



सीमाशुल्क (अपील) आयुक्तका कार्यालय, अहमदाबाद
OFFICE OF THE COMMISSIONER OF CUSTOMS (APPEALS), AHMEDABAD
चौथी मंज़िल 4th Floor, हडको बिल्डिंग HUDCO Building, ईश्वर भुवन रोड़ Ishwar Bhuvan Road,
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DIN-20251171MN00000580EB

क	फ़ाइल संख्या FILE NO.	S/49-02/CA-2/CUS/AHD/2024-25
ख	अपीलआदेश संख्या ORDER-IN-APPEAL No. (सीमाशुल्क अधिनियम, 1962 की धारा 128क के अंतर्गत) (UNDER SECTION 128A OF THE CUSTOMS ACT, 1962):	AHD-CUSTM-000-APP-356-25-26
ग	पारितकर्ता PASSED BY	SHRI AMIT GUPTA Commissioner of Customs (Appeals), AHMEDABAD
घ	दिनांक DATE	17.11.2025
ङ	उद्भूत अपील आदेश की सं. व दिनांक ARISING OUT OF ORDER - IN - ORIGINAL NO.	Order - In - Original No. 34/DC/ICD/IMP/REF/2024 dated 10.06.2024 passed by the Deputy Commissioner of Customs, ICD, Khodiyar.
च	अपील आदेश जारी करने की दिनांक ORDER- IN-APPEAL ISSUED ON:	17.11.2025
छ	अपीलकर्ता का नाम व पता NAME AND ADDRESS OF THE APPELLANT:	Appellant: The Deputy Commissioner of Customs, ICD Khodiyar, Ahmedabad. Respondent: Rainbow Packaging Pvt. Ltd. 15-B, Changodar Industrial Estate, 3, Sarkhej-Bavla Highway, Changodar, Taluka Sanand, Dist. Ahmedabad – 382213.
1.	यह प्रति उस व्यक्ति के निजी उपयोग के लिए मुफ्त में दी जाती है जिनके नाम यह जारी किया गया है. This copy is granted free of cost for the private use of the person to whom it is issued.	



2.	सीमाशुल्क अधिनियम 1962 की धारा 129 डी डी (1) (यथा संशोधित) के अधीन निम्नलिखित श्रेणियों के मामलों के सम्बन्ध में कोई व्यक्ति इस आदेश से अपने को आहत महसूस करता हो तो इस आदेश की प्राप्ति की तारीख से 3 महीने के अंदर अपर सचिव/संयुक्त सचिव (आवेदन संशोधन), वित्त मंत्रालय, (राजस्व विभाग) संसद मार्ग, नई दिल्ली को पुनरीक्षण आवेदन प्रस्तुत कर सकते हैं।
	Under Section 129 DD(1) of the Customs Act, 1962 (as amended), in respect of the following categories of cases, any person aggrieved by this order can prefer a Revision Application to The Additional Secretary/Joint Secretary (Revision Application), Ministry of Finance, (Department of Revenue) Parliament Street, New Delhi within 3 months from the date of communication of the order.
	निम्नलिखित सम्बन्धित आदेश/Order relating to :
(क)	बैगेज के रूप में आयातित कोई माल.
(a)	any goods imported on baggage.
(ख)	भारत में आयात करने हेतु किसी वाहन में लादा गया लेकिन भारत में उनके गन्तव्य स्थान पर उतारे न गए माल या उस गन्तव्य स्थान पर उतारे जाने के लिए अपेक्षित माल उतारे न जाने पर या उस गन्तव्य स्थान पर उतारे गए माल की मात्रा में अपेक्षित माल से कमी हो.
(b)	any goods loaded in a conveyance for importation into India, but which are not unloaded at their place of destination in India or so much of the quantity of such goods as has not been unloaded at any such destination if goods unloaded at such destination are short of the quantity required to be unloaded at that destination.
(ग)	सीमाशुल्क अधिनियम, 1962 के अध्याय X तथा उसके अधीन बनाए गए नियमों के तहत शुल्क वापसी की अदायगी.
(c)	Payment of drawback as provided in Chapter X of Customs Act, 1962 and the rules made thereunder.
3.	पुनरीक्षण आवेदन पत्र संगत नियमावली में विनिर्दिष्ट प्रारूप में प्रस्तुत करना होगा जिसके अन्तर्गत उसकी जांच की जाएगी और उस के साथ निम्नलिखित कागजात संलग्न होने चाहिए :
	The revision application should be in such form and shall be verified in such manner as may be specified in the relevant rules and should be accompanied by :
(क)	कोर्ट फी एक्ट, 1870 के मद सं.6 अनुसूची 1 के अधीन निर्धारित किए गए अनुसार इस आदेश की 4 प्रतियां, जिसकी एक प्रति में पचास पैसे की न्यायालय शुल्क टिकट लगा होना चाहिए.
(a)	4 copies of this order, bearing Court Fee Stamp of paise fifty only in one copy as prescribed under Schedule 1 item 6 of the Court Fee Act, 1870.
(ख)	सम्बद्ध दस्तावेजों के अलावा साथ मूल आदेश की 4 प्रतियां, यदि हो
(b)	4 copies of the Order - In - Original, in addition to relevant documents, if any
(ग)	पुनरीक्षण के लिए आवेदन की 4 प्रतियां
(c)	4 copies of the Application for Revision.
(घ)	पुनरीक्षण आवेदन दायर करने के लिए सीमाशुल्क अधिनियम, 1962 (यथासंशोधित) में निर्धारित फीस जो अन्य रसीद, फीस, दण्ड, जब्ती और विविध मदों के शीर्षक के अधीन आता है में रु. 200/- (रुपए दो सौ मात्र) या रु.1000/- (रुपए एक हजार मात्र), जैसा भी मामला हो, से सम्बन्धित भुगतान के प्रमाणिक चलान टी.आर.6 की दो प्रतियां. यदि शुल्क मांगा गया ब्याज लगाया गया दंड की राशि और रुपए एक लाख या उससे कम हो तो ऐसे फीस के रूप में रु.200/- और यदि एक लाख से अधिक हो तो फीस के रूप में रु.1000/-
(d)	The duplicate copy of the T.R.6 challan evidencing payment of Rs. 200/- (Rupees two Hundred only) or Rs. 1,000/- (Rupees one thousand only) as the case may be, under the Head of other receipts, fees, fines, forfeitures and Miscellaneous Items being the fee prescribed in the Customs Act, 1962 (as amended) for filing a Revision Application. If the amount of duty and interest demanded, fine or penalty levied is one lakh rupees or less, fees as Rs. 200/- and if it is more than one lakh rupees, the fee is Rs. 1000/-.
4.	मद सं. 2 के अधीन सूचित मामलों के अलावा अन्य मामलों के सम्बन्ध में यदि कोई व्यक्ति इस आदेश से आहत महसूस करता हो तो वे सीमाशुल्क अधिनियम 1962 की धारा 129 ए (1) के अधीन फॉर्म सी.ए.-3 में सीमाशुल्क, केन्द्रीय उत्पाद शुल्क और सेवा कर अपील अधिकरण के समक्ष निम्नलिखित पते पर अपील कर सकते हैं
	In respect of cases other than these mentioned under item 2 above, any person aggrieved by this order can file an appeal under Section 129 A(1) of the Customs Act, 1962 in form C.A.-3 before the Customs, Excise and Service Tax Appellate Tribunal at the following address :



	सीमाशुल्क, केंद्रीय उत्पाद शुल्क व सेवा कर अपीलिय अधीकरण, पश्चिमी क्षेत्रीय पीठ	Customs, Excise & Service Tax Appellate Tribunal, West Zonal Bench
	दूसरी मंज़िल, बहुमाली भवन, निकट गिरधरनगर पुल, असारवा, अहमदाबाद-380016	2 nd Floor, Bahumali Bhavan, Nr. Girdhar Nagar Bridge, Asarwa, Ahmedabad-380 016
5.	सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (6) के अधीन, सीमाशुल्क अधिनियम, 1962 की धारा 129 ए (1) के अधीन अपील के साथ निम्नलिखित शुल्क संलग्न होने चाहिए-	
	Under Section 129 A (6) of the Customs Act, 1962 an appeal under Section 129 A (1) of the Customs Act, 1962 shall be accompanied by a fee of -	
(क)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए या उससे कम हो तो एक हजार रूपए.	
(a)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is five lakh rupees or less, one thousand rupees;	
(ख)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पाँच लाख रूपए से अधिक हो लेकिन रुपये पचास लाख से अधिक न हो तो; पांच हजार रूपए	
(b)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than five lakh rupees but not exceeding fifty lakh rupees, five thousand rupees ;	
(ग)	अपील से सम्बन्धित मामले में जहां किसी सीमाशुल्क अधिकारी द्वारा मांगा गया शुल्क और व्याज तथा लगाया गया दंड की रकम पचास लाख रूपए से अधिक हो तो; दस हजार रूपए.	
(c)	where the amount of duty and interest demanded and penalty levied by any officer of Customs in the case to which the appeal relates is more than fifty lakh rupees, ten thousand rupees	
(घ)	इस आदेश के विरुद्ध अधिकरण के सामने, मांगे गए शुल्क के 10 % अदा करने पर, जहां शुल्क या शुल्क एवं दंड विवाद में हैं, या दंड के 10 % अदा करने पर, जहां केवल दंड विवाद में है, अपील रखा जाएगा।	
(d)	An appeal against this order shall lie before the Tribunal on payment of 10% of the duty demanded where duty or duty and penalty are in dispute, or penalty, where penalty alone is in dispute.	
6.	उक्त अधिनियम की धारा 129 (ए) के अन्तर्गत अपील प्राधिकरण के समक्ष दायर प्रत्येक आवेदन पत्र- (क) रोक आदेश के लिए या गलतियों को सुधारने के लिए या किसी अन्य प्रयोजन के लिए किए गए अपील : - अथवा (ख) अपील या आवेदन पत्र का प्रत्यावर्तन के लिए दायर आवेदन के साथ रुपये पाँच सौ का शुल्क भी संलग्न होने चाहिए.	
	Under section 129 (a) of the said Act, every application made before the Appellate Tribunal- (a) in an appeal for grant of stay or for rectification of mistake or for any other purpose; or (b) for restoration of an appeal or an application shall be accompanied by a fee of five Hundred rupees.	



ORDER-IN-APPEAL

1. The Deputy Commissioner of Customs, ICD, Khodiyar, Ahmedabad, has filed the present application/appeal under Section 129D(4) of the Customs Act, 1962, on the basis of Authorization dated 10.07.2024 issued by the Principal Commissioner of Customs, Ahmedabad, to file appeal against the Order-In-Original No. 34/DC/ICD/IMP/REF/2024 dated 10.06.2024 (hereinafter referred to as the 'impugned order') passed by the Deputy Commissioner of Customs, ICD, Khodiyar, Ahmedabad (hereinafter referred to as the 'appellant' as well as 'adjudicating authority'). The impugned order has been passed towards sanction of refund of interest of **Rs.1,16,914/-** to **M/s. Rainbow Packaging Pvt. Ltd.** (hereinafter referred to as the 'respondent') under Section 27(2) of the Customs Act, 1962, read with the Customs (Waiver of Interest) Order No. 3/2023-Customs (NT) dated 17.04.2023.

2. Facts of the case, in brief, are that the respondent had filed Bill of Entry No. 5523691 dated 15.04.2023 and made payment of Customs duties of Rs.27,92,564/- through HDFC Bank vide transaction reference No. HDFCR52023041899653801 dated **18.04.2023**, which was debited from their bank account. However, the said Bill of Entry was not cleared from ICEGATE portal due to technical issues on the portal. Therefore, the interest started accruing. Thereafter, the payment was made by the respondent importer from the Electronic Cash Ledger ('ECL') along with interest of Rs.1,16,914/-. Thereafter, the respondent has filed a claim for refund of interest paid by them due to technical issues on ICEGATE portal. Among other documents, the respondent has submitted a Certificate dated 25.10.2023 issued by HDFC Bank evidencing payment of duty debited from their bank account.

GIST OF FINDINGS OF ADJUDICATING AUTHORITY:

3. The adjudicating authority observed that the duty of Rs.27,92,564/- was debited from claimant's bank account; however, the Bill of Entry was not cleared from ICEGATE portal due to technical issues on the portal and so, the interest started accruing.

4. The adjudicating authority referred the Customs (Waiver of Interest) Order Nos. 1, 2 & 3/2023-Customs (NT), which provide waiver of interest payable for the period from 14.04.2023 till the date of removal of such system inability; and thereafter upto the three days (including holidays), in respect of such goods relating to those Bills of Entry for which the duty payment was initiated on or before 13.04.2023, but the process was unsuccessful due to technical issues in common portal. She also referred an **Advisory dated 27.07.2023** issued by the DG Systems and Data Management of CBIC and observed that since the



payment was already initiated before issuance of the said Advisory, the claimant has fulfilled the conditions mentioned at Para 3, 3(a) of Customs (Waiver of Interest) Order No. 3/2023-Customs (NT) dated 17.04.2023.

5. The adjudicating authority further observed that due to non-integration of Customs duty of Rs.27,92,564/- on ICEGATE portal, the interest started accruing from 18.04.2023; thereafter, the Customs duty of Rs.27,92,564/- was transferred back to their electronic cash ledger; that the claimant had set off the payment of customs duty from the electronic cash ledger and paid additional interest of Rs.1,16,914/- on **29.07.2023** i.e. within three days of issuance of the Advisory, which has been verified from ICEGATE portal. The adjudicating authority has also examined the documents regarding unjust enrichment submitted by the claimant and then held that the claim is not hit by the doctrine of 'unjust enrichment'.

6. In view of the above, the adjudicating authority has sanctioned the refund of interest of Rs.1,16,914/- vide impugned order. Being aggrieved, the appellant Department has filed present appeal, mainly on the following grounds.

GIST OF GROUNDS OF APPEAL:

7. Sub-section (2) of section 47 of the Customs Act, 1962 (52 of 1962) provides -

"(2) The importer shall pay the import duty -

(a) on the date of presentation of the bill of entry in the case of self-assessment; or

(b) within one day (excluding holidays) from the date on which the bill of entry is returned to him by the proper officer for payment of duty in the case of assessment, reassessment or provisional assessment; or

(c) in the case of deferred payment under the proviso to sub-section (1), from such due date, as may be specified by rules made in this behalf;

and if he fails to pay the duty within the time so specified, he shall pay interest on the duty not paid or short-paid till the date of its payment, at such rate, not less than ten per cent, but not exceeding thirty-six per cent, per annum, as may be fixed by the Central Government, by notification in the Official Gazette"



And whereas, the third proviso below sub-section (2) of section 47 of the said Act is as under:

"PROVIDED ALSO that if the Board is satisfied that it is necessary in the public Interest so to do, it may, by order for reasons to be recorded, waive the whole or part of any interest payable under this section:"

8. Accordingly, the Customs (Waiver of Interest) Order No. 03/2023 - Customs (NT) dated 17.04.2023 was issued by the CBIC. As per the said Order, the waiver of Interest is given in respect of such goods relating to the **duty payment for the specific Bill of Entry was initiated on or before 13.04.2023**, but this process was unsuccessful due to technical issues in the common portal leading to rejection coupled with an inability to re-initiate that payment from the electronic credit ledger.

9. Further, it has been contended that the waiver shall be given effect subject to the fulfilment of following conditions:

- (a) The duty and interest has been paid within 3 days (including holidays) from the date of removal of such system inability at the Common Portal, which shall be certified by the DG Systems;
- (b) The importer undertakes at the port of import to not pass on the incidence of such interest paid; and
- (c) The provisions of Section 27 of Customs Act, 1962 shall govern the consequential refund of such interest paid.

10. Further, in the instant case, the Bill of Entry No. 5523691 in respect of which the refund has been sanctioned by the Adjudicating Authority was filed **on 15.04.2023 and duty payment was done on 18.04.2023**. However, the waiver of interest, as per Order No. 03/2023 - Customs (NT), is given for the specific Bill of Entry for which duty payment was initiated on or before 13.04.2023. Therefore, it has been contended by the appellant Department that the said Bill of Entry is not covered by the Waiver of Interest Order No. 03/2023-Customs (NT) dated 17.04.2023 and therefore, the appellant Deputy Commissioner contended that the impugned order is legally incorrect and liable to be set aside.

PERSONAL HEARING

11.1 Personal Hearings in this matter were fixed on 12.08.2025. The respondent, vide letter dated 08.08.2025, sought adjournment. Another Personal Hearing was fixed on 15.10.2025. The respondent, vide email dated 14.10.2025 has requested to adjourn the same and fix it after 15.11.2025. Ultimately, Personal Hearing was held on 13.11.2025, which has been attended by Shri. K. J. Kinariwala, Consultant, on behalf of the respondent.



11.2 He submitted a copy of the Certificate dated 25.04.2023 issued by HDFC Bank Ltd. certifying that an amount of Rs.27,92,564/- as Customs duty has been debited on 18.04.2023 from the account of respondent vide transaction reference No. HDFCR52023041899653801. He also submitted a copy of manual 'Out of Charge' dated 25.04.2023 given on their letter addressed to the Dy./Assistant Commissioner of Customs, ICD, Khodiyar.

FINDINGS

12. I have carefully gone through both the impugned order, appeal memorandum filed by the Deputy Commissioner of Customs, ICD-Khodiyar as well as oral submissions and documents submitted on behalf of the respondent. The issue to be decided in the case is whether the respondent is entitled to get refund of interest paid on account of technical glitch in ICEGATE portal due to which integration of duty deposited in bank was not done with Electronic Cash Ledger.

13. I find that in the copy of manual 'Out of Charge' order dated 25.04.2023 submitted by the respondent, it is clearly mentioned, ***"Allowed due to system glitch"***. I find that there is no dispute regarding the fact that there was technical issue/glitch on ICEGATE portal due to which third party integration was failed and so, the duty deposited by the appellant in authorized bank could not be debited in Electronic Credit Ledger ('ECL') in time. This position has been accepted in impugned order as well as Brief Facts given in the appeal memorandum filed by the Deputy Commissioner. However, the Customs Department has filed the present appeal only on the ground that the Customs (Waiver of Interest) Order No. 03/2023 - Customs (NT) dated 17.04.2023 covers Bill of Entry for which the duty payment was initiated on or before 13.04.2023; whereas, in the present case the Bill of Entry has been filed on 15.04.2023. In this regard, I find that in the present appeal filed by Customs Department, the Advisory dated 27.07.2023 issued by the Directorate General of Systems and Data Management has not been considered, which has also been approved by CBIC.

14. I find that at Para 4 of the impugned order the adjudicating authority has observed that the claimant had filed Bill of entry No. 5523691 dated 15.04.2023 and paid total duty of Rs. 27,92,564/- on 18.04.2023, which was debited from their bank account but failed at payment integration level due to some technical issue. The adjudicating authority further noted that the HDFC Bank, Ahmedabad, has issued a Certificate dated 25.10.2023 regarding the payment of the aforesaid amount debited from bank account of the claimant. In the Grounds of Appeal filed by the Customs Department, this fact has not been contested. Thus, it is undisputed that the duty payment was debited from the claimant's bank account on 18.04.2023, but it was not reflected/debited in their Electronic Credit Ledger. Further, in



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Para 14 of the impugned order, it has been observed that the Customs duty of Rs.27,92,564/- was transferred back to their Electronic Cash Ledger and the claimant had set off the payment of Customs duty from their ECL and paid additional interest of Rs.1,16,914/- on 29.07.2023, i.e. within the three days of issuance of the Advisory, i.e. Advisory dated 27.07.2023 issued by the DG Systems and Data Management. These facts remain uncontested in the present appeal filed by the Customs Department.

15. I have seen the **Advisory dated 27.07.2023** issued by the Directorate General of Systems and Data Management on the subject, "Advisory for operationalisation of Customs (Waiver of Interest) Third Order, 2023 dated 17.04.2023 and the consequential regularization of electronic Bills of Entry in case of manual Out of Charge (OOC) given in the wake of glitches in the implementation of ECL facility since April 01, 2023." Relevant portion of the said Advisory is as under (underline supplied):

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

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

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

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

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

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



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

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

(ii)"

16. I find that the present case is covered under Para 2(e)(i) of the aforesaid Advisory, which states that the 'Date of Removal of the System Inability' would be deemed as the date of issue of the said Advisory, i.e. 27.07.2023; and the user would have to pay the duty along with interest by 30.07.2023; and failure to do so would make him ineligible for interest waiver by way of subsequent refund of the same. In the present case, the respondent has debited the duty with interest on 29.07.2023 through their ECL, i.e. within three days from the issuance of the Advisory and therefore, this case is covered under the procedure prescribed by the said Advisory dated 27.07.2023 to regularise such Bills of Entry in System and to apply for refund.

17. In view of the above position, I find that the respondent has made payment of Customs duty on 18.04.2023, but due to technical issue on ICEGATE portal, the duty with interest was debited in ECL on 29.07.2023. Therefore, interest on delayed payment amounting to Rs.1,16,914/- paid by the respondent has rightly been refunded by the adjudicating authority.

18. On this issue I refer following decisions of higher forums:

18.1 **Lakshmi Dall Mill Vs. Asstt. Commr. of Customs (Group I), Tuticorin - 2018 (360) E.L.T. 307 (Mad.)**

"Whatever happened was due to the technical problems in the system maintained by the respondent the writ petitioner cannot be made to suffer for the same. The respondent department cannot take advantage of their own wrong. When the writ petitioner is not at fault and the system maintained by the respondent alone was responsible for a



belated generation of bill of entry, this Court has to necessarily hold that the writ petitioner had presented the bill of entry on 7-11-2017 itself."

18.2 ***Dabur India Ltd. Vs. Union of India - 2017 (346) E.L.T. 75 (All.)***

"8. It is well established that no person can take advantage of his own fault.

9. In the present case, we find that respondents have retained huge money of petitioner without any authority of law and for their own fault are penalising the petitioner by denying due interest on the amount refundable to petitioner."

In view of the above, I find that interest should not be collected by Customs Department due to fault in ICEGATE portal.

19. As regards liability to pay interest on account of delayed payment/debit of duty due to technical glitches in portal, I also rely upon the following case law:

19.1 Hon'ble Madras High Court in the case of ***Eicher Motors Limited Vs. Superintendent of GST and Central Excise***, [(2024) 14 Centax 323 (Mad.) = 2024 (81) G.S.T.L. 481 (Mad.)], referred to the Explanation to Section 49 and held that interest is not payable when the money was credited to e-cash ledger since the amount gets credited to the Government account on the date of deposit in e-cash ledger.

"46. Section 49(1) of the Act deals with the amount to be credited to the Electronic Cash Ledger i.e., every deposit made towards the tax, interest, penalty, fee or any other amount shall be credited to the Electronic Cash Ledger of such person to be maintained in such manner as may be prescribed. Further, as discussed above, the explanation (a) to section 49(11) of the Act clearly states that any tax amount, which is to be paid by generating GST PMT-06, will be directly credited to the account of the Government and thereafter, for the purpose of accounting, it would deemed to be credited to the Electronic Cash Ledger, which is only for the limited purpose of the quantification of the liability towards GST and to verify as to whether the entire liability has been paid/deposited/discharged by the registered person in accordance with the provisions of the Act and Rules made thereunder. It is not that the discharge has been made only when the debit entries are made since whenever the amount is deposited or credited to the Government, that will be the actual date of discharge of tax liability to the extent of deposit and the ECL is only a ledger which will ultimately ensure the discharge of tax liabilities are made in time as per the due date."



19.2 Hon'ble Gujrat High Court in **Vishnu Aroma Pouching Private Limited vs. Union of India, 2020 (38) G.S.T.L. 289 (Guj.)** provided relief to taxpayer from payment of interest due to delay in filing of return on account of technical glitch. The Court observed as under:

"14. Thus, the petitioner had duly discharged the tax liability of August 2017 within the period prescribed; therefore, however, it was only on account of technical glitches in the System that the amount of tax paid by the petitioner for August 2017 had not been credited to the Government account. Hence, the interests of justice would best be served if the declaration submitted by the petitioner in October 2019 along with the return of September 2019 is treated as discharge of the petitioner's tax liability of August 2017 within the period stipulated under the GST laws. Consequently, the petitioner would not be liable to pay any interest on such tax amount for the period from 21-9-2017 to October 2019."

19.3 In the case of **AFT Tobacco Private Limited Vs. Commissioner of CGST and Central Excise (2023) 3 Centax 119 (Tri.-Del)**, the Principle Bench of the Hon'ble Tribunal observed the following:

"8. Learned Counsel for the appellant inter-alia urges that the findings in the order-in-original is not challenged by Revenue before the Commissioner (Appeals), where it has been held that the show cause notice itself issued under section 11A(4) is bad. There being no condition precedent available for the same. Further, evidently the delay occurred in deposit of tax due to inaction or sloppiness on the part of the Revenue in removing the glitch in its portal. Admittedly, appellant was always trying to make the deposit but due to the glitch on the portal. Admittedly, appellant has kept the Revenue informed regularly since the beginning and had also mentioned the difficulty being faced in each and every monthly return. Revenue never bothered to remove the difficulty till last week of August, 2019, nor even responded to various representations given by the appellant. Further, admittedly the appellant had no other way to deposit the amount of NCCD as the law mandates only through online portal. Thus, Revenue could not take advantage of its wrongdoing by levy of interest. The appellant is being practically penalised for no fault of theirs."

Above cases support my view that interest cannot be leviable in the situation, as covered in the present case.



20. I also relied upon the Judgment dated 05.02.205 of Hon'ble High Court of Rajasthan at Jodhpur in D.B. Civil Writ Petition No. 2899/2024 in the case of **M/s. Grain Energy Pvt. Ltd. vs. Deputy Commissioner, Customs, ICD, Jodhpur** [(2025) 29 Centax 425 (Raj.)].

20.1 As mentioned in Para 15 of the said judgment, *"The aforementioned advisory clearly envisages that for ICEGATE registered users, the date of removal of the system inability, in context to the third order dated 17.04.2023, would be the date of issue of advisory i.e., 27.07.2023. Thus, practically, the D.G. Systems has acknowledged that the technical glitches persisted until 27.07.2023."*

20.2 As mentioned in Para 18 of the said Judgment, *"This Court finds that the order dated 17.04.2023 acknowledged the technical difficulties to have been resolved only to a large extent, but not entirely. The requirement of waiver of interest is subject to certification by the D.G. Systems regarding the date of removal of system inability. Since the D.G. Systems certified the date as 27.07.2023, the respondents cannot claim interest and must refund any interest collected for the transaction in question, especially when the petitioner made the necessary payments in accordance with the Bill of Entry, despite third-party failures, which cannot be attributed to the petitioner. The certification by the D.G. Systems of the technical difficulties in existence making the system having inability at the Common Portal upto 27.07.2023 clinches the issue of refund in accordance with Section 27 of the Act of 1962 read with the Circular dated 17.04.2023."*

20.3 Thus, in the aforesaid Judgment, Hon'ble High Court of Rajasthan has inter alia observed that the **D.G. Systems has acknowledged that the technical glitches were existing till 27.07.2023** and held to the effect that **where payment of Customs duty was made to authorized Bank promptly after receiving bill of entry, but there was delay in credit in government account due to technical glitches, assessee was not at fault for such delay and any interest taken by authorities for transaction in question had to be refunded**. I find that the situation covered in the said case of **Grain Energy Pvt. Ltd. (supra)** is similar to the situation covered in the present appeal and therefore, I respectfully follow the ratio of the Judgment of Hon'ble Rajasthan High Court in the case of Grain Energy Pvt. Ltd. (supra) as well as other case laws mentioned hereinabove.

20.4 In the present case, the date of initial payment of duty was 18.04.2023 and the date of subsequent adjustment of duty in Electronic Credit Ledger was 29.07.2023, which was within 3 days from the date of issuance of the Advisory dated 27.07.2023 issued by the DG Systems and Data Management and the said advisory has been approved by CBIC.



21. Thus, I find that the present case is squarely covered under the Advisory dated 27.07.2023 issued by the DG System and Data Management read with the Judgment dated 05.02.205 of Hon'ble High Court of Rajasthan at Jodhpur in D.B. Civil Writ Petition No. 2899/2024 in the case of **M/s. Grain Energy Pvt. Ltd.** [(2025) 29 Centax 425 (Raj.)]. Further, from the documents viz. Bank Certificate and Manual 'Out of Charge' order, it is evident that duty was paid in this case on 18.04.2023, but due to technical issue/glitch in Customs EDI System, the 'Out of Charge' in the System was given later and at that time interest was automatically calculated by the System, which was not payable, but paid by the respondent to regularise the Bill of Entry as per the Advisory dated 27.07.2023 issued by the DG Systems and Data Management.

22. In view of the above findings, I hold that the respondent was entitled to get refund of interest paid by them due to technical glitch on ICEGATE portal, which resulted into failure of integration of payment of duty deposited in bank with the Electronic Credit Ledger, and caused delay in debit of duty in Electronic Credit Ledger of the appellant. Thus, I hold that the impugned order passed by the adjudicating authority towards sanction of refund interest so paid, is proper and legal.

Order

23. In view of the above discussion, I reject the appeal filed by the appellant i.e. Deputy Commissioner of Customs, ICD, Khodiyar, Ahmedabad, and uphold the impugned order.



(AMIT GUPTA)

Commissioner (Appeals),
Customs, Ahmedabad

F.No. S/49-02/CA-2/CUS/AHD/2024-25

Date: 17.11.2025

By E-mail (As per Section 153(1)(c) of the Customs Act, 1962)

To

(1) The Deputy / Assistant Commissioner of Customs, ICD-Khodiyar,
Jamiyatpura Village Road, Near Khodiyar Railway Station, S. G. Highway,
Dist. Gandhinagar - 382421 (email: icdkhd-ahd@gov.in)

(2) M/s. Rainbow Packaging Pvt. Ltd.
15-B, Changodar Industrial Estate,
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Taluka Sanand, Dist. Ahmedabad - 382213.
(email: rpplindia@yahoo.com info@rpplindia.com)

Copy to:

1. The Chief Commissioner of Customs, Gujarat, Custom House, Ahmedabad.
(email: ccoahm-guj@nic.in)
2. The Principal Commissioner of Customs, Custom House, Ahmedabad.
(email: cus-ahmd-guj@nic.in rra-customsahd@gov.in)
3. Shri. K. J. Kinariwala, Consultant, Ahmedabad (email: kjkinariwala@gmail.com)
4. Guard File.

