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 - 20251171MN0000419773

क	फ़ाइल संख्या FILE NO.	S/49-33/CUS/KDL/SEPT/25-26
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)	KDL-CUSTM-000-APP-021-25-26
ग	पारितकर्ता PASSED BY	Shri Amit Gupta Commissioner of Customs (Appeals), Ahmedabad
घ	दिनांक DATE	28.11.2025
ङ	उदभूत अपील आदेश की सं. व दिनांक ARISING OUT OF Order – In - Original NO.	KDL/58/AC/BYR/DBK/2025-26, dated 03.07.2025
च	अपील आदेश जारी करने की दिनांक ORDER- IN-APPEAL ISSUED ON:	28.11.2025
छ	अपीलकर्ता का नाम व पता NAME AND ADDRESS OF THE APPELLANT:	M/s. Narayan Trading Company (A unit of Narayan Niryat India Pvt. Ltd.), 303, Satya Geeta Apartment, 90/47 Sneh Nagar Main Road, Indore.

आयुक्त (अपील), सीमा शुल्क
अहमदाबाद

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 है.
	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)	बैगेज़ 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 दस्तावेज़ों 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/-(रूपए दो सौ मात्र)या रु.1000/-(रूपए एक हज़ार मात्र), जैसा भी मामला हो, से सम्ब न्धित 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 सम्बंन्ध 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	2nd 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 हज़ार रुपए.**	
(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 हज़ार रुपए**	
(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 हज़ार रुपए.**	
(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. Narayan Trading Company (A unit of Narayan Niryat India Pvt. Ltd.) situated at 303, Satya Geeta Apartment, 90/47 Sneh Nagar Main Road, Indore, (hereinafter referred to as "the Appellant"), in terms of Section 128 of the Customs Act, 1962, challenging the Order – In - Original No. KDL/58/AC/BYR/DBK/2025-26, dated 03.07.2025 (hereinafter referred to as "the impugned Order") passed by the Assistant Commissioner (Drawback), Custom House, Kandla (hereinafter referred to as "the adjudicating authority") .

2 Facts of the case, in brief are that, the Appellant is engaged in the export of agricultural products including Soya Bean De-Oiled Cake and Soya Bean Meal, falling under CTH 23040020 and 23040030 of the First Schedule to the Customs Tariff Act, 1975. An intelligence was received by the Directorate General of Central Excise Intelligence (DGCEI), Indore, alleging that the Appellant had fraudulently availed Duty Drawback through exports made from Custom House, Kandla. The investigation revealed that the said De-Oiled Cake was procured from manufacturers who had availed the benefit under Rule 19(2) of the Central Excise Rules, 2002, by procuring hexane without payment of Central Excise duty. The said duty-free hexane was used in the manufacture of De-Oiled Cake, which was later exported by M/s. Narayan Trading Company under claim of All Industry Rate of Drawback @ 1% of FOB value as per Notification Nos. 81/2006-Cus. (NT) dated 13.07.2006, 68/2007-Cus. (NT) dated 16.07.2007, and 103/2008-Cus. (NT) dated 29.08.2008.

2.1 Based on the findings of the investigation, a Show Cause Notice (SCN) No. IV (6) INV/RUI/59/09/Pt./651 dated 28.03.2011 was issued by DGCEI, Indore to the Appellant, proposing to disallow Duty Drawback amounting to ₹2,25,87,676/- in respect of 63 Shipping Bills and to recover the same under the Customs, Central Excise and Service Tax Drawback Rules, 1995.

2.2 The matter was adjudicated by the Additional Commissioner of Customs, Kandla, vide Order-in-Original (OIO) No. KDL/DBK/01/ADC/SS/2012-13 dated 07.03.2013, whereby the duty drawback claims of ₹2,25,87,676/- was disallowed and recovery of the amount already sanctioned was ordered along with interest under Rule 16 of the Drawback Rules read with Sections 75A and 28B of the Customs Act, 1962.

2.3 Aggrieved by the said order, the Appellant filed an appeal before the Commissioner of Customs (Appeals), Kandla, who vide Order-in-Appeal (OIA) Nos. 606 to 608/2013/Cus/Commr(A)/KDL dated 02.09.2013, allowed the

appeal in favour of the exporter. The Department, not accepting the appellate order, preferred a Revision Application before the Joint Secretary (Revision Application), CBEC, New Delhi.

2.4 Subsequently, the Principal Commissioner and Ex-Officio Additional Secretary to the Government of India, vide Order No. 57-59/2021-[USCWZ]/ASRA/MUMBAI dated 08.03.2021, allowed the Department's Revision Application, set aside the Commissioner (Appeals)' order and restored the OIO dated 07.03.2013.

2.5 On similar issue, the Appellant filed a writ petition before the Hon'ble Gujarat High Court, who, vide its Order dated 31.01.2025, quashed the Show Cause Notice dated 28.03.2011, the OIO dated 07.03.2013, and the Revision Order dated 08.03.2021, thereby granting relief to the Appellant.

2.6 Consequent to Hon'ble Gujarat High Court's Order, the Assistant Commissioner (Drawback), Customs House, Kandla sanctioned Duty Drawback amounting to ₹41,08,997/- in respect of thirteen (13) Shipping Bills, as detailed in the impugned order. Out of the total sixty-three (63) Shipping Bills referred to in the Annexure to the Show Cause Notice, Drawback amounting to ₹2,25,87,676/- pertaining to fifty (50) Shipping Bills had already been sanctioned to the Appellant earlier.

2.7 The Drawback sanctioned in respect of the remaining thirteen (13) Shipping Bills amounting to ₹41,08,997/- was, however, granted without payment of interest. Aggrieved by the omission to sanction interest on the said amount, the Appellant has preferred the present appeal challenging the impugned order to the extent of non-grant of interest.

3. The Appellant in his submission has mainly contended as under:

3.1 The department has substantially delayed in allowing the refund of Drawback pertaining to Shipping Bills filed during the period between 21.08.2008 to 24.09.2009.

3.2 No interest is granted by the refund sanctioning Authority as per the provisions of Customs Act, 1962.

3.3 None payment of Interest is against the instructions issued by the C.B.E.C under Circular No. 670/61/2002- CX. Dated 01.10.2002.

3.4 The Appellant has also placed reliance on various case laws which are as Under:

- Union of India & Anr. Vs. Shreeji Colour Chem Industries.
- Ranbaxy Laboratories Ltd. vs. Union of India and Ors.
- Satellite Television Asian Region Limited C/o Star India Private Limited vs. Deputy Director of Income Tax, Mumbai.
- CCE, Rajkot vs. M/s Welspun India Ltd.

4. Personal hearing in the matter was held on 10.11.2025. Shri Gokul K Sharma, Authorised representative appeared for hearing on behalf of the Appellant. He re-iterated the submissions made in appeal memeorandum and submitted copy of judgements and additional submissions dated 10.11.2025.

5. I have carefully examined the impugned Order, the relevant case records, and the submissions made by the Appellant. The issue for determination in the present appeal is whether the Appellant is entitled to interest on the amount of Duty Drawback sanctioned to them vide the impugned Order, in the facts and circumstances of the case.

5.1 It is observed that the Appellant had filed thirteen (13) Shipping Bills during the period 21.10.2008 to 24.09.2009, claiming Duty Drawback at the rate of 1% of the FOB value as per the All Industry Rate of Drawback (Sr. No. 23) prescribed under Notification No. 81/2006–Cus. (NT) dated 13.07.2006, Notification No. 68/2007–Cus. (NT) dated 16.07.2007, and Notification No. 103/2008–Cus. (NT) dated 29.08.2008, issued under sub-sections (2) and (3) of Section 75 of the Customs Act, 1962, read with Rules 3, 4, and 5 of the Customs, Central Excise Duties and Service Tax Drawback Rules, 1995. The Drawback claim amounting to ₹41,08,997/- in respect of the said Shipping Bills was sanctioned to the Appellant vide impugned Order dated 03.07.2025.

5.2 Section 75 of the Customs Act, 1962 prescribes the provisions governing the grant of Drawback on imported materials used in the manufacture of exported goods, while Section 75A specifically provides for interest on delayed payment of Drawback. To determine the Appellant's eligibility for such interest, it is necessary to examine the scope and intent of Section 75A(1), which reads as under:

"75A. Interest on drawback.—

(1) Where any drawback payable to a claimant under section 74 or section 75 is not paid within a period of one month from the date of filing a claim for payment of such drawback, there shall be paid to that claimant, in addition to the amount of drawback, interest at the rate fixed under section 27A from the date after the expiry of the said period of one month till the date of payment of such drawback."

5.3 A plain reading of the above provision makes it abundantly clear that where the sanctioned amount of Drawback is not disbursed within one month from the date of filing of the claim, the claimant becomes entitled to interest at the rate prescribed under Section 27A of the Customs Act, 1962. The legislative intent is explicit the payment of interest in such cases is mandatory, as reflected by the use of the expression "shall be paid" in Section 75A(1). Consequently, the Drawback sanctioning authority has no discretion to deviate from the statutory mandate once the conditions stipulated under Section 75A are fulfilled.

5.4 In the present case, since the Appellant's Drawback claims were sanctioned after the expiry of the prescribed period, the Appellant is legally entitled to interest on the sanctioned amount at the rate notified under Section 27A of the Customs Act, 1962, from the date immediately following the expiry of one month from the date of filing of the respective Shipping Bills under claim of Drawback, up to the date of sanction of Drawback, i.e., the date of the impugned Order.

6 In view of the foregoing findings, the appeal filed by the Appellant is allowed. The Drawback Sanctioning Authority is hereby directed to grant interest to the Appellant in terms of Section 75A of the Customs Act, 1962, at the rate notified under Section 27A ibid, for the period as discussed above.

(AMIT GUPTA)
Commissioner (Appeals),
Customs, Ahmedabad
Date: 28.11.2025

F. No. S/49-33/CUS/KDL/SEPT/25-26/4603

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

By Registered post A.D/E-Mail

To,

M/s. Narayan Trading Company (A unit of Narayan Niryat India Pvt. Ltd.), 303, Satya Geeta Apartment, 90/47 Sneh Nagar Main Road, Indore.

Copy to:

1. The Chief Commissioner of Customs, Gujarat, Custom House, Ahmedabad.
2. The Commissioner of Customs, Kandla.
3. The Assistant Commissioner of Customs (Drawback), Custom House, Kandla.
4. Guard File.