



सीमाशुल्क(अपील) आयुक्तकाकार्यालय,

OFFICE OF THE COMMISSIONER OF CUSTOMS (APPEALS), अहमदाबाद AHMEDABAD,
चौथी मंज़िल 4th Floor, हड्डकोभवन HUDCO Bhavan, ईश्वर भुवन रोड IshwarBhuvan Road,
नवरंगपुरा Navrangpura, अहमदाबाद Ahmedabad – 380 009
दूरभाषक्रमांक Tel. No. 079-26589281

DIN - 20251171MN00000059E5

क	फाइलसंख्या FILE NO.	S/49-167/CUS/JMN/2025-26
ख	अपीलआदेशसंख्या ORDER-IN-APPEAL NO. (सीमाशुल्कअधिनियम, 1962 कीधारा 128ककेअंतर्गत) (UNDER SECTION 128A OF THE CUSTOMS ACT, 1962):	JMN-CUSTM-000-APP-397-25-26
ग	पारितकर्ता PASSED BY	Shri Amit Gupta Commissioner of Customs (Appeals), Ahmedabad
घ	दिनांक DATE	25.11.2025
ङ	उदभूतअपीलआदेशकीसं. वदिनांक ARISING OUT OF ORDER-IN-ORIGINAL NO.	01/AC/RNS/GPPL/2025-26 dated 06.05.2025
च	अपीलआदेशजारीकरनेकीदिनांक ORDER-IN-APPEAL ISSUED ON:	25.11.2025
छ	अपीलकर्ताकानामवप्ता NAME AND ADDRESS OF THE APPELLANT:	M/s Aparajita Energy Private Limited, 38, Radhe Krishna Industrial Park, Post-Mota Jalundra, Taluka -Dehgam, Gandhinagar - 382 305.
1.	यहप्रतिउसव्यक्तिकेनिजीउपयोगकेलिएमुफ्तमेंदीजातीहैजिनकेनामयहजारीकियागया है।	
	This copy is granted free of cost for the private use of the person to whom it is issued.	
2.	सीमाशुल्कअधिनियम 1962 कीधारा 129 डीडी (1) (यथासंशोधित) केअधीननिम्नलिखितश्रेणियोंकेमामलोंकेसम्बन्धमेंकोईव्यक्तिइसआदेशसेअपनेकोआहतमहसूसकरताहोतोइसआदेशकीप्राप्तिकीतारीखसे 3 महीनेकेअंदरअपरसचिव/संयुक्तसचिव (आवेदनसंशोधन),वित्तमंत्रालय,	



	(राजस्वविभाग) संसदमार्ग, नईदिल्लीकोपुनरीक्षणआवेदनप्रस्तुतकरसकते 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 रूपमें आया तितकोई माल।	
(a)	any goods imported on baggage.	
(ख)	भारतमें आया तकरने हेतु किसी वाहनमें लादागयाले किन भारतमें उनके गन्तव्य स्थान पर उतारे न गए मालया उस गन्तव्य स्थान पर उतारे गए माल की मात्रा में अपेक्षित माल से कम 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 बना एगानियमों 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 उसके 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)	कोर्टफीएक्ट, 1870 के मदसं. 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 हो ना 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 अन्यरसीद, फीस, दण्ड, जब्ती और विविध मदों के शीर्षके अधीन आता है में रु. 200/- (रूपए दो सौ मात्र) या रु. 1000/- (रूपए एक हजार मात्र), जैसा भी मामला हो, से सम्बन्धित भुगतान के प्रमाणिक चलानटी, आर. 6 की दो प्रतियां। यदि शुल्क, मांग गया ब्याज, लगाया गया दंड की राशि और रूपए एकलाख या उससे कम महोत्तो ऐसे की सके रूप में रु. 200/- और यदि एकलाख 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.	मदसं. 2 के अधीन सूचित मामलों के अलावा अन्य मामलों के सम्बन्ध में यदि दिकोई 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, केन्द्रीय उत्पाद शुल्क व सेवा कर अपील अधिकरण, पश्चिमी क्षेत्रीय पीठ	Customs, Excise & Service Tax Appellate Tribunal, West Zonal Bench



	दूसरीमंजिल, बहुमालीभवन, निकटगिरधरनगरपुल, असारवा, अहमदाबाद-380016	2 nd Floor, Bahumali Bhavan, Nr.Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016
5.	सीमाशुल्कअधिनियम, 1962 कीधारा 129 ए (6) केअधीन, सीमाशुल्कअधिनियम, 1962 कीधारा 129 ए(1)केअधीनअपीलकेसाथनिम्नलिखितशुल्कसंलग्नहोनेचाहिए-	
		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)	अपीलसेसम्बन्धितमामलमेंजहांकिसीसीमाशुल्कअधिकारीद्वारामांगागयाशुल्कऔरव्याजतथालगायागयादंडकीरकमपाँचलाखरूपएयाउससेकमहोतोएकहजाररुपए.	
(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)	अपीलसेसम्बन्धितमामलमेंजहांकिसीसीमाशुल्कअधिकारीद्वारामांगागयाशुल्कऔरव्याजतथालगायागयादंडकीरकमपाँचलाखरूपएसेअधिकहोलेकिनरूपयैपचासलाखसेअधिकनहोतो; पांचहजाररुपए	
(ब)	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)	अपीलसेसम्बन्धितमामलमेंजहांकिसीसीमाशुल्कअधिकारीद्वारामांगागयाशुल्कऔरव्याजतथालगायागयादंडकीरकमपचासलाखरूपएसेअधिकहोतो; दसहजाररुपए.	
(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)	इसआदेशकेविरुद्धअधिकरणकेसामने, मांगेगएशुल्कके 10% अदाकरनेपर, जहांशुल्कपाशुल्कएवंदंडविवादमेहै, यादंडके 10%अदाकरनेपर, जहांकेवलदंडविवादमेहै, अपीलरखाजाएगा।	
(द)	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.	उक्तअधिनियमकीधारा 129 (ए) केअन्तर्गतअपीलप्राधिकरणकेसमक्षदायरप्रत्येकआवेदनपत्र- (क)	
	रोकआदेशकेलिएयागलतियोंकोसुधारनेकेलिएयाकिसीअन्यप्रयोजनकेलिएकिएगएअपील : - अथवा	
	(ख) अपीलयाआवेदनपत्रकाप्रत्यावर्तनकेलिएदायरआवेदनकेसाथरुपयेपाँचसौकाशुल्कभीसंलग्नहोनेचाहिए.	
	Under section 129 (a) of the said Act, every application made before the Appellate Tribunal-	
	(a) in an appeal for grant of stay or for rectification of mistake or for any other purpose; or	
	(b) for restoration of an appeal or an application shall be accompanied by a fee of five Hundred rupees.	



ORDER-IN-APPEAL

M/s Aparajita Energy Private Limited, 38, Radhe Krishna Industrial Park, Post-Mota Jalundra, Taluka -Dehgam, Gandhinagar - 382305 (hereinafter referred to as "the appellant") have filed an appeal in terms of Section 128 of the Customs Act, 1962 against the Final Assessment & Re Assessment Order No. 01/AC/RNS/GPPL/2025-26 dated 06.05.2025 (hereinafter referred to as "the impugned order") passed by the Assistant Commissioner of Customs, Gujarat Pipavav Port Limited, Customs House, Pipavav (hereinafter referred to as "the adjudicating authority").

2. Briefly stated, facts of the case are that the appellant, holder of IEC No. ABACA2092G is engaged in import of "Distillate Fuel Oil" at the Port of Pipavav. The appellant had imported goods of description "DISTILLATE FUEL OIL (CONFIRMING IS 16731:2019) (ISO 8217:2017) (CLASS F-FUELS AND FUEL OIL) (for Industrial Use only)" (hereinafter referred to as "the said goods") in the Bill of Entry No. 8280279 Dated 10.02.2025 filed by them. The said Bill of Entry was filed for warehousing of 2741.229 MTS of the said goods and had self-assessed and classified the said goods under CTH 27101961 of the 1st Schedule of the Customs Tariff (Import Tariff) in the said Bill of Entry. As per the 1st Schedule of the Customs Tariff (Import Tariff), the Customs Tariff Item (CTI) No. 2710 19 61 is for "Distillate Oil" and fall under Custom Tariff Sub-Head (CTSH) 2710 19- "Fuels (Class F) or marine fuels conforming to standard IS 16731: 2710 19 61". Thus, as per the 1 Schedule of the Customs Tariff (Import Tariff), CTI 2710 19 61 is meant for "Distillate Oil" covered by Fuels (Class-F) or Marine Fuels conforming to Standard IS 16731 and attracts Basic Customs Duty (BCD) @ 5% Adv.

2.1 Further, Notification No. 050/2017-Cus. Dated 30.06.2017 (as amended) which inter-alia grants exemption from Basic Customs Duty and Integrated Tax to certain goods imported into India. An Entry No. 147B, has been inserted to the table falling under said Notification vide Notification No. 02/2022-Customs Dated 01.02.2022 (W.E.F. 02.02.2022), which reads, as under-

Sr. No.	Chapter or Heading or Sub-heading or Tariff Item	Description of Goods	Standard Rate	IGST	Condition No.
(1)	(2)	(3)	(4)	(5)	(6)
147(B)	271019	Fuel Oil	2.5%	--	--



The appellant had claimed an exemption from payment of Basic Customs Duty (BCD) of 2.5%, as per Sr. No. 147B of the Table appended to Notification No. 050/2017-Cus. Dated 30.06.2017 (as amended) applicable for Fuel Oil, in respect of the said goods in the above Bill of Entry.

2.2 The said Bill of Entry was cleared through RMS, however, subsequently assessed provisionally for the purpose of the Chemical Test Report of the imported goods, as per prevailing practice. The Test Bond (TB) has been submitted for the said purpose by the appellant. Accordingly, sample of the imported goods was sent for Chemical Analysis to the Chemical Examiner, Central Excise & Customs Laboratory, Vadodara vide Test Memo No. IMP/390/2024-25 dated 14.02.2025 (EDI Test Memo No. 1260383/2024-25 dated 14.02.2025) with a query that "Whether sample confirm the description of goods as DISTILATE FUEL OIL (CTH-27101961) i.e. FUELS (CLASS-F) OR MARINE FUELS CONFORMING TO STANDARD IS:16731?". The Chemical Examiner vide its report dated 20.02.2025 forwarded Chemical Test Result, wherein on the basis of various specification measured, opined that "sample u/r meets the requirement of Distillate Marine Fuels per IS 16731:2019".

2.3 Further, the appellant filed 06 Ex-Bond Bills of Entry for the clearance of warehoused goods for home-consumption, wherein self-assessed & paid Basic Customs Duty (BCD) @ 2.5% on the strength of Notification No. 050/2017-Cus (as amended) (St. No. 147B), as per details given below: -

Sr. No.	Bill of Entry No	Bill of Entry Date	Quantity (in MTS)	Nature of Assessment	BCD Applicable	BCD Self Assessed & Paid	Exemption Claimed
01	8351339	14.02.2025	500.000	Final	5% adv.	2.5% adv.	050/2017 (147B)
02	8352163	14.02.2025	500.000	Final	5% adv.	2.5% adv.	050/2017 (147B)
03	8392548	17.02.2025	500.000	Final	5% adv.	2.5% adv.	050/2017 (147B)
04	8392970	17.02.2025	500.000	Final	5% adv.	2.5% adv.	050/2017 (147B)
05	8423472	18.02.2025	241.229	Final	5% adv.	2.5% adv.	050/2017 (147B)
06	8500498	22.02.2025	500.000	Final	5% adv.	2.5% adv.	050/2017 (147B)
TOTAL			2741.229				



2.4 In view of the above facts, it was observed that the imported goods was described in the Bill of Entry as "DISTILLATE FUEL OIL (CONFIRMING IS 16731:2019) (ISO 8217:2017) (CLASS F-FUELS AND FUEL OIL) (for Industrial Use only)" and self-assed by classifying under CTH 27101961 of the 1st Schedule of the Customs Tariff (Import Tariff). The Custom Tariff Item (CTI) 2710 19 61 is meant for "Distillate Oil" under Tariff Sub-Head 2710 19 "Fuels (Class F) or marine fuels conforming to standard IS 16731: 2710 19 61". The Distillate Oil attracts Basic Customs Duty @ 5% adv. Further, the appellant has claimed an exemption from payment of Basic Customs Duty (BCD) of 2.5%, in terms of Sr. No. 147B of the Table appended to Notification No. 050/2017-Cus. Dated 30.06.2017 (as amended), which is applicable to "Fuel Oil". It is, thus, observed that the appellant had availed ineligible exemption considering "Distillate Fuel Oil (Distillate Oil)" as "Fuel Oil".

2.5 Accordingly, a letter F. No. CUS/ICFS/SBE/2/2025-0/o DC/AC-I-CH-PPV-Cus-Prev-Jamnagar dated 09.04.2025 was issued to the importer proposing for: -

- (a) finalization of the provisional assessment of Warehouse Bill of Entry No. 8280279 Dated 10.02.2025 by levying BCD @ 5% (on merit) denying the benefit of exemption from BCD, availed as per Entry No. 147B of Notification No. 050/2017-Cus. (as amended), and, in-turn
- (b) Re-assessment of relevant 06 Ex-Bond Bills of Entry Nos. (i) 8351339/14.02.2025, (ii) 8352163/14.02.2025, (iii) 8392548/17.02.2025, (iv) 8392970/17.02.2025, (v) 8423427/18.02.2025 & (vi) 8500498/22.02.2025 by levying BCD @5% (on merit) denying the benefit of exemption from BCD, availed as per Entry No. 147B of Notification No. 050/2017-Cus. (as amended).

2.6 The adjudicating authority vide the impugned order held that

- (i) the "Distillate Fuel Oil" self-assessed and classified under CTI 2710 19 61 of the 1st Schedule of the Customs Tariff in W/H Bill of Entry No.8280279 Dated 10.02.2025 attract levy of BCD, on merit, @ 5% Adv.
- (ii) the W/H Bill of Entry No.8280279 Dated 10.02.2025, which was assessed provisionally now stands finally assessed levying BCD, on merit, @ 5% Adv., thereby denying benefit of exemption from BCD, under the provisions of Section 18(2) of the Customs Act, 1962. The appellant shall execute a bond for a sum equal to twice the amount of excess duty, forthwith.

(iii) the subsequent 06 Ex-Bond Bill of Entry Nos. (1) 8351339/14.02.2025, (ii) 8352163/14.02.2025, (iii) 8392548/17.02.2025, (iv) 8392970 /17.02.2025, (v) 8423427 / 18.02.2025 & (vi) 8500498 / 22.02.2025, filed as a consequence of aforesaid W/H Bill of Entry, now also stands re-assessed levying BCD, on merit, @ 5% Adv. thereby denying benefit of exemption from BCD, under the provisions of Section 18(2) of the Customs Act, 1962. The Customs duty already paid under stands adjusted towards the finally/re-assessed assessed duty. The appellant shall pay the differential duty along with interest, under the provisions of Section 18(3) of the customs Act, 1962.

3. Being aggrieved with the impugned Order, the appellant has filed the present appeal contending mainly as under:

- Sr. No. 147B of Notification No. 50/2017-Cus does not prescribe any requirement of IS 1593, and therefore denial of exemption based on a specification not mentioned in the notification is unsustainable.
- "Distillate Fuel Oil" is scientifically and commercially recognized as fuel oil, and the product has been correctly classified under CTH 2710 19, which satisfies the condition of the exemption.
- The CRCL test report relied upon by the department is incomplete, since only 5 out of 19 parameters have been tested and no conclusion has been drawn that the product is not fuel oil.
- Without prejudice, exemption is also available under Sr. No. 147C of Notification 50/2017-Cus (straight-run fuel oil).

4. Shri Jitendra Nair, Consultant, appeared for personal hearing on 21.11.2025 on behalf of the appellant. He reiterated the written submission made at the time of filing appeal.

5. I have gone through the appeal memorandum filed by the appellant, records of the case, submissions made during personal hearing and documents available on record. The issue to be decided in present appeal is whether the impugned order passed by the adjudicating authority denying benefit of Sr. No. 147B of Notification 50/2017-Cus in respect of the goods imported by the appellant, in the facts and circumstances of the case, is legal and proper or otherwise.

5.1 It is observed that the appellant imported "Distillate Fuel Oil (conforming to IS 16731:2019)" under CTH 2710 19 61 and claimed exemption of 2.5% Basic Customs Duty under Sr. No. 147B of Notification No. 50/2017-Cus. The adjudicating authority denied the exemption on the ground that the product does not conform to IS 1593, which,



according to the authority, represents the standard for "fuel oil." I have carefully examined Notification No. 50/2017-Cus. (as amended) and observe that it does not prescribe compliance with IS 1593. Serial No. 147B of the Notification specifically provides a customs duty exemption for "fuel oil" falling under CTH 271019. The entry is unconditional in nature and does not impose any requirement regarding conformity to any Indian Standard (IS), including IS 1593. Thus, the benefit of exemption under Serial No. 147B is not contingent upon meeting IS 1593 specifications, and the absence of such a stipulation in the Notification clearly indicates that no such condition can be read into the exemption entry.

5.2 It is further observed that Supplementary Note (g) to Chapter 27 defines the term "fuel oil" with reference to BIS Standard IS: 1593. This definition, however, is intended exclusively for classification purposes, i.e., to facilitate the correct determination of the tariff heading under Chapter 27 of the Customs Tariff. Tariff Notes, including Chapter Notes and Supplementary Notes, form an integral part of the statutory scheme for classification of goods. Their function is to guide the proper classification of a product within the tariff structure and to ensure uniformity and certainty in classification. These notes are not to be construed as imposing additional substantive conditions for the purpose of exemption notifications unless the Notification itself expressly incorporates such conditions. In this context, the reference to IS:1593 in Supplementary Note (g) serves only to define and identify what constitutes "fuel oil" for classification under Chapter 27, and cannot be treated as a mandatory requirement for availing exemption under Notification No. 50/2017-Cus., particularly when the exemption entry at Serial No. 147B contains no such stipulation.

5.3 It is also observed that the exemption notification in question contains no reference to the relevant Chapter Note, does not incorporate any BIS standard, and does not prescribe any technical specifications for determining eligibility. The wording of the exemption entry refers only to "fuel oil" in its ordinary, commercial sense, without importing any specialized or technical criteria. It is a well-settled principle of law, consistently affirmed by the Hon'ble Supreme Court, that conditions not expressly stated in an exemption notification cannot be read into it. An exemption must be interpreted strictly on the basis of the language employed therein, and neither tariff definitions nor external technical standards may be imported into the notification by implication. Where the Legislature or the delegated authority intends to make conformity with a particular standard a pre-condition for exemption, it must say so in clear

and unambiguous terms. In the present case, the absence of any such stipulation in the notification clearly demonstrates the legislative intent to extend the benefit to all fuel oil falling under the specified tariff heading, without requiring compliance with IS:1593 or any other technical specification.

5.4 In this regard I rely upon the decision in the case of State of West Bengal vs. Kesoram Industries Limited, [(2004) 10 SCC 201], wherein seven judges bench of SC after citing the passages from Justice G.P. Singh's treatise, summed up the following principles applicable to the interpretation of a taxing statute: "(i) In interpreting a taxing statute, equitable considerations are entirely out of place. A taxing statute cannot be interpreted on any presumption or assumption. A taxing statute has to be interpreted in the light of what is clearly expressed; it cannot imply anything which is not expressed; it cannot import provisions in the statute so as to supply any deficiency; (ii) Before taxing any person, it must be shown that he falls within the ambit of the charging section by clear words used in the section; and (iii) If the words are ambiguous and open to two interpretations, the benefit of interpretation is given to the subject and there is nothing unjust in a taxpayer escaping if the letter of the law fails to catch him on account of Legislature's failure to express itself clearly". The relevant para of the decision is reproduced as under:

"Justice G.P. Singh in Principles of Statutory Interpretation (Eighth Edition, 2001) while dealing with general principles of strict construction of taxation statutes states "A taxing statute is to be strictly construed. The well-established rule in the familiar words of Lord Wensleydale, reaffirmed by Lord Halsbury and Lord Simonds, means : "The subject is not to be taxed without clear words for that purpose; and also that every Act of Parliament must be read according to the natural construction of its words". In a classic passage Lord Cairns stated the principle thus; "If the person sought to be taxed comes within the letter of the law he must be taxed, however great the hardship may appear to the judicial mind to be. On the other hand, if the Crown seeking to recover the tax, cannot bring the subject Within the letter of the law, the subject is free, however apparently within the spirit of law the case might otherwise appear to be. In other words, if there is admissible in any statute, what is called an equitable construction, certainly, such a construction Is not admissible in a taxing statute where you can simply adhere to the words of the statute. Viscount Simon quoted with approval a passage from Rowlatt, J. expressing the principle in the following words : "in a taxing Act one has to look merely



at what is clearly said. There is no room for any intendment. There is no equity about a tax. There is no presumption as to tax. Nothing is to be read in, nothing is to be implied. One can only look fairly at the language used." (at p.635) The judicial opinion of binding authority flowing from several pronouncements of this Court has settled these principles; (i) in interpreting a taxing statute, equitable considerations are entirely cut of place. Taxing statutes cannot be interpreted on any presumption or assumption. A taxing statute has to be interpreted in the light of what is clearly expressed; it cannot imply anything which is not expressed; it cannot import provisions in the statute so as to supply any deficiency; (ii) before taxing any person it must be shown that he falls within the ambit of the charging section by clear words used in the Section; and (iii) if the words are ambiguous and open to two interpretations, the benefit of interpretation is given to the subject. There is nothing unjust in the tax-payer escaping if the letter of the law fails to catch him on account of Legislature's failure to express itself clearly. (See, Justice G.P. Singh, *ibid*, pp.638-639)."

5.5 Accordingly, the definition of "fuel oil" contained in the Chapter Notes cannot be invoked to restrict or override the scope of the exemption notification. The eligibility for exemption must be determined strictly on the basis of the wording used in the notification itself. Since the notification does not prescribe compliance with any BIS specification, including IS 1593, the benefit of exemption cannot be denied by importing such a requirement through the tariff definition. It is a well-settled principle that conditions not expressly stated in an exemption notification cannot be read into it, and tariff notes or technical standards cannot be superimposed upon an exemption entry unless specifically incorporated. Therefore, denial of exemption on the basis of a standard that finds no mention in the notification is contrary to established legal principles. I am of the considered view that "distillate fuel oil" falls within the broader commercial description of "fuel oil" contemplated under Serial No. 147B. There is no dispute regarding the classification of the product under CTH 2710 19 61, and once the product answers the tariff description mentioned in the notification, the exemption must follow. The product thus squarely satisfies the requirement of the notification.

5.6 I also rely upon the decision in the case of COMMISSIONER OF CUS. (IMPORT), MUMBAI V/s DILIP KUMAR & COMPANY [2018 (361) E.L.T. 577 (S.C.)] wherein the Hon'ble Supreme court had held that when interpreting a tax law or exemption notification, the only correct approach is strict literal interpretation that is, giving the words their plain and

direct meaning. In tax matters, nothing can be presumed, implied, or read into the statute beyond what is expressly stated. The language of the notification alone must govern. The relevant para is reproduced as under:

“25. We are not suggesting that literal rule de hors the strict interpretation nor one should ignore to ascertain the interplay between ‘strict interpretation’ and ‘literal interpretation’. We may reiterate at the cost of repetition that strict interpretation of a statute certainly involves literal or plain meaning test. The other tools of interpretation, namely contextual or purposive interpretation cannot be applied nor any resort be made to look to other supporting material, especially in taxation statutes. Indeed, it is well-settled that in a taxation statute, there is no room for any intendment; that regard must be had to the clear meaning of the words and that the matter should be governed wholly by the language of the notification. Equity has no place in interpretation of a tax statute. Strictly one has to look to the language used; there is no room for searching intendment nor drawing any presumption. Furthermore, nothing has to be read into nor should anything be implied other than essential inferences while considering a taxation statute.”

5.7 The CRCL report relied upon by the adjudicating authority covers only 5 of the 19 parameters prescribed under IS 16731:2019. The report does not conclude that the product is not “fuel oil,” nor does it provide a complete analysis that could justify such a finding. It is well settled that incomplete or inconclusive test reports cannot form the basis for denying the benefit of an exemption. I find that the adjudicating authority erred in relying on test report for consignment imported against some other Bill of Entry. The adjudicating authority at Para 6.2 of the Order, reproduced below, refers to test report for other consignment imported where in the CRCL test report says the goods are other than Fuel Oil.

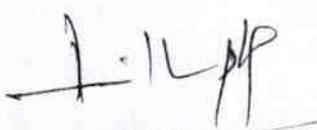
“6.2 It is pertinent that in subsequent consignment of import of “Distillate Fuel Oil” (CTH-27101961) by the importer [W/H Bill of Entry No. 8656131 dated 02.03.2025], the representative sample of the goods was sent for Chemical Test vide Test Memo No. IMP/412/2024-25, with a specific query as to “Whether the goods can be considered as FUEL OIL or not?”, to which the Chemical Examiner, CRCL, Vadodara have opined and reiterated that the Sample meets the requirement of Distillate Marine Fuel as per IS 16731:2019 and it is other than Fuel Oil (IS 1593:2018).”



5.8 The appellant has also claimed, in the alternative, eligibility for exemption under Serial No. 147C of Notification No. 50/2017-Cus as “straight run fuel oil.” However, in the present case, it is not necessary to

examine or record any finding on this alternate plea, as I am satisfied that the product is squarely covered under Serial No. 147B itself. In light of the detailed analysis above, I am of the considered view that the denial of exemption under Serial No. 147B of Notification No. 50/2017-Cus., as made in the impugned order, is legally unsustainable. The exemption entry is clear and unambiguous, and the conditions stipulated therein stand fulfilled. No additional requirement, not expressly stated in the notification, can be imported to deny the benefit. Accordingly, the adjudicating authority is directed to extend the exemption under Serial No. 147B of Notification No. 50/2017-Cus to the subject goods.

6. The impugned order is set aside and appeal filed by the appellant is allowed.


(AMIT GUPTA)
COMMISSIONER (APPEALS)
CUSTOMS, AHMEDABAD.

By Registered Post A.D.

F. Nos. S/49-167/CUS/JMN/2025-26
To, 

Dated – 25.11.2025

1. M/s Aparajita Energy Private Limited,
38, Radhe Krishna Industrial Park,
Post-Mota Jalundra, Taluka -Dehgam,
Gandhinagar - 382 305,

Copy to:

- The Chief Commissioner of Customs Gujarat, Customs House, Ahmedabad.
- 2. The Commissioner of Customs, Customs, Jamnagar.
- 3. The Assistant/Deputy Commissioner of Customs, Customs House, Pipavav.
- 4. Guard File

सत्यापित/ATTESTED

अधीक्षक/SUPERINTENDENT
सीमा शुल्क (अपोल्स). अहमदाबाद
CUSTOMS (APPEALS), AHMEDABAD

