the imported Capital Goods valued at **Rs. 3,34,87,300/- (Rupees Three Crore, Thirty Four Lakh, Eighty Seven Thousand and Three Hundred only)** under Section 111(o) of the Customs Act, 1962 owing to the closure of the case in view of the Amnesty scheme provided by the DGFT vide Public Notice No.2/2023 dated 01.04.2023.
- (vi) I refrain from imposing penalty on M/s Saishakti Impression under Section 112(a) or Section 117 of the Customs Act, 1962 owing to the closure of the case in view of the Amnesty scheme provided by the DGFT vide Public Notice No.2/2023 dated 01.04.2023.

SKS
7.5.2025

(Shiv Kumar Sharma)
Principal Commissioner

DIN-20250571MN0000777B49

F. No. VIII/10-18/Commr/O&A/2023-24

Date: 07.05.2025

BY SPEED POST A.D

To,

1. **M/s. Saishakti Impression, L-18-19, Ascon City, City Light Road,
Opp. US Pizza, Nr. Science Centre, Surat, Gujarat-395007.**

2. **Dhiraj Babubhai Parel, Partner of M/s. Saishakti Impression, Survey No.
371, Kashipura, Kashipura, Tal. Vadodara, Dist. Vadodara-391140.**

Copy to:-

1. The Chief Commissioner, Customs, Ahmedabad Zone.
2. The Joint Director General, DGFT, 6th Floor, Resham Bhavan, Lal Darwaja, Surat-395003 for information and necessary action.
3. The Deputy/Assistant Commissioner of Customs, ICD-Sachin, Surat.
4. The Superintendent (System), Customs HQ, Ahmedabad for uploading on the official website of Customs Commissionerate, Ahmedabad.
5. Guard File.