

**प्रधान आयुक्त का कायालय,सीमा शुल्क, अहमदाबाद**

"सीमाशुल्क भवन", पहली मंजि ल, पुराने हाईकोर्ट के सामने, नवरंगपुरा, अहमदाबाद – 380 009
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**DIN:20260571MN0000515316**

PREAMBLE

| | | | |
|---|---|---|---|
| A | फ़ाइल संख्या/ File No. | : | CUS/EPCG/MISC/695/2023-ICD-SRT-CUS-COMMRTE-AHMEDABAD |
| B | कारण बताओ नोटिस संख्या–तारीख /Show Cause Notice Date | : | VIII/6-1028/ICD-Sachin/2013-14 dated 27.06.2023 |
| C | मूल आदेश संख्या/ Order-In-Original No. | : | **20/ADC/SR/O&A/HQ/2026-27** |
| D | आदेश जितजि*/ Date of Order-In-Original | : | **18.05.2026** |
| E | ारी करनेकी तारीख/ Date of Issue | : | **18.05.2026** |
| F | द्वारापारिरत/ Passed By | : | **Shravan Ram**<br>Additional Commissioner,<br>Customs Ahmedabad |
| G | आयातक का नाम औरपता / Name and Address of Importer / Passenger | : | **M/s. Magik Creations, 716, Ajanta Shopping Centre, Ring Road, Surat- 395002**<br><br>**Shri Piyush Champalal Pincha, Proprietor of M/s. Magik Creations, 103, Monil Park, New City Light Road, Althan, Surat-395007** |

| | |
|---|---|
| (1) | यह प्रति उन व्यक्तियों के उपयोग के लिए निःशुल्क प्रदान की जाती है जिन्हे यह जारी की गयी है। |
| (2) | कोई भी व्यक्ति इस आदेश से स्वयं को असंतुष्ट पाता है तो वह इस आदेश के विरुद्ध अपील इस आदेश की प्राप्ति की तारीख के 60 दिनों के भीतर आयुक्त कार्यालय, सीमा शुल्क(अपील), चौथी मंज़िल, हुडको भवन, ईश्वर भुवन मार्ग, नवरंगपुरा, अहमदाबाद में कर सकता है। |
| (3) | अपील के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए और इसके साथ होना चाहिए: |
| (i) | अपील की एक प्रति और; |
| (ii) | इस प्रति या इस आदेश की कोई प्रति के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए। |
| (4) | इस आदेश के विरुद्ध अपील करने इच्छुक व्यक्ति को 7.5 % (अधिकतम 10 करोड़) शुल्क अदा करना होगा जहां शुल्क या ड्यूटी और जुर्माना विवाद में है या जुर्माना जहां इस तरह की दंड विवाद में है और अपील के साथ इस तरह के भुगतान का प्रमाण पेश करने में असफल रहने पर सीमा शुल्क अधिनियम, 1962 की धारा 129 के प्रावधानों का अनुपालन नहीं करने के लिए अपील को खारिज कर दिया जायेगा। |
| | यह प्रति उन व्यक्तियों के उपयोग के लिए निःशुल्क प्रदान की जाती है जिन्हे यह जारी की गयी है। |

**BRIEF FACTS OF THE CASE:**

**M/s. Magik Creations, 716, Ajanta Shopping Centre, Ring Road, Surat-395002** (hereinafter referred as "the said importer" for the sake of brevity), holding Import Export Code No. 5213004032 had imported 04 Sets of capital goods viz. Computerized Embroidety Machine under EPCG Licence No. 5230011987 dated 20.06.2013 by saving duty of **Rs. 4,81,836/- (Actual Duty Utilized of Rs. 5,05,569/-)** and had cleared the same vide below mentioned Bill 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 are as under:

| S. N. | B/E No. & Date | Qty machinery cleared | Duty Saved/ available as per EPCG Licence | Total Duty Foregone/Debited at the time of clearance | BG Amount (Rs.) |
|---|---|---|---|---|---|
| 1 | 2796011 dtd. 24.07.2013 | 04 | 4,81,836/- | 5,05,569/- | 85,000/- |
| As per para 5.10 of Handbook of Procedures, 10% enhancement in CIF value of duty saved amount is admissible. | | | | | |

**2.** As per Notification No. 22/2013-Cus dated 18.04.2013 as amended, the said 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 produced herein below for reference:

***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 :-*

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

*……*

*……*

*(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 is thus 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**.

**3.** Accordingly, the said importer had executed Bond dated 09.07.2013 for Rs. 15,00,000/- backed by Bank Guarantee No. 0306BG0001772013 dated 01.07.2013 for Rs. 85,000/- issued by the South Indian Bank Limited, Ring Road, Surat, for EPCG License No. 5230011987 dated 20.06.2013. They had also undertaken to fulfill all the terms and conditions specified in the License and the said Notification.

**4.** The said machinery i.e. **04 Sets of Computerized Embroidety Machine** imported under the above said EPCG License were installed at the factory/business premises i.e. M/s. Magik Creations, 45, Apsara Society, 3rd Floor, U.M. Road, Surat-395017 as per the Installation Certificate dated 22.10.2013 issued by Chartered Engineer, Dr. P.J. Gandhi, Surat, certifying the receipt of the goods imported and its installation.

**5.** The aforesaid EPCG License No. 5230011987 dated 20.06.2013 was issued to the said importer and the Bond dated 09.07.2013 was executed. Accordingly, the said importer was required to fulfill the export obligation within a period of six 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 Discharged Certificate issued by the DGFT Authority to the department.

**6.** Letter F.No.VIII/6-1028/ICD-SACHIN/2013-14 dated 11.07.2022 was issued to the said importer to either furnish the EODC issued by DGFT, Surat or any extension granted by DGFT, Surat for fulfillment of Export Obligation, **but no reply received.**

**6.1** As no reply was received from the said importer, a letter F.No. ICD-Sachin/DGFT/07/2020-21 dated 21.10.2022 was issued to the Foreign Trade Development officer, DGFT, Surat requesting them to intimate this office, whether the said importer has been issued EODC against EPCG License No. 5230011987 dated 20.06.2013 or any documents showing the fulfillment of the export obligation have been 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 said importer had not submitted any documents to them against fulfillment of export obligation**.

**6.2** Thus, it appears, from the above that the said importer has failed to fulfill the export obligation as specified in the Licence and has not complied with the mandatory conditions of the Customs Notification No.22/2013-Cus dated 18.04.2013, EPCG Licence and conditions of the Bond dated 09.07.2013.

**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 said importer wherein the said importer has bound himself to discharge liability within a specified period in certain manner, which he has failed to do, by not fulfilling the export obligation. Therefore, the department is entitled to recover the duty less paid by raising a demand and appropriating the Bank Guarantee furnished by the said importer against this 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.** Since, the said importer appears to fail to fulfill the conditions laid down under Notification No. 22/2013-Cus dated 18.04.2013 in as much as they failed to export goods manufactured from 04 Set of Computerized Embroidety Machine imported under EPCG Licence No. 5230011987 dated 20.06.2013 which was equivalent to six times the duty saved on the goods imported and also neither produced EODC issued by DGFT, Surat nor could produce any extension granted by DGFT, Surat for fulfillment of Export Obligation. Hence, they appear liable to pay duty of **Rs.5,05,569/-** 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 said importer read with Section 143 of the Customs Act, 1962.

**8.1** It appears that the imported capital goods have not been used for intended purpose for which the exemption from payment of duty was claimed and therefore, the aforesaid Capital goods appears liable for confiscation under Section 111(o) of the Customs Act, 1962 and thus the said importer appears to have rendered itself 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 the conditions laid down under Notification No.22/2013-Cus dated 18.04.2013, the Bank Guarantee No. 0306BG0001772013 dated 01.07.2013 for Rs. 85,000/- issued by the South Indian Bank Limited, Ring Road, Surat in favor of the Deputy/Asstt. Commissioner of Customs, ICD-Sachin, Surat against the EPCG License No. 5230011987 dated 20.06.2013 appears required to be 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 has also given bond to this effect. The letter dated 11.07.2022 was written to the importer to intimate the extent of export obligation fulfilled by them but no reply received. Thus, the fact that they had neither completed their Export obligation nor paid the duty on import as per law & procedure is on record. The DGFT also informed that the importer has not submitted any documents regarding fulfillment of Export obligation. Thus, it appears that the said importer has neither fulfilled their Export obligation nor paid the customs duty along with interest for non-fulfillment of EO. These facts were not disclosed to the department or DGFT, thereby suppressing the facts with a clear intent to evade the payment of duty.

**9.** In view of the above, **M/s. Magik Creations, 716, Ajanta Shopping Centre, Ring Road, Surat-395002** was issued a Show Cause Notice bearing F. No. VIII/6-1028/ICD-Sachin/2013-14 dated 27.06.2023 by the Additional Commissioner of Customs, In Charge of ICD-Sachin, Surat calling upon them to show cause as to why:

(i) The benefit of Zero Duty for EPCG Scheme under Notification No. 22/2013Cus dated 18.04.2013 on the subject imported Computerized Embroidery Machine in the name of **M/s Magik Creations, 716, Ajanta Shopping Centre, Ring Road, Surat-395002**, should not be denied.

(ii) Customs Duty totally amounting to **Rs. 5,05,569/- (Rupees Five Lakh Five Thousand Five Hundred Sixty Nine only)** being the Duty forgone at the time of import under EPCG License, 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 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. 0306BG0001772013 dated 01.07.2013 for Rs. 85,000/- issued by the South Indian Bank Limited, Ring Road, Surat 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 term of Notification No. 22/2013Cus

dated 18.04.2013 as amended from time to time read with Conditions of the Bond executed in term of Section 143 of the Customs Act, 1962.

(iv) The imported Capital Goods 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.

(vii) Bond executed by them at the time of import should not be enforced in terms of Section 143(3) of the Customs Act, 1962 and the Bank Guarantee thereof should not be encashed for recovery of the Customs Duty as mentioned above and interest thereupon.

**DEFENSE SUBMISSION AND PERSONAL HEARING:**

**10.** In response to the subject Show Cause Notice, the Noticee, vide letter no. 52/21/021/00578/AM14 received on 10.09.2024 informed that they had fulfilled the export obligation and all requisite documents had been furnished to DGFT, Surat, for issuance of the Export Obligation Discharge Certificate (EODC) on dated 15.01.2024.

**10.1** Since the Export Obligation Discharge Certificate (EODC)/Redemption Letter had not been issued and the matter was pending before the Directorate General of Foreign Trade (DGFT), the Show Cause Notice was transferred to the Call Book on 31.01.2025 in terms of Para 5 of CBIC Circular No. 16/2017Customs dated 02.05.2017. Subsequently, during the review of Call Book cases, the status of the said authorization on the official website of DGFT was found to be reflected as "Closed". Accordingly, the SCN was retrieved from the Call Book with the prior approval of the competent authority for adjudication.

**10.2** Opportunities for Personal hearing was given to the noticee on 05.05.2026, in compliance with Principle of Natural Justice. The noticee, vide email dated 30.04.2026, email dated 06.05.2026 & letter received on dated 30.03.2026, submitted a copy of the EODC/Redemption letter dated 24.03.2026 issued by DGFT, Surat in respect of EPCG Authorization No. 5230011987 dated 20.06.2013. The noticee has further requested that the proceedings initiated vide SCN dated 27.06.2023 be dropped. **They further conveyed that they do not require any personal hearing in the matter and requested that the case be decided as per documents submitted by them.**

**DISCUSSIONS AND FINDINGS:**

**11.** I have carefully gone through the Show cause notice, records, submissions and facts in the present case. I find that in the present case, a Show Cause Notice bearing F.No. VIII/6-1028/ICD-Sachin/2013-14 dated 27.06.2023 was issued to the Noticee/Importer, holding EPCG License No. 5230011987 dated 20.06.2013, by the Additional Commissioner of Customs, In Charge of ICD-Sachin, Surat, for non-fulfillment of export obligations as prescribed under Notification No. 22/2013-Cus dated 18.04.2013 and for non-submission of the Export Obligation Discharge Certificate (EODC) issued by the DGFT authorities. As per Notification No. 22/2013-

Cus dated 18.04.2013, the importer was required to fulfill the export obligation on an FOB basis equivalent to **six times** the duty saved on the imported goods **within six years from the date of authorization**, as specified in the License or authorization. I also find that the present case was transferred into callbook in terms of para 5 of the Board Circular No.16/2017-Customs dated 02.05.2017 after the noticee submitted that they had applied for issuance of the EODC to the DGFT, Surat and submitted proof of acknowledgment before Customs authorities.

**12.** Upon subsequent review of Call Book cases, the case was withdrawn from the call book on 23.04.2026 with the approval of the competent authority and has now been taken up for adjudication. The issues for consideration before me are as follows:

*(i) Whether the benefit of zero rate of duty for EPCG Scheme under Notification No. 22/2013-Cus dated 18.04.2013 is admissible to the Noticee in absence of non-fulfillment of the export obligation prescribed therein, as alleged in the Show cause notice.*

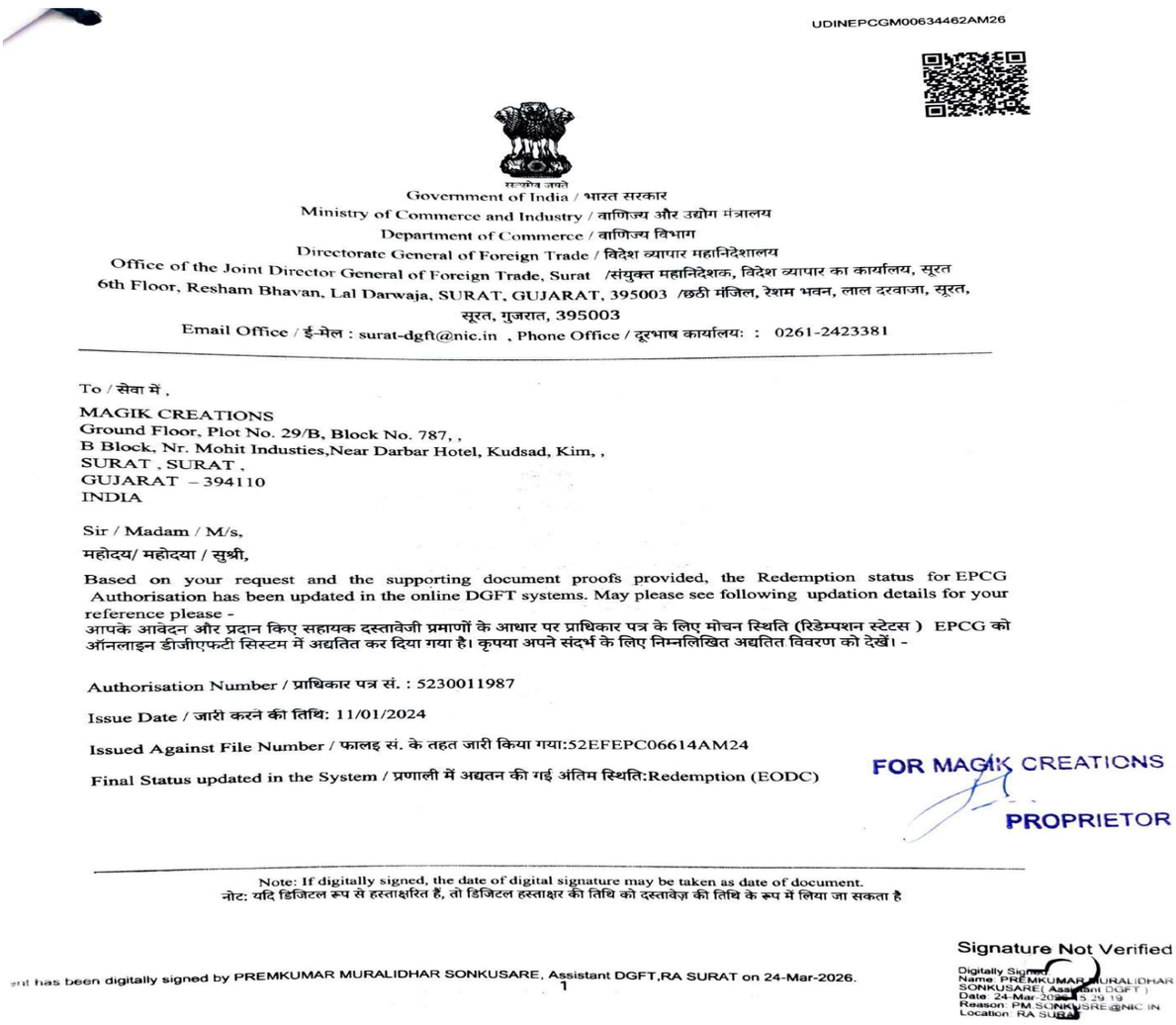
*(ii) Whether the noticee is liable to confiscation of the capital goods and imposition of penalties, as proposed in the Show Cause Notice.*

**13. Now I proceed to decide whether the benefit of zero rate of duty for EPCG Scheme under the said Notification No. 22/2013-Cus dated 18.04.2013 is admissible to the Noticee in absence of non-fulfillment of the export obligation prescribed therein, as alleged in the Show cause notice.**

**13.1** I find that the present recovery proceedings have been initiated against the Noticee on account of failure to submit proof of fulfilment of the export obligation and non-submission of the Export Obligation Discharge Certificate (EODC) in respect of EPCG Licence No. 5230011987 dated 20.06.2013, against which the Noticee had availed the benefit of import of capital goods at zero rate of duty. As per the provisions of Notification No. 22/2013-Cus dated 18.04.2013, the importer was required to fulfil the export obligation, on FOB basis, equivalent to six times the duty saved on the goods imported, within a period of six years from the date of issuance of the authorization, as specified in the licence. I observe that letter dated 11.07.2022 was issued to the Noticee, calling upon them to submit the EODC or documentary evidence of any extension granted by the Regional Authority, DGFT, Surat, towards fulfilment of the export obligation. **However, the Noticee failed to respond to the said communications.** Further, **the Assistant Director, Directorate General of Foreign Trade, Surat vide letter F.No. EPCG/Mis/2020-21 dated 28.10.2022 informed that the said importer had not submitted any documents to them against fulfillment of export obligation.** It is, therefore, evident that the Noticee has failed to discharge the export obligation as prescribed under the EPCG licence and has not complied with the mandatory conditions of Notification No. 22/2013-Cus dated 18.04.2013, the terms of the EPCG licence, and the conditions of the Bond executed by them. In view of the foregoing, I hold that the Noticee is not entitled to the benefit of zero-duty import under the EPCG Scheme in terms of Notification No. 22/2013-Cus dated 18.04.2013, and accordingly, the exemption availed on the imported Computerized Embroidery Machine is inadmissible due to non-fulfilment of the prescribed export obligation.

**13.2** From the submission of the noticee, I find that the noticee had applied for EODC/redemption of EPCG Authorization No. 5230011987 dated 20.06.2013 before the DGFT. Further, the noticee, vide their letter received on dated 30.03.2026, submitted a copy of the "EODC/Redemption Letter" issued by DGFT, Surat, under File No. 52EFEPC06614AM24 dated 24.03.2026 **(Image as below),** in respect of the

impugned EPCG Authorization No. 5230011987 dated 20.06.2013. **I also note that neither the application submitted by the Noticee to the DGFT for issuance of the EODC nor the EODC/Redemption Letter dated 24.03.2026 issued by the DGFT, Surat, was available on record at the time of issuance of the impugned Show Cause Notice.**



UDINEPCGM00634462AM26

सत्यमेव जयते
Government of India / भारत सरकार
Ministry of Commerce and Industry / वाणिज्य और उद्योग मंत्रालय
Department of Commerce / वाणिज्य विभाग
Directorate General of Foreign Trade / विदेश व्यापार महानिदेशालय
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Sir / Madam / M/s,
महोदय/ महोदया / सुश्री,

Based on your request and the supporting document proofs provided, the Redemption status for EPCG Authorisation has been updated in the online DGFT systems. May please see following updation details for your reference please -
आपके आवेदन और प्रदान किए सहायक दस्तावेजी प्रमाणों के आधार पर प्राधिकार पत्र के लिए मोचन स्थिति (रिडेम्पशन स्टेटस ) EPCG को ऑनलाइन डीजीएफटी सिस्टम में अद्यतित कर दिया गया है। कृपया अपने संदर्भ के लिए निम्नलिखित अद्यतित विवरण को देखें। -

Authorisation Number / प्राधिकार पत्र सं. : 5230011987

Issue Date / जारी करने की तिथि: 11/01/2024

Issued Against File Number / फालइ सं. के तहत जारी किया गया:52EFEPC06614AM24

Final Status updated in the System / प्रणाली में अद्यतन की गई अंतिम स्थिति:Redemption (EODC)

FOR MAGIK CREATIONS

PROPRIETOR

Note: If digitally signed, the date of digital signature may be taken as date of document.
नोट: यदि डिजिटल रूप से हस्ताक्षरित हैं, तो डिजिटल हस्ताक्षर की तिथि को दस्तावेज़ की तिथि के रूप में लिया जा सकता है

Signature Not Verified
Digitally Signed by PREMKUMAR MURALIDHAR SONKUSARE( Assistant DGFT )
Date: 24-Mar-2026 15:29:19
Reason: PM.SONKUSRE@NIC.IN
Location: RA SURAT

ent has been digitally signed by PREMKUMAR MURALIDHAR SONKUSARE, Assistant DGFT,RA SURAT on 24-Mar-2026.
1

**13.3** I further find that the EODC/Redemption Letter dated 24.03.2026, issued by DGFT, Surat, states the following: -

***"Based on your request and the supporting document proofs provided, the Redemption status for EPCG Authorisation has been updated in the online DGFT systems."***

From a perusal of the of the aforesaid Export Obligation Discharge Certificate (EODC)/Redemption Letter issued by the competent authority, it is evident that the Noticee has duly complied with and fulfilled the export obligation stipulated under the aforesaid EPCG Authorization. In view thereof, the demand of Customs duty amounting to **Rs.5,05,569/- (Rupees Five Lakh Five Thousand Five Hundred Sixty Nine only)** raised against M/s. Magik Creations is rendered unsustainable and is liable to be dropped, as the DGFT has formally issued an EODC/Redemption Letter, thereby certifying the complete discharge of the export obligation in respect of the said EPCG Authorization.

**14. Now I proceed to decide whether the noticee is liable to confiscation of the capital goods and imposition of penalties, as proposed in the Show Cause Notice.**

**14.1** In view of the Export Obligation Discharge Certificate (EODC)/Redemption Letter dated 24.03.2026 issued by the Directorate General of Foreign Trade (DGFT) in respect of the impugned EPCG Authorization No. 5230011987 dated 20.06.2013, I find that the noticee has fulfilled the conditions stipulated in the Customs Notification No. 22/2013-Cus dated 18.04.2013 and the conditions of the Bond executed by them by fulfilling the export obligation as stipulated vide the said EPCG Authorization No. 5230011987 dated 20.06.2013. Accordingly, I find that impugned capital goods are not liable for confiscation under Section 111 (o) of the Customs Act, 1962 and consequently no penalty is imposable on the noticee under Section 112 (a) and 117 of the Customs Act, 1962. In view of the above, I hold that the demand initiated against noticee vide Show Cause Notice F. No. VIII/6-1028/ICDSachin/2013-14 dated 27.06.2023 is not sustainable and liable to be dropped.

**15.** In view of above discussion and findings, I pass the following order:

**ORDER**

I drop the proceedings initiated against the noticee vide Show Cause Notice F. No. VIII/6-1028/ICD-Sachin/2013-14 dated 27.06.2023.

**16.** The Show Cause Notices F. No. VIII/6-1028/ICD-Sachin/2013-14 dated 27.06.2023 is disposed of in above terms.

Digitally signed by
Shravan Ram
Date: 18-05-2026
16:00:36

**(Shravan Ram)**
**Additional Commissioner**
**Customs, Ahmedabad**

**DIN:20260571MN0000515316**

F. No. CUS/EPCG/MISC/695/2023-ICD-SRT-CUS-COMMRTE-AHMEDABAD Dated:18.05.2026
By Speed Post A.D./E-mail /Hand Delivery/Through Notice Board

**To,**

**M/s. Magik Creations,**
**716, Ajanta Shopping Centre,**
**Ring Road, Surat- 395002**

**Shri Piyush Champalal Pincha,**
**Properitor of M/s. Magik Creations,**
**103, Monil Park, New City Light Road,**
**Althan, Surat-395007**

Copy to: -

1. The Principal Commissioner, Customs, Ahmedabad (RRA Section).
2. The Deputy Commissioner of Customs, ICD-Sachin, Surat.
3. The System In–Charge, Customs HQ, Ahmedabad for uploading on the official website i.e. http://www.ahmedabadcustoms.gov.in
4. The Joint Director General, DGFT, 6th Floor, Resham Bhavan Lal Darwaja, Surat-395003 for information and necessary action.
5. Guard File/Office copy.
6. Notice Board