



प्रधानआयुक्तकाकार्यालय, सीमाशुल्क, अहमदाबाद

सीमाशुल्कभवन, आलइंडीयारेडीऑकेबाजुमे, नवरंगपुरा, अहमदाबाद 380009

दुरभाष (079) 2754 46 30 फैक्स (079) 2754 23 43

**OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, AHMEDABAD  
CUSTOMS HOUSE, NEAR ALL INDIA RADIO, NAVRANGPURA, AHMEDABAD  
380009**

**PHONE : (079) 2754 46 30 FAX (079) 2754 23 43**

निबन्धितपावतीडाकद्वारा / By SPEED POST A.D.

फा. सं./F. No.:VIII/10-33/Pr.Commr./O&A/2020-21

DIN- 20260371MN0000333CFD

आदेशकीतारीख/Date of Order :24.03.2026  
जारीकरनेकीतारीख/Date of Issue :24.03.2026

द्वारापारित :-  
Passed by :-

शिव कुमार शर्मा, प्रधान आयुक्त  
Shiv Kumar Sharma, Principal Commissioner

मूलआदेशसंख्या :

**Order-In-Original No: AHM-CUSTM-000-PR.COMMR-54-2025-26 dated 24.03.2026** in the case of **M/s Bhagwati Banquets & Hotels Ltd.** located at 301, Circle P, Prahladnagar Garden Road, S G Highway, Ahmedabad..

- 1 जिस व्यक्ति(यों) को यह प्रति भेजी जाती है, उसे व्यक्तिगत प्रयोग के लिए निःशुल्क प्रदान की जाती है।
1. This copy is granted free of charge for private use of the person(s) to whom it is sent.
2. इस आदेश से असंतुष्ट कोई भी व्यक्ति इस आदेश की प्राप्ति से तीन माह के भीतर सीमा शुल्क, उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण, अहमदाबाद पीठ को इस आदेश के विरुद्ध अपील कर सकता है। अपील सहायक रजिस्ट्रार, सीमा शुल्क, उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण, दुसरी मंज़िल, बहुमाली भवन, गिरिधर नगर पुल के बाजु मे, गिरिधर नगर, असारवा, अहमदाबाद-380 004 को सम्बोधित होनी चाहिए।
2. Any person deeming himself aggrieved by this Order may appeal against this Order to the Customs, Excise and Service Tax Appellate Tribunal, Ahmedabad Bench within three months from the date of its communication. The appeal must be addressed to the Assistant Registrar, Customs, Excise and Service Tax Appellate Tribunal, 2nd Floor, Bahumali Bhavan, Nr. Girdhar Nagar Bridge, Girdhar Nagar, Asarwa, Ahmedabad – 380004.

3. उक्त अपील प्रारूप सं. सी.ए.3 में दाखिल की जानी चाहिए। उसपर सीमा शुल्क (अपील) नियमावली, 1982 के नियम 3 के उप नियम (2) में विनिर्दिष्ट व्यक्तियों द्वारा हस्ताक्षर किए जाएंगे। उक्त अपील को चार प्रतियों में दाखिल किया जाए तथा जिस आदेश के विरुद्ध अपील की गई हो, उसकी भी उतनी ही प्रतियाँ संलग्न की जाएँ (उनमें से कम से कम एक प्रति प्रमाणित होनी चाहिए)। अपील से सम्बंधित सभी दस्तावेज भी चार प्रतियों में अग्रेषित किए जाने चाहिए।
3. The Appeal should be filed in Form No. C.A.3. It shall be signed by the persons specified in sub-rule (2) of Rule 3 of the Customs (Appeals) Rules, 1982. It shall be filed in quadruplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be certified copy). All supporting documents of the appeal should be forwarded in quadruplicate.
4. अपील जिसमें तथ्यों का विवरण एवं अपील के आधार शामिल हैं, चार प्रतियों में दाखिल की जाएगी तथा उसके साथ जिस आदेश के विरुद्ध अपील की गई हो, उसकी भी उतनी ही प्रतियाँ संलग्न की जाएंगी (उनमें से कम से कम एक प्रमाणित प्रति होगी)
4. The Appeal including the statement of facts and the grounds of appeal shall be filed in quadruplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be a certified copy.)
5. अपील का प्रपत्र अंग्रेजी अथवा हिन्दी में होगा एवं इसे संक्षिप्त एवं किसी तर्क अथवा विवरण के बिना अपील के कारणों के स्पष्ट शीर्षों के अंतर्गत तैयार करना चाहिए एवं ऐसे कारणों को क्रमानुसार क्रमांकित करना चाहिए।
5. The form of appeal shall be in English or Hindi and should be set forth concisely and under distinct heads of the grounds of appeals without any argument or narrative and such grounds should be numbered consecutively.
6. केंद्रीय सीमा शुल्क अधिनियम, 1962 की धारा 129 ए के उपबन्धों के अंतर्गत निर्धारित फीस जिस स्थान पर पीठ स्थित है, वहां के किसी भी राष्ट्रीयकृत बैंक की शाखा से न्यायाधिकरण की पीठ के सहायक रजिस्ट्रार के नाम पर रेखांकित मांग ड्राफ्ट के जरिए अदा की जाएगी तथा यह मांग ड्राफ्ट अपील के प्रपत्र के साथ संलग्न किया जाएगा।
6. The prescribed fee under the provisions of Section 129A of the Customs Act, 1962 shall be paid through a crossed demand draft, in favour of the Assistant Registrar of the Bench of the Tribunal, of a branch of any Nationalized Bank located at the place where the Bench is situated and the demand draft shall be attached to the form of appeal.
7. इस आदेश के विरुद्ध सीमा शुल्क, उत्पाद शुल्क एवं सेवाकर अपीलीय न्यायाधिकरण में शुल्क के 7.5% जहां शुल्क अथवा शुल्क एवं जुर्माना का विवाद है अथवा जुर्माना जहां सिर्फ जुर्माना के बारे में विवाद है उसका भुक्तान करके अपील की जा सकती है।
7. An appeal against this order shall lie before the Tribunal on payment of 7.5% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute”.
8. न्यायालय शुल्क अधिनियम, 1870 के अंतर्गत निर्धारित किए अनुसार संलग्न किए गए आदेश की प्रति पर उपयुक्त न्यायालय शुल्क टिकट लगा होना चाहिए।
8. The copy of this order attached therein should bear an appropriate court fee stamp as prescribed under the Court Fees Act, 1870.

Sub: Show Cause Notice No. VIII/10-33/Pr.Commr/O&A/2020-21 dated 8.6.2021 issued by the Principal Commissioner, Customs, Ahmedabad to **M/s Bhagwati Banquets & Hotels Ltd.** located at 301, Circle P, Prahladnagar Garden Road, S G Highway, Ahmedabad.

**Brief facts of the case:**

**M/s Bhagwati Banquets & Hotels Ltd.**,301, Circle P, Prahladnagar Garden Road, S.G. Highway, Ahmedabad (hereinafter referred as "the Noticee" or "importer") are engaged in import of Capital Goods under EPCG License by availing of the exemption under Notification No. 103/2009-Cus and are holding Import Export Code No. 0801005477 for the same.

2. The Noticee had imported capital goods under EPCG licences by availing the benefit of exemption under Notification No. 103/2009-Cus dated 11.09.2009. The details of EPCG Licences, Bills of Entry and the Customs Duty saved are tabulated under:

**Table A**

Sr. No.	EPCG Licence No.& Date	Bill of Entry No. & Date	Amount of Customs Duty saved/foregone (Rs.)
1	0830003560/19.4.2010	5004068 /2.8.2010	6,74,232/-
2	0830003307/6.1.2020	21960/2.2.2010	52,65,211/-
3	0830003462/11.3.2010	5002238/13.4.2010	12,69,627/-
4	0830003509/23.3.2010	5002457/19.4.2010	5,50,433/-
5	0830003498/23.3.2010	5003380/12.5.2010	9,65,243/-
6	0830003499/23.3.2010	5002991/3.5.2010	9,15,061/-
7	0830003478/15.3.2010	5002741/28.4.2010	5,99,457/-
8	0830003652/18.6.2010	5005082/25.6.2010	7,46,938/-
9	0830003649/17.6.2010	5005142/28.6.2010	4,64,268/-
<b>TOTAL AMOUNT OF CUSTOMS DUTY SAVED/FOREGONE</b>			<b>1,14,50,470/-</b>

3. As per condition prescribed in Notification No.103/2009-Cus dated 11.9.2009, the importer executed Bonds along with Bank Guarantees for each of the licenses and imports made. They had also given an undertaking to fulfill the conditions of the Bond, EPCG License and the relevant Customs Notification at the time of registration of the EPCG License. Details of Bonds and Bank Guarantees so furnished are tabulated below:

**TABLE-B**

Sr. No.	EPCG Licence No.& Date	Bond No. As Per ICEGATE System	Bond Amount (Rs.)	Bank Guarantee No. & Date	Bank Guarantee Amount (Rs.)
1	0830003560 dt. 19.4.2010	2000006951	6,74,232/-	0692610BG00001 93/ 30.4.2010	6,74,232/-
2	0830003307 dt. 6.1.2020	200611486	52,65,211/-	0692610BG00000 34/ 25.1.2010	52,65,211/-
3	0830003462 dt. 11.3.2010	2000004168	12,69,627/-	0692610BG00001 45/ 5.4.2010	12,69,627/-
4	0830003509 dt. 23.3.2010	2000004545	5,50,433/-	0692610BG00001 58/ 10.4.2010	5,50,433/-
5	0830003498 dt. 23.3.2010	2000005507	9,95,243/-	0692610BG00001 59/ 10.4.2010	9,65,243/-
6	0830003499 dt. 23.3.2010	2000005414	9,15,061/-	0692610BG00001 62/ 12.4.2010	8,97,386/-
7	0830003478 dt. 15.3.2010	2000005007	5,99,457/-	0692610BG00001 74/ 17.4.2010	5,99,457/-
8	0830003652 dt. 18.6.2010	2000009219	7,46,938/-	0692610BG00001 93/ 30.4.2010	7,46,938/-
9	0830003649 dt. 17.6.2010	2000009359	4,64,268/-	0692610BG00001 93/ 30.4.2010	4,64,268/-
<b>TOTAL</b>			<b>1,14,50,470</b>		<b>1,14,32,795</b>

3.1 In terms of the conditions of Notification No. 103/2009-Cus dated 11.09.2009, the Noticee were required to fulfill the export obligation on FOB

basis equivalent to 8 times 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 below for reference:

**Notification No. 103 /2009-CUSTOMS**  
New Delhi, the 11 September, 2009.

G.S.R. 669 (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 annexed hereto, from,-

(i) so much of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) as is in excess of the amount calculated at the rate of three percent ad-valorem, and

(ii) the whole of the additional duty leviable thereon under section 3 of the said Customs Tariff Act, when specifically claimed by the noticee.

2. The exemption under this notification shall be subject to the following conditions, namely :-

(1) that the goods imported are covered by a valid authorization issued under the Export Promotion Capital Goods (EPCG) Scheme in terms of Chapter 5 of the Foreign Trade Policy permitting import of goods at the rate of three percent duty and the said authorization is produced for debit by the proper officer of customs at the time of clearance :

Provided that for import of spare parts specified at Sr.No.4 of the said Table, the validity period of the authorization shall be deemed to be the period permitted for fulfillment of the export obligation in full :

Provided further that the import of motor cars, sports utility vehicles or all purpose vehicles shall be allowed only to hotels, travel agents, tour operators or tour transport operators and companies owning or operating golf resorts, subject to the condition that:-

(i) the total foreign exchange earning from hotel, travel and tourism and golf tourism sectors in current and preceding three licensing years is rupees one crore fifty lakhs or more;

(ii) the duty saved amount on all EPCG authorizations issued in a licensing year for import of motor cars, sports utility vehicles or all purpose vehicles shall not exceed 50% of average foreign exchange earnings from hotel, travel and tourism and golf tourism sectors in preceding three licensing years; and

(iii) the vehicles imported shall be so registered that the vehicle is used for tourist purpose only and a copy of the registration certificate shall be submitted to the concerned Customs authorities as a confirmation of import of vehicle within six months from the date of import:

Provided also 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.

(2) that the goods imported shall not be disposed of or transferred by sale or lease or any other manner till export obligation is completed.

(3) that the noticee 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 FOB basis equivalent to eight times the duty saved on the goods imported as may be specified on the authorization, or for such higher sum as may be fixed or endorsed by the Licensing Authority or 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 eight years from the date of issue of Authorization, in the following proportions, namely :-

S. No.	Period from the date of issue of Authorization	Proportion of total export obligation
(1)	(2)	(3)
1.	Block of 1st to 6th year	50%
2.	Block of 7th to 8th year	50%

4) .....

(5) that the importer produces within 30 days from the expiry of each block from the date of issue of authorization 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 preceding condition, 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;

**3.2** The above Notification lays down the condition that the Noticee were 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 themselves to fulfill export obligation on FOB basis equivalent to 8 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 eight years from the date of issuance of licence or authorization i.e. complete 50% export obligation within first block of 1<sup>st</sup> to 6<sup>th</sup> years and remaining 50 % in second block of 7<sup>th</sup> to 8<sup>th</sup> years .

**4.** The Noticee were required to fulfill the export obligation within a period of 8 years from the date of EPCG Licence as per the condition laid down in the Notification and EPCG Licence itself. The Noticee was also required to submit the installation certificate within 06 months from the date of import and produce proof of fulfillment of export obligation within the period as prescribed in the said Notification. EPCG Licences mentioned in Table – A and B above were issued to the Noticee on different dates in the year 2010 and as per the condition of the said Notification, they were required to fulfill the export obligation by the dates given in the Table – C below and submit the Export Obligation Discharged Certificate issued by the DGFT Authority to this department/Deputy/Assistant Commissioner of Customs, ICD-Khodiya, District: Gandhinagar as per the condition of the said Notification.

**TABLE-C**

Sr. No.	EPCG Licence No.& Date	Date by which export obligation to be fulfilled
1	0830003560/ 19.4.2010	18.4.2018

2	0830003307/ 6.1.2020	5.1.2018
3	0830003462/ 11.3.2010	10.3.2018
4	0830003509/ 23.3.2010	22.3.2018
5	0830003498/ 23.3.2010	22.3.2018
6	0830003499/ 23.3.2010	22.3.2018
7	0830003478/ 15.3.2010	14.3.2018
8	0830003652/ 18.6.2010	17.6.2018
9	0830003649/ 17.6.2010	16.6.2018

5. Since, the Noticee did not furnish Export Obligation Discharge Certificate (EODC) as prescribed in the Notification No. 103/2009-Cus dated 11.9.2009, letters dated 15.10.2019 and 10.02.2020 were issued by the Deputy Commissioner, Customs, ICD-Khodiyar to the Noticee requiring them to furnish the EODC issued by DGFT for fulfillment of Export Obligation. However, the Noticee neither filed any reply nor furnished EODC in respect of the above said EPCG licences.

6. As per the provisions of Section 143 of the Customs Act, 1962, the aforesaid capital goods were allowed clearance by the proper officer on execution of Bond by the importer wherein the Noticee bound themselves to discharge liability within a specified period in certain manner, which they have 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 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.***

7. In view of the above, it appears that the Noticee has failed to fulfill the conditions laid down under the said Notification in as much as they have failed to produce EODC issued by DGFT for fulfillment of Export Obligation. They are, therefore, liable to pay Customs Duty of **Rs. 1,14,50,470/-** in respect of the said

imported goods along with interest at the applicable rate, in terms of conditions of the said Notification read with condition of Bond executed by the importer read with Section 143 of the Customs Act, 1962.

**7.1** Since, the Noticee could not fulfill the conditions laid down under Notification No. 103/2009-Cus dated 11-09-2009, all the (9) nine Bank Guarantees for total amount of Rs. 1,14,32,795/- issued by the State Bank of India, Commercial Branch, Param Siddhi Complex, Opp. V S hospital, Ellisbridge, Ahmedabad Surat for all 9 (nine) EPCG Licenses was encashed for Rs.1,14,32,795/- and deposited in Government Account vide TR-6 challan no. 6701 dated 18.3.2020, in terms of conditions of the said Notification read with condition of Bond executed by the importer read with Section 143 of the Customs Act, 1962.

**7.2** As per para 5 of Notification No.103/2009-Cus dated 11.09.2009, the Noticee 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 Noticee has also given an undertaking/Bond to this effect. The Noticee, vide letter dated 15.10.2019, were requested to furnish EODC against each of the nine (9) EPCG authorizations. Further, vide letters dated 03.02.2020 issued separately for each of EPCG authorizations, the Noticee were once again asked to furnish EODC and also informed that in the event of failure to furnish EODCs, action for recovery of duty shall be initiated. The Noticee did not reply to any of the letters issued by the Deputy Commissioner, Customs, ICD-Khodiyar. Thus, the fact that they had neither completed their Export obligation nor paid the duty was suppressed by them. The said fact came to light only when the matter was verified on the DGFT website i.e. <http://eodc.online>. No details about export obligation in respect of each of EPCG authorization was available in database of DGFT which implies that the Noticee has not submitted any documents regarding fulfillment of Export obligation. Thus, it appears that the Noticee has neither fulfilled their Export obligation nor paid the Customs Duty alongwith interest for non-fulfillment of Export Obligation inspite of giving an undertaking to pay the Customs Duty along with interest. These facts were not disclosed to the department or DGFT, thereby suppressing the facts with a clear intent to evade the payment of duty.

**7.3** It also appears that the imported goods were not used for intended purpose for which the exemption for payment of duty were claimed, therefore, the aforesaid goods also appear liable for confiscation under Section 111(o) of the Customs Act, 1962 read with Foreign Trade (Development and Regulation) Act, 1992. It, therefore, appears that the Noticee had rendered themselves liable for penal action under Section 112(a) of the Customs Act, 1962 for the acts of omissions and commissions as mentioned above.

**8.** In the view of the above, Show Cause Notice F.No. VIII/10-33/Pr.Commr/2020-21 dated 8.6.2021 was issued wherein the Noticee were called upon to show cause as to why:

- (i) The benefit of exemption for EPCG Scheme under Notification No. 103/2009-Cus dated 11.09.2009 on the goods imported in the name of M/s Bhagwati Banquets & Hotels Ltd., holder of Import Export Code No. 0801005477, should not be denied to them;
- (ii) Customs Duty totally amounting to **Rs. 1,14,50,470/- (Rupees One Crore, Fourteen Lakh, Fifty Thousand, Four Hundred and Seventy only)**, being the duty foregone at the time of import under EPCG Licence, along with Interest, should not be demanded and recovered from them in terms of Customs Notification No. 103/2009 dated 11.09.2009 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.

- (iii) All 9 (nine) Bank Guarantees (listed at Table-B to Para 3 above), for total amount of **Rs. 1,14,32,795/- (Rupees One Crore Fourteen Lakhs Thirty Two Thousand Seven Hundred and Ninety Five only)**, encashed vide Demand Draft No. 567096 dated 17.3.2020 and deposited in Government Treasury vide TR-6 Challan No. 6701 dated 18.3.2020 should not be appropriated against the duty liability of **Rs. 1,14,50,470/- (Rupees One Crore, Fourteen Lakh, Fifty Thousand, Four Hundred and Seventy only)**.
- (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 Customs Notification No. 103/2009 dated 11.09.2009 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.

### Defence submissions

9. The importer vide e mail dated 28.11.2025 filed their written submissions wherein they interalia submitted as under:

9.1 that importer had made application to DGFT for regularization of default in export obligation for the 7 EPCG authorization opting the 'Amnesty Scheme for one time settlement of default in export obligation by Advance and EPCG authorization holder' notified vide Public Notice No. 2/2023- dated 01.04.2023 by the DGFT followed by the Notification No. 32/2023 Custom- dated 26.04.2023;

9.2 that the importer claimed before DGFT that the Customs Duty confirmed towards 7 EPCG Authorization vide impugned order by enforcing Bank Guarantee of Rs. 1,14,32,795/- be considered against payment of Customs duty and interest and balance interest of Rs. 14,49,220/- paid by the importer. The details of Customs duty and interest computed and accepted by the DGFT authority as under:

FINAL DUTY PAID REGULARIZATION LETTER [EODC]							
Sr. No.	EPCG Licence No.	Date	Customs Duty	Interest	Total	File No.	Date
1	0830003560	19.04.2010	583369	185380	768749	08EEEF03554AM24	19.06.2024
2	0830003307	06.01.2020	4567540	1579967	6147507	08EEEF01285AM24	19.06.2024
3	0830003462	11.03.2010	1253507	398332	1651839	08EEEF01287AM24	19.06.2024
4	0830003498	23.03.2010	972473	292409	1264882	08EEEF03558AM24	24.04.2024
5	0830003499	23.03.2010	884698	211222	1095920	08EEEF03559AM24	24.04.2024
6	0830003652	18.06.2010	598357	190142	788499	08EEEF03562AM24	19.06.2024
7	0830003649	17.06.2010	464107	147481	611588	08EEEF03561AM24	06.04.2024
			<b>9324051</b>	<b>3004933</b>	<b>12328984</b>		
<b>BG Appropriated</b>					<b>11432795</b>		
<b>Challan No.</b>					<b>1449220</b>		
<b>Total Payment</b>					<b>12882015</b>		

9.3 that thereafter, the DGFT authority had issued 7 final Duty Paid Regularization Letter and copy thereof submitted alongwith their submission; that in terms of Amnesty Scheme launched vide Public Notice No. 2/2023 dated 01.04.2023 followed by the Notification No. 32/2023-Customs dated 26.04.2023, they had requested DGFT to consider the appropriation of Bank Guarantee in OIO No. AHM-CUSTOM-000-COM-012-22-23 dated 16.08.2022 as payment towards the amnesty scheme; thereafter, DGFT have considered their application and on payment of interest of Rs. 14,49,220/- in additional to the amount

appropriated vide enforcing bank guarantee of Rs. 1,14,32,795/- paid by them; that thereafter DGFT issued 7 final Duty Paid Regularization Letters.

### **Record of Personal Hearing**

**10.** Personal Hearing in the matter was scheduled on 04.12.2025 in virtual mode (online) wherein Shri Vijay Thakkar, consultant of Noticee attended Personal Hearing virtually on 04.12.2025 and he reiterated the contents of his written submission dated 28.11.2025 and further requested to treat para no. 26 of their submission as deleted.

### **Discussion and findings:**

**11.** I have carefully gone through the Show Cause Notice, relevant case records and the Importer's submissions dated 28.11.2025 and records of personal hearing.

**12.** I find that initially the Show Cause Notice VIII/10-33/Pr.Commr/O&A/2020-21 dated 8.6.2021 was issued for recovery of duty saved (foregone) of Rs.1,14,50,470/- on import of Capital goods under EPCG scheme under Notification No. 103/2009-Cus dated 11.9.2009 as detailed in below table.

**Table-E**

Sr. No.	EPCG Licence No.& Date	Bill of Entry No. & Date	Amount of Customs Duty saved/foregone (Rs.)
1	0830003560/19.4.2010	5004068 /2.8.2010	6,74,232/-
2	0830003307/6.1.2020	21960/2.2.2010	52,65,211/-
3	0830003462/11.3.2010	5002238/13.4.2010	12,69,627/-
<b>4</b>	<b>0830003509/23.3.2010</b>	<b>5002457/19.4.2010</b>	<b>5,50,433/-</b>
5	0830003498/23.3.2010	5003380/12.5.2010	9,65,243/-
6	0830003499/23.3.2010	5002991/3.5.2010	9,15,061/-
<b>7</b>	<b>0830003478/15.3.2010</b>	<b>5002741/28.4.2010</b>	<b>5,99,457/-</b>
8	0830003652/18.6.2010	5005082/25.6.2010	7,46,938/-
9	0830003649/17.6.2010	5005142/28.6.2010	4,64,268/-
<b>TOTAL AMOUNT OF CUSTOMS DUTY SAVED/FOREGONE</b>			<b>1,14,50,470/-</b>

**13.** The adjudicating Authority vide Order In Original No. AHM-CUSTOM-000-COM-012-22-23 dated 16.08.2022 had allowed the benefit of exemption under Notification No. 103/2009-Cus dated 11.9.2009 in respect of goods imported under EPCG Licence Nos. 0830003509/23.3.2010 and 0830003478/15.3.2010 and dropped the demand of **Rs. 11,49,890/- (Rs. Eleven Lakh, Forty Nine Thousand, Eight Hundred and Ninety only)** in respect of the said two licences mentioned at Sr. No. 4 & 7 of the above mentioned table and the remaining amount of customs duty of Rs.1,03,00,580/- was confirmed. I find that being aggrieved with the aforesaid OIO dated 16.08.2022, the importer had filed an appeal No. Appeal No. C/10507/2023-DB before the CESTAT, Ahmedabad. Hon'ble CESTAT vide Final Order No 11930-11931/2024 dated 02.09.2024 allowed the said Appeal of the importer by way of remand to the adjudicating authority.

**14.** Accordingly, this denovo proceeding has been initiated consequent to the CESTAT's Final Order No 12486/2024 dated 02.09.2024 in respect of Appeal No. C/10507/2023-DB. Relevant Para of CESTAT's Final Order No A/11930-11931/2024 dated 02.09.2024 is re-produced :-

*"4. We have carefully considered the submission made by both sides and perused the records. We find that it is the claim of the appellant that now the issue of EODC and EPCG authorization has been settled under Amnesty Scheme of DGFT. However, this development was not before the adjudicating authority. We are therefore of the view that the matter needs to be reconsidered in the light of the subsequent development of filing of EODC and/or settlement of EODC matter under Amnesty Scheme by DGFT.*

5. Accordingly, the impugned order is set aside. Appeal is allowed by way of remand to the adjudicating authority for passing a fresh order taking into consideration the above observation.”

15. In this denovo proceeding, now the case of the department is that the importer had failed to fulfill the conditions laid down under Notification No. 22/2013-Cus dated 18.04.2013 in as much as they had failed to fulfil the export obligation against the import effected/made under 7 EPCG Authorisation which was equivalent to six times of the Duty saved amount on the goods imported and also did not produce EODC issued by DGFT, Ahmedabad. Accordingly, the importer was liable to pay Customs Duty of **Rs.103,00,580/-** in respect of the said imported goods along with interest at the applicable rate, in terms of conditions of the said Notification read with condition of Bond executed by the Importer and Section 143 of the Customs Act,1962.

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

17. I find that the importer have submitted 7 (seven) Final Duty Paid Regularization Letter in respect of EPCG Licences mentioned in column no. 2 of the aforesaid Table and requested to drop the proceeding as their case has been finalized by the DGFT as per Amnesty Scheme launched vide Public Notice No. 2/2023 dated 01.04.2023 followed by the Notification No. 32/2023-Customs dated 26.04.2023.

18. I find that to confirm genuineness of “FINAL DUTY PAID REGULARISATION LETTER” issued by the office of Joint Director General of Foreign Trade, Surat,the official website of the DGFT, was browsed and the aforesaid Seven “FINAL DUTY PAID REGULARISATION LETTER” were cross verified from the UDIN No. mentioned at in right side at the top of said letter and found to be issued by the DGFT, Ahmedabad.

19. Further, ICD Khodiyar, vide their letter dated 16.02.2025 have reported that through 9 BG (Bank Guarantee), total Rs. 1,14,32,795/- have been appropriated and further, details of bank statement showing debit of Bank Guarantee of Rs. 15,23,170/- has been furnished. Further,the said importer has paid Rs. 14,49,220/- vide Challan No. 7225 dated 28.03.2024 and the said importer had submitted EODC Certificate in respect of total 10 EPCG Licence (Authorizations).

20. I find that the importer has complied with the procedure as laid down by the DGFT for “Amnesty Scheme for one time settlement of default in export obligation by Advance and EPCG authorization holder” introduced vide Public Notice No. 2/2023- dated 01.04.2023 for the EPCG Authorisation as mentioned in Table- A mentioned herein above and have paid the total Customs Duty of Rs.93,24,051/- alongwith Interest of Rs. 30,04,933/- for regularization of their case.

21. On perusal of the documents submitted by the importer and on cross verification from the port of import i.e. ICD, Khodiyar, it has been observed that due to oversight the amount of Bank Guarantee furnished by the importer has been demanded instead of actual duty foregone(duty saved) against the concerned licence. I find that actual duty foregone against the concerned EPCG Licence is as under:

**Table-F**

SR NO	LIC NO	BG NUMBER AGAINTS LIC	Demand as per SCN	Total Duty foregone (saved)	INTEREST	TOTAL PAYABLE
1	0830003560	0692610BG0000193	674232	583369	185380	768749
2	0830003307	0692610BG0000034	5265211	4567540	1579967	6147507
3	0830003462	0692610BG0000145	1269627	1253507	398332	1651839
4	0830003652	0692610BG0000275	746938	598357	190142	788499

5	0830003649	0692610BG0000290	464268	464107	147481	611588
6	0830003499	0692610BG0000162	915061	884698	211222	1095920
7	0830003498	0692610BG0000159	965243	972473	292409	1264882
			10300580	9324051	3004933	12328984
			Other Lice.			
8	0830003457	0692610BG0000114	700863	696125	221210	917335
9	0830003461	0692610BG0000139	206007	201672	64086	265758
10	0830003236	0692610BG0000330	616300	623429	254280	877709
		TOTAL-B	1523170	1521226	539576	2060802
		TOTAL-(A+B)	11823750	10845277	3544509	14389786

22. I find that ICD Khodiyar, vide their letter dated 16.02.2025 have submitted the EODC in respect of 10 (ten) EPCG Authorization submitted by the said importer to the ICD Khodiyar vide letter dated 09.02.2026. Details thereof showing payment of Customs Duty alongwith interest and details of BG appropriated by the Customs for regularization of the Authorisation is tabulated as under:

Table-G

SR NO	LIC NO	TOTAL DUTY	INTEREST	TOTAL PAYABLE	Amount of BG appropriated by Customs	Remarks
1	0830003560	583369	185380	768749	11432795	*
2	0830003307	4567540	1579967	6147507		*
3	0830003462	1253507	398332	1651839		*
4	0830003652	598357	190142	788499		*
5	0830003649	464107	147481	611588	1449220	**
6	0830003499	884698	211222	1095920		**
7	0830003498	972473	292409	1264882	1523170	***
	<b>Total -A (covered under SCN)</b>	<b>9324051</b>	<b>3004933</b>	<b>12328984</b>		
8	0830003457	696125	221210	917335		*
9	0830003461	201672	64086	265758		*
10	0830003236	623429	254280	877709		*
	<b>Table-B</b>	<b>1521226</b>	<b>539576</b>	<b>2060802</b>		
	Total(A+B)	10845277	3544509	14389786		

\* Bank Guarantee of Rs. 11432795/-appropriated for Lic. No. shown against Sr. No.1 to 4 and 8 to 10.

\*\* Payment of Rs. 1449220/- paid through Challan No.7225 dated 28.03.2024 for Lic. No. shown against Sr. No.5 & 6 and remaining amount appropriated from bank guarantee of Rs.1523170/- appropriated

\*\*\*Bank Guarantee of Rs. 1523170/- for Lic. No. shown against Sr. No.7

23. Further, Asstt. Commr of Customs, ICD, Khodiyar vide letter F.No. CUS/EPCG/MISC/167/2026 dated 18.03.2026 submitted that SCN was issued for amount of Rs. 1,14,50,470/-, however the same should have been issued for Rs.93,24,051/-. On perusal of the said letter dated 16.02.2026 and 18.03.2026, it appears that SCN was issued for recovery of duty of Rs. 1,14,50,470/- in respect of nine EPCG Authorizations as mentioned in Table-E hereinabove mentioned at Para No.12. The adjudicating Authority vide Order In Original No. AHM-CUSTM-000-COM-012-22-23 dated 16.08.2022 had allowed the benefit of exemption under Notification No. 103/2009-Cus dated 11.9.2009 in respect of goods imported under EPCG Licence Nos.

0830003509/23.3.2010 and 0830003478/15.3.2010 and dropped the demand of **Rs. 11,49,890/- (Rs. Eleven Lakh, Forty Nine Thousand, Eight Hundred and Ninety only)** in respect of the said licences mentioned at Sr. No. 4 & 7 of the above mentioned Table E at Para 12. As per letter F.No. CUS/EPCG/MISC/167/2026 dated 18.03.2026 of Asstt. Commr of ICD, Khodiyar, duty forgone (duty saved) in respect of seven EPCG Authorisation, would be Rs.93,24,051/- whereas duty demanded in respect of said seven EPCG Authorisation is Rs.1,03,00,580/- .Therefore, demand of Rs. 9,76,529/- demanded excess is required to be dropped. Said importer has paid duty amount of Rs.93,24,051/- alongwith interest of Rs. 30,04,933/- as per the provisions of Amnesty Scheme launched vide Public Notice No. 2/2023 dated 01.04.2023 followed by the Notification No. 32/2023-Customs dated 26.04.2023 and DGFT has issued "FINAL DUTY PAID REGULARISATION LETTER" in respect of said seven EPCG Authorisation.

**24.** Sub Para (vi) of Para II of the said Public Notice No. 2/2023 dated 01.04.2023, reads as " The applicant thereafter can pay Customs duty plus interest with the Jurisdictional Customs Authorities concerned and submit proof thereof to the regional authority of DGFT concerned". As the said importer has submitted the payment details in respect of aforesaid 10 EPCG Authorization and further the ICD, Khodiyar vide their letter F.No. CUS/EPCG/MISC/167/2026-ICD dated 16.02.2026 has submitted that said importer has paid all the dues alongwith interest.Thus, the said importer has paid the entire duty alongwith interest as per the provisions of Amnesty Scheme launched vide Public Notice No. 2/2023 dated 01.04.2023 followed by the Notification No. 32/2023-Customs dated 26.04.2023.

**25.** Further, I find that since the importer has complied with the conditions of 'Amnesty Scheme for one time settlement of default in export obligation against aforesaid EPCG Authorisations in accordance with Public Notice No. 2/2023 dated 01.04.2023 issued by the DGFT, I do not find it worth to hold the goods liable for confiscation under Section 111 (o) of the Customs Act, 1962 as proposed in the Show Cause Notice and consequent penalty proposed under Section 112 (a) and 117 of the Customs Act, 1962.

**26.** In view of my above findings, I pass the following order:

#### ORDER

(i) I disallow the benefit of exemption under Notification No. 103/2009-Cus dated 11.09.2009 in respect of the goods imported under the EPCG Authorisation as mentioned in Column No.2 of the table-H herein below:

**Table-H**

Sr. No.	EPCG Authorisation No.& Date	Amount of Customs Duty saved/foregone (Rs.) against EPCG Authorisation as mentioned in column 2.
Col.1	Col.2	Col.3
1	0830003560/19.4.2010	5,83,369/-
2	0830003307/6.1.2020	45,67,540/-
3	0830003462/11.3.2010	12,53,507/-
4	0830003498/23.3.2010	9,72,473/-
5	0830003499/23.3.2010	8,84,698/-
6	0830003652/18.6.2010	5,98,357/-
7	0830003649/17.6.2010	4,64,107/-
	Total	93,24,051/-


(ii) I confirm the demand of Customs Duty of **Rs. 93,24,051/- (Rupees Ninety Three Lakh, Twenty Four Thousand and Fifty-One only)** being the Duty foregone at the time of import of Capital Goods under EPCG Licenses as tabulated at 26(i) above, and order recovery of the same in terms of Notification No. 103/2009-Cus dated 11.09.2009 as amended,

read with the Conditions of Bond executed and furnished by them in terms of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond. Further, I drop the demand of **Rs. 9,76,529/- (Rupees Nine Lakh, Seventy Six Thousand, Five Hundred and Twenty-Nine only)** as it was inadvertently demanded excess than the actual duty foregone (duty saved) against the EPCG Authorisations as mentioned in Table- H in Para 26 (i) hereinabove at the time of issuance of the Show Cause Notice dated 06.08.2021.

- (iii) I also order to recover applicable interest of **Rs. 30,04,933/- (Rupees Thirty Lakh, Four Thousand, Nine Hundred and Thirty-Three only)** in terms of Notification No 22/2013-Cus dated 18.04.2013 as amended from time to time read with Conditions of Bond executed in term of Section 143 of the Customs Act,1962, and determined as per the Amnesty scheme issued by the DGFT vide Public Notice No.2/2023 dated 01.04.2023 and Notification No. 32/2023-Cus., dated 26-4-2023.
- (iv) I order to appropriate the amount of **Rs. 93,24,051/- (Rupees Ninety Three Lakh, Twenty Four Thousand and Fifty-One only)** towards Customs Duty liability and amount of **Rs.30,04,933/- (Rupees Thirty Lakh, Four Thousand, Nine Hundred and Thirty-Three only)** paid as interest in respect of EPCG Authorisation as tabulated in Table-H mentioned in Para 26 (i) herein above by M/s Bhagwati Banquets & Hotels Ltd.,S.G. Highway, Ahmedabad 380054 through appropriation of Bank Guarantee and TR-6 Challan No.7225 dated 28.03.2024 and Final Duty Paid Regularization Letters issued by the DGFT.
- (v) I refrain from confiscation of the imported Capital Goods under Section 111(o) of the Customs Act, 1962 proposed in Show Cause Notice dated 08.06.2021, owing to the closure of the case in view of the Amnesty scheme provided by the DGFT vide Public Notice No.2/2023 dated 01.04.2023.
- (vi) I refrain from imposing penalty on M/s Bhagwati Banquets & Hotels Ltd.,S.G. Highway, Ahmedabad380054 under Section 112(a) of the Customs Act, 1962 owing to the closure of the case in view of the Amnesty scheme issued by the DGFT vide Public Notice No.2/2023 dated 01.04.2023.

**27.** This order is issued without prejudice to any other action that may be taken under the provisions of the Customs Act, 1962 and Rules/Regulations framed thereunder or any other law for the time being in force in the Republic of India.

**28.** The Show Cause Notice No. VIII/10-33/Pr.Commr./O&A/2020-21 dated 06.08.2021 is disposed off in above terms.

  
24.03.2026

**(SHIV KUMAR SHARMA)**  
Principal Commissioner,  
Customs, Ahmedabad

F.No.VIII/10-33/Pr.Commr./O&A/2020-21  
**DIN: 20260371MN0000333CFD**

Date: 24.03.2026

**BY SPEED POST A.D**

To,

**M/s Bhagwati Banquets & Hotels Ltd.,**  
S.G. Highway, Ahmedabad 380054

**Copy to:-**

1. The Chief Commissioner, Customs, Gujarat Zone, Ahmedabad
2. The Additional Commissioner, Customs, TRC, Ahmedabad.
3. The Joint Director General, DGFT, 3<sup>rd</sup> floor, HUDCO Bhavan, Ishwar Bhuvan Road, Navrangpura, Ahmedabad-380009 for information and necessary action.
4. The Deputy/ Assistant Commissioner of Customs, ICD-Khodiyar, Ahmedabad.
5. The System In-Charge, Customs HQ, Ahmedabad for uploading this OIO on the Commissionerate web-site i.e. <http://www.ahmedabadcustoms.gov.in>
6. Guard File.