



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 रोड़ Ishwar Bhuvan Road
नवरंगपुरा Navrangpura, अहमदाबाद Ahmedabad - 380 009
दूरभाष क्रमांक Tel. No. 079-26589281

DIN - 20250671MN000044004F

क	फ़ाइल संख्या FILE NO.	S/49-105/CUS/JMN/2023-24
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)	JMN-CUSTM-000-APP-032-25-26
ग	पारितकर्ता PASSED BY	Shri Amit Gupta Commissioner of Customs (Appeals), Ahmedabad
घ	दिनांक DATE	25.06.2025
ङ	उद्भूत अपील आदेश की सं. व दिनांक ARISING OUT OF ORDER-IN- ORIGINAL NO.	70/AC/LRM/GPPL/REF/GPPL/23-24, dated 26.10.2023
च	अपील आदेश जारी करने की दिनांक ORDER- IN-APPEAL ISSUED ON:	25.06.2025
छ	अपीलकर्ता का नाम व पता NAME AND ADDRESS OF THE APPELLANT:	M/s. National Fertilizers Ltd., A-11, Sector 24, Noida - 201301.



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 exported
(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 रुपए 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 :				
	<table border="1"> <tr> <td>सीमाशुल्क, केन्द्रीय उत्पाद शुल्क व सेवा कर अपीलिय अधिकरण, पश्चिमी क्षेत्रीय पीठ</td><td>Customs, Excise & Service Tax Appellate Tribunal, West Zonal Bench</td></tr> <tr> <td>दूसरी मंज़िल, बहुमाली भवन, निकट गिरधरनगर पुल, असारवा, अहमदाबाद-380016</td><td>2nd Floor, Bahumali Bhavan, Nr.Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016</td></tr> </table>	सीमाशुल्क, केन्द्रीय 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
सीमाशुल्क, केन्द्रीय 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 ;				
(ग)	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 है, 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

The present Appeal has been filed by M/s. National Fertilizers Ltd., A-11, Sector 24, Noida - 201301 (hereinafter referred to as 'the Appellant') in terms of Section 128 of the Customs Act, 1962, challenging the Order-in-Original No. 70/AC/LRM/GPPL/REF/GPPL/23-24, dated 26.10.2023 (hereinafter referred to as 'the impugned order') passed by the Assistant Commissioner, Custom House, Pipavav (hereinafter referred to as 'the adjudicating authority').

2. Facts of the case, in brief, are that The Appellant had filed Bill of Entry No. 5462886 dated 11.04.2023 for clearance of goods imported from Morocco. The said Bill of Entry was assessed under the Risk Management System (RMS), and manual out-of-charge was granted on 14.04.2023. Pursuant to this, the Appellant initiated duty payment amounting to Rs. 29,43,71,728/- (Rupees Twenty-Nine Crores Forty-Three Lakhs Seventy-One Thousand Seven Hundred Twenty-Eight only) through ICEGATE reference number 007000BEINPAV14112023044251446 via challan no. 2043631274 dated 11.04.2023. However, due to a technical error, the payment transaction failed and the amount did not reflect in the Electronic Cash Ledger (ECL). The Appellant promptly raised the issue with the ICEGATE help desk on 12.04.2023, informing them that the customs duty payment was not appearing in the ECL wallet. Despite continuous follow-ups, the issue remained unresolved.

2.1 Subsequently, the Appellant submitted a letter dated 22.05.2023 to the Deputy Commissioner, Custom House, Pipavav, stating that an interest amount of Rs. 45,97,038/- had accrued as of 22.05.2023. The Appellant further informed that they had been persistently approaching the ICEGATE help desk, but the interest amount had not been waived due to the unresolved technical glitch, which prevented them from re-initiating the payment process.

2.2 Another representation dated 06.06.2023 was submitted by the Appellant to the same authority, wherein it was reported that the interest amount had increased to Rs. 64,11,658/-. The Appellant reiterated that despite multiple attempts to get assistance from ICEGATE, the interest component remained unwaived, and they were unable to proceed with payment unless further instructions or approvals were received from higher authorities. The Appellant requested approval to re-initiate payment and also sought a refund of the interest amount once paid. Eventually, the Appellant made the full payment on



07.06.2023, and a revised duty challan was generated for Rs. 30,09,04,361/- (Rupees Thirty Crores Nine Lakhs Four Thousand Three Hundred Sixty-One only), which included interest amounting to Rs. 65,32,633/-. This amount was paid via challan no. 2043631274 on 07.06.2023.

2.3 Aggrieved by the technical glitch and the consequent levy of interest, the Appellant filed a refund application on 09.10.2023, which was received by the refund section on 10.10.2023. The Appellant relied upon the Customs (Waiver of Interest) Orders, 2023, specifically Order No. 01/2023 dated 06.04.2023, Order No. 02/2023 dated 11.04.2023, and Order No. 03/2023 dated 17.04.2023, issued by CBIC vide F. No. 450/129/2023-Cus IV in support of their refund claim. wherein it has been mentioned that The waiver contained in these orders shall be given effect if the following conditions are fulfilled,

- a) The duty and interest has been paid within three days (including holidays) from the date of removal of such system inability at the common portal, which shall be certified by the DG Systems.
- b) The importer undertakes at the port of import to not pass on the incidence of such interest paid.
- c) The provisions of section 27 of the Customs Act, 1962 shall govern the consequential refund of such interest paid.

2.4 The Director General of Systems and Data Management also issued advisory for operationalization of the Customs (Waiver of Interest) wherein the CBIC has approved the following procedure: -

- a) Users need to select the unpaid challans (against those Bills of Entry, where the duty payment could not be integrated in the Customs system) and pay duty (including interest) within three days of issue of this Advisory.
- b) Wherever the users are unable to view the 'Unpaid Challans', the screenshots of the same along with the date may be brought to the notice of DG Systems, who would take steps to get the challans displayed to the User in his login under 'Unpaid Challans':.



c) After integration of the duty payment in the Customs System, the said Bill(s) of Entry shall be regularized by the respective Customs formations by marking 'Out of Charge' on the System

d) After payment of duty (within 3 days from the 'Date of Removal of System Inability'), Integration of the duty in the Customs System and getting the Bill(s) of Entry Out -of- Charged, User can apply for refund of interest amount charged and paid, at the respective Customs formations.

3. The Adjudicating authority after considering the submissions made by the Appellant and relevant documents rejected the refund claim of the Appellant primarily on the ground that the appellant failed to pay the duty and interest within three days (including holidays) from the date of removal of such in ability at the common portal, which shall be certified by the DG Systems.

4. Being aggrieved with the impugned order, the Appellant has filed the present appeal and mainly contended that the rejection of their refund claim is wholly arbitrary and unjustified, as the issue arose due to technical glitches in the ICEGATE system and not due to any fault on their part. Further, the impugned order was passed without affording them a personal hearing which constitutes a gross violation of the principles of natural justice. The Appellant cited several judicial precedents to support this contention, including Commissioner of Customs (Appeals) v. Deep Jyoti Wax Traders Pvt. Ltd. (2020), Hitech Sweet Water Technologies Pvt. Ltd. v. State of Gujarat (2023), Lilaram Arjandas Asudani v. Union of India (2020), and Larsen & Toubro v. Commissioner of Central Excise, Nagpur (2001). The Appellant further pointed out a factual error in the Order-in-Original (OIO), which wrongly states in para 12 that duty was not paid within three days of the DG Systems' advisory dated 27.07.2023. In fact, the Appellant had already paid the duty and interest on 07.06.2023, as acknowledged in para 10 of the same order. They further submitted that regarding limitation under Section 27(1) of the Customs Act, para 14 of the OIO refers to it briefly without any clear findings. The Appellant also clarified that they made a refund application was made on 09.10.2023 but the same was returned without issuing any defects. The Appellant had also submitted that their earlier refund request letters dated 10.07.2023 and 08.08.2023 were ignored arbitrarily by the adjudicating authority. Lastly, to substantiate their eligibility for a refund, the Appellant has enclosed a Chartered Accountant's certificate confirming that the incidence of interest has not been



passed on, along with a self-declaration to the same effect.

PERSONAL HEARING:

5. Shri R. Krishnan, Advocate, appeared for personal hearing on 10.06.2025 on behalf of the appellant, in virtual mode. He reiterated the submission made in the appeal memorandum.

DISCUSSION AND FINDINGS:

6. I have carefully examined the case records, the impugned order, as well as the grounds of appeal and submissions made by the Appellant. It is observed that the primary issue that arises for determination in the present appeal is whether the Appellant is entitled to a refund of Rs. 65,32,633/- paid as interest in respect of Bill of Entry No. 5462886 dated 11.04.2023, having regard to the facts and circumstances of the case.

6.1 In this context, it is pertinent to note that the Adjudicating Authority, at paragraph 12 of the impugned order, has recorded the following findings:

“the importer is ineligible for refund of interest amounting to (Rs 30,09,04,361/- Rs 29,43,71,728/- Rs 65,32,633/-) as per Custom (Waiver of Interest) Order 2023, Order No. 01/2023 dated 06.04.2023, Order No. 02/2023 dated 11.04.2023 and Order No. 03/2023 dated 17.04.2023 issued by CBIC vide F. No. 450/129/2023-Cus IV read with DG System Advisory issued on 27.07.2023 as the claimant has failed to pay the duty and interest within three days (including holidays) from the date of removal of such system inability at the common portal, which shall be certified by the DG Systems.”

6.3 I have carefully examined the Customs (Waiver of Interest) Third Order, 2023, Order No. 03/2023 – Customs (N.T.), dated 17.04.2023 and Advisory Dated 27.07.2023, issued by Directorate of Systems and Data Management (ICEGATE). For clarity, the relevant portion of the above referred Customs (Waiver of Interest) Third Order, 2023 and Advisory dated 27.07.2023 is reproduced hereinafter:

Order No. 3/2023-Customs (N.T.)

WHEREAS, the Central Board of Indirect Taxes and Customs, had by Order No. 1/2023 – Customs (N.T.) dated 06.04.2023 followed by the



Order No. 2/2023 – Customs (N.T.) dated 11.04.2023, waived, for reasons recorded in the said Orders, the whole of interest payable under sub-section (2) of section 47 of the Customs Act, 1962 (hereafter referred as said Act) for the period from 1st April, 2023 upto and including the 13th April, 2023, in respect of such goods, where the payment of import duty is to be made from the amount available in electronic cash ledger;

.....

.....

NOW, THEREFORE, in exercise of the powers conferred by the third proviso below sub-section (2) of section 47 of the Customs Act, 1962, the Central Board of Indirect Taxes and Customs, being satisfied that it is necessary in the public interest so to do, hereby makes the following Order, namely, -

1. Short title. — This Order may be called the Customs (Waiver of Interest) Third Order, 2023.
2. The Central Board of Indirect Taxes and Customs, hereby waives the interest payable under sub-section (2) of section 47 of the said Act, for the period from 14th April, 2023 till the date of removal of such system inability and thereafter upto three days (including holidays), in respect of such goods relating to those Bills of Entry on which the duty payment for the specific Bill of Entry was initiated in terms of para 8.2 of Circular No. 09/2023- Customs dated 30.03.2023 on or before 13.04.2023, but this process was not successful due to technical issues in the common portal leading to rejection coupled with an inability to re-initiate that payment from the electronic cash ledger.
3. The waiver contained in this Order shall be given effect if the following conditions are fulfilled:
 - (a) the duty and interest has been paid within 3 days (including holidays) from the date of removal of such system inability at the Common Portal, which shall be certified by the DG Systems;
 - (b) the importer undertakes at the port of import to not pass on the incidence of such interest paid; and




(c) the provisions of section 27 of Customs Act 1962 shall govern the consequential refund of such interest paid.

Subject: Advisory for operationalisation of the Customs (Waiver of Interest) Third Order, 2023 dated April 17, 2023 and the consequential regularisation of electronic Bills of Entry in case of manual Out of Charge (OOC) given in the wake of glitches in the implementation of ECL facility since April 01, 2023.

It has been noticed that due to glitches in the functioning of Electronic Cash Ledger (ECL) facility, as a trade facilitation measure, manual Out of Charge was given by the field formations to the cargo requiring urgent clearance. Since ECL facility has stabilized and the duty paid by the trade is either getting integrated or in case of failure, available for reinitiation of payment in the ECL.

2. In order to operationalise the Customs (Waiver of Interest) Third Order, 2023 dated April 17, 2023 and to regularise such Bills of Entry in the System for which manual OOC was given, the Board ie. CBIC has approved the following procedure:

(a) Users need to select the unpaid challans (against those Bills of Entry, where the duty payment could not be integrated in the Customs system) and pay duty (including interest) within three days of issue of this Advisory.

(b) Wherever the users are unable to view the 'Unpaid Challans', the screenshots of the same along with the date may be brought to the notice of DG Systems, who would take steps to get the challans displayed to the User in his login under 'Unpaid Challans'.

(c) After integration of the duty payment in the Customs System, the said Bill(s) of Entry shall be regularised by the respective Customs formations by marking 'Out of Charge' on the System.



(d) After payment of duty (within 3 days from the 'Date of Removal of System Inability'), integration of the duty in the Customs System and getting the Bill(s) of Entry Out-of Charged, User can apply for refund of interest amount charged and paid, at the respective Customs formations.

(e) For the purpose of point (d) above, the 'Date of Removal of System Inability' would be taken as under:

(i) For the ICEGATE registered users whose wallets containing the released blocked funds were made accessible as on the date of this Advisory, 'Date of Removal of the System Inability' would be deemed as the date of issue of this Advisory;

For example, if the date of issue of this advisory is, say, July 27, 2023, then the user would have to pay duty along with interest by July 30, 2023. Failure to do so would make him ineligible for interest waiver by way of subsequent refund of the same in terms of the Customs (Waiver of Interest) Third Order, 2023 dated April 17, 2023.

(ii) For other ICEGATE registered users, if any, the 'Date of Removal of the System Inability' would be the date on which the wallet containing the released blocked funds would be made available. Such users would be communicated through e-mail by ICEGATE HelpDesk about the removal of such System Inability.

For example, if the date on which the wallets containing the released blocked funds were made accessible is say August 01, 2023, then the user would have to pay duty along with interest by August 04, 2023. Failure to do so would make him ineligible for interest waiver and subsequent refund of the same in terms of the Customs (Waiver of Interest) Third Order, 2023 dated April 17, 2023.

(iii) For the IECs which are not yet registered at ICEGATE, the 'Date of Removal of the System Inability' would be the date on which such IECs get registered on ICEGATE and receive the communication from ICEGATE HelpDesk on the registered e-mail Id of the IEC user containing the credentials for logging into the ICEGATE portal.




6.4 Upon a comprehensive examination of the case records and relevant legal provisions, including Order No. 03/2023 – Customs (N.T.) dated 17.04.2023 (hereinafter referred to as the Customs (Waiver of Interest) Third Order, 2023) and the Advisory dated 27.07.2023 issued by the Directorate General of Systems and Data Management for its operationalization, I find that the conclusion drawn by the adjudicating authority namely, that the Appellant failed to make the payment within three days from the date of removal of system inability is factually incorrect and legally untenable.

6.5 Further, it is a matter of record that the Appellant made the payment of customs duty along with interest on 07.06.2023, vide Challan No. 2043631274, against Bill of Entry No. 5462886 dated 11.04.2023. This payment was effected well before the date of the Advisory, i.e., 27.07.2023, which, in accordance with Clause (e)(i) of the Advisory, is deemed to be the “Date of Removal of System Inability” for ICEGATE-registered users whose wallets containing the released blocked funds were accessible as on the date of the Advisory.

6.6 Furthermore, clause 3(a) of the Customs (Waiver of Interest) Third Order, 2023 stipulates that the interest may be waived where payment of duty and interest is made within three days (including holidays) from the date of removal of such system inability. Since the Appellant made the payment on 07.06.2023, i.e., prior to the date of removal of system inability, the payment condition under Clause 3(a) is clearly fulfilled. Additionally, the Appellant has submitted an undertaking not to pass on the incidence of the interest paid alongwith CA Certificate thereby crossing the Bar of unjust enrichment.

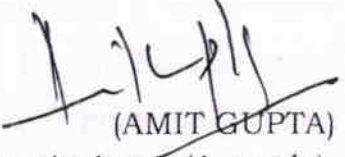
6.7 Therefore, I find that the Appellant is squarely covered under the purview of the Customs (Waiver of Interest) Third Order, 2023, and is legally entitled to the refund of interest paid. The interest liability arose purely due to a technical glitch in the ICEGATE portal, which has been acknowledged and addressed by the CBIC through the above-referenced Order and Advisory. In view of the foregoing, the conclusion of the adjudicating authority that the Appellant is ineligible for the interest refund on the ground of delayed payment is found to be without factual basis and contrary to law. The impugned order is accordingly set aside.



6.14 In light of the above, the refund sanctioning authority is directed to sanction the refund of Rs. 65,32,633/- to the Appellant in accordance with the provisions of Section 27 of the Customs Act, 1962.



સત્કાવિત/ATTESTED
અધીશક/SUPERINTENDENT
સેક્ટર 24 (અપીલ), અમદાવાદ.
CUSTOMS (APPEALS), AHMEDABAD


(AMIT GUPTA)
Commissioner (Appeals),
Customs, Ahmedabad

F. No. S/49-105/CUS/JMN/2023-24

Date: 25.06.2025

1968

By Registered Post A.D/E-Mail

To,

M/s. National Fertilizers Ltd.,

A-11, Sector 24, Noida - 201301

Copy to:

1. ✓ The Chief Commissioner of Customs, Gujarat, Custom House, Ahmedabad.
2. The Commissioner of Customs (Preventive), Jamnagar.
3. The Assistant Commissioner of Customs, Custom House, Pipavav, Jamnagar.
4. Guard File.