



प्रधान आयुक्त का कार्यालय, सीमाशुल्क ,अहमदाबाद

“ सीमा शुल्क भवन ,”पहलीमंजिल ,पुराने हाईकोर्ट के सामने ,नवरंगपुरा ,अहमदाबाद – 380009.

दूरभाष :(079) 2754 4630 फ़ैक्स :(079) 2754 2343 ई-मेल: cus-ahmd-adj@gov.in

DIN:20251271MN000000C6A5

PREAMBLE

A	फ़ाइलसंख्या/ File No.	:	GEN/ADJ/ADC/1292/2024-ICD-SRT-CUS-COMMRTE-AHMEDABAD
B	कारण बताओ नोटिस संख्या-तारीख / Show Cause Notice No. and Date	:	VIII/6-3026/ICD-Sachin/2015-16 Dated: 08.12.2023
C	मूल आदेश संख्या/ Order-In-Original No.	:	189/ADC/SR/O&A/HQ/2025-26
D	आदेश तिथि/ Date of Order-In-Original	:	31.12.2025
E	जारी करने की तारीख/ Date of Issue	:	31.12.2025
F	द्वारा पारित/ Passed By	:	Shravan Ram, Additional Commissioner, Customs, Ahmedabad.
G	आयातक का नाम और पता / Name and Address of Importer / Passenger	:	M/s. Nilkanth Creation, 49-50, 13-14, 2 nd Floor, Ishwar Moti Ind. Society, Ved Road, Near Nani Bahucharaji, Surat-395004 Shri Jerambhai Miyani, Proprietor of M/s. Nilkanth Creation, Plot No. 126, Gr. Floor, Hariram Society, Laxmikant Ashram Road, Katargam, Surat- 395004
1)	यह प्रति उन व्यक्तियों के उपयोग के लिए निःशुल्क प्रदान की जाती है जिन्हें यह जारी की गयी है।		
2)	कोई भी व्यक्ति इस आदेश से स्वयं को असंतुष्ट पाता है तो वह इस आदेश के विरुद्ध अपील इस आदेश की प्राप्ति की तारीख के 60 दिनों के भीतर आयुक्त कार्यालय, सीमा शुल्क अपील)चौथी मंज़िल, हुडको भवन, ईश्वर भुवन मार्ग, नवरंगपुरा, अहमदाबाद में कर सकता है।		
3)	अपील के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए और इसके साथ होना चाहिए:		
i)	अपील की एक प्रति और;		
ii)	इस प्रति या इस आदेश की कोई प्रति के साथ केवल पांच (5.00) रुपये का न्यायालय शुल्क टिकिट लगा होना चाहिए।		
4)	इस आदेश के विरुद्ध अपील करने इच्छुक व्यक्ति को 7.5 % (अधिकतम 10 करोड़) शुल्क अदा करना होगा जहां शुल्क या इयूटी और जुर्माना विवाद में है या जुर्माना जहां इस तरह की दंड विवाद में है और अपील के साथ इस तरह के भुगतान का प्रमाण पेश करने में असफल रहने पर सीमा शुल्क अधिनियम, 1962 की धारा 129 के प्रावधानों का अनुपालन नहीं करने के लिए अपील को खारिज कर दिया जायेगा।		

BRIEF FACTS OF THE CASE:

M/s. Nilkanth Creation, 49-50, 13-14, 2nd Floor, Ishwar Moti Ind. Society, Ved Road, Near Nani Bahucharaji, Surat-395004 (hereinafter referred as “the said importer” for the sake of brevity), holding Import Export Code No. 5207014617 had imported 4 sets of capital goods viz. Multi Head Computerized Embroidery Machine under EPCG Licence No. 5230018813 dated 10.12.2015 by saving duty of **Rs.11,55,041/- (Actual Duty Utilized of Rs.11,64,917/-)** and had cleared the same vide below mentioned Bill of Entry at **zero duty** while availing the benefit of exemption available under Notification No. 16/2015-Cus dated 01.04.2015. The details of import are as under:

S. N.	B/E No. & Date	Qty machinery cleared	Duty Saved/ available as per EPCG License	Total Duty Foregone/ Debited at the time of clearance	BG Amount (Rs.)
1	3735474 Dtd. 28.12.2015	2	1155041	577091	190000
2	4161075 Dtd. 05.02.2016	2		587826	
Total		4		1164917	
As per para 5.10 of Handbook of Procedures, 10% enhancement in CIF value of duty saved amount is admissible.					

2. As per Notification No. 16/2015-Cus dated 01.04.2015 as amended, the said importer was required to fulfill the export obligation on FOB basis equivalent to six times of the duty saved on the goods imported as may be specified on the licence or authorization. It is thus evident from the above notification that the said importer was required to execute a bond in such form and for such sum and with such surety or security as may be specified by the Deputy Commissioner of Customs or Assistant Commissioner of Customs binding himself to fulfill export obligation on FOB basis equivalent to six times the duty saved on the goods imported as may be specified on the licence or authorization, or for such higher sum as may be fixed or endorsed by the licencing Authority or Regional Authority, within a period of six years from the date of issuance of licence or authorization i.e. **complete 50% export obligation within first block of 1st to 4th years and remaining 50 % in second block of 5th to 6th years.**

3. Accordingly, the said importer had executed Bond dated 28.12.2015 for Rs.30,00,000/- backed by Bank Guarantee No. 102/2015-16 dated 10.12.2015 for Rs. 1,90,000/- issued by the Laxmi Vilas Bank (Merged with DBS Bank India Limited), Ring Road, Surat, for EPCG License No. 5230018813 dated 10.12.2015. They had also undertaken to fulfill all the terms and conditions specified in the License and the said Notification.

4. The said machinery i.e. 4 sets of Multi Head Computerized Embroidery Machine imported under the above said EPCG License were installed at the factory/business premises i.e. 49-50, 13-14, Ishwar Moti Ind. Society, B/h Nani Bahucharaji Ved Road, Near Nani Bahucharaji, Surat-395004, as per the Installation Certificate dated 09.05.2016 issued by Chartered Dr. P J Gandhi of Chartered Engineers, Surat, certifying the receipt of the goods imported and its installation.

5. The aforesaid EPCG License No. 5230018813 dated 10.12.2015 was issued to the said importer and the Bond dated 28.12.2015 was executed. Accordingly, the said importer was required to fulfill the export obligation within a period of six years from the date of EPCG Licence as per the condition laid down in the Notification and EPCG

Licence itself and submit the Export Obligation Discharged Certificate issued by the DGFT Authority to the department.

6. Letter F.No. ICD-Sachin/Misc./01/2022-23 dated 13.01.2023 was issued to the said importer to either furnish the EODC issued by DGFT, Surat or any extension granted by DGFT, Surat for fulfillment of Export Obligation, but no reply received.

6.1 As no reply was received from the said importer, a letter F.No. ICD-Sachin/DGFT/07/2020-21 dated 02.03.2023 was issued to the Foreign Trade Development officer, DGFT, Surat requesting them to intimate this office, whether the said importer has been issued EODC against EPCG License No. 5230018813 dated 10.12.2015 or any documents showing the fulfillment of the export obligation submitted by the aforesaid importer. However, no reply has been received from the DGFT till date.

6.2 Thus, it appears, from the above that the said importer has failed to fulfill the export obligation as specified in the Licence and has not complied with the mandatory conditions of the Customs Notification No.16/2015-Cus dated 01.04.2015, EPCG Licence and conditions of the Bond dated 28.12.2015.

7. As per the provisions of Section 143 of the Customs Act, 1962, the aforesaid capital goods were allowed clearance by the proper officer on execution of bond by the said importer wherein the said importer has bound himself to discharge liability within a specified period in certain manner, which he has failed to do, by not fulfilling the export obligation. Therefore, the department is entitled to recover the duty less paid by raising a demand and appropriating the Bank Guarantee furnished by the said importer against this demand. The said section is produced herein below for reference:

Section 143. Power to allow import or export on execution of bonds in certain cases. - (1) *Where this Act or any other law requires anything to be done before a person can import or export any goods or clear any goods from the control of officers of customs and the Assistant Commissioner of Customs or Deputy Commissioner of Customs is satisfied that having regard to the circumstances of the case, such thing cannot be done before such import, export or clearance without detriment to that person, the Assistant Commissioner of Customs or Deputy Commissioner of Customs may, notwithstanding anything contained in this Act or such other law, grant leave for such import, export or clearance on the person executing a bond in such amount, with such surety or security and subject to such conditions as the Assistant Commissioner of Customs or Deputy Commissioner of Customs approves, for the doing of that thing within such time after the import, export or clearance as may be specified in the bond.*

(2) *If the thing is done within the time specified in the bond, the Assistant Commissioner of Customs or Deputy Commissioner of Customs shall cancel the bond as discharged in full and shall, on demand, deliver it, so cancelled, to the person who has executed or who is entitled to receive it; and in such a case that person shall not be liable to any penalty provided in this Act or, as the case may be, in such other law for the contravention of the provisions thereof relating to the doing of that thing.*

(3) *If the thing is not done within the time specified in the bond, the Assistant Commissioner of Customs or Deputy Commissioner of Customs shall, without prejudice to any other action that may be taken under this Act or any other law for the time being in force, be entitled to proceed upon the bond in accordance with law.*

8. Since, the said importer appears to fail to fulfill the conditions laid down under Notification No. 16/2015-Cus dated 01.04.2015 in as much as they failed to export goods manufactured from 4 of Multi Head Computerized Embroidery Machine imported under EPCG Licence No. 5230018813 dated 10.12.2015 which was equivalent to six times the duty saved on the goods imported and also neither produced EODC issued by DGFT, Surat nor could produce any extension granted by DGFT, Surat for fulfillment of Export Obligation. Hence, they appear liable to pay duty of **Rs.11,64,917/-** in respect of the said imported goods along with interest at the applicable rate, in terms of conditions of the said Notification read with condition of Bond executed by the said importer read with Section 143 of the Customs Act, 1962.

8.1 It appears that the imported capital goods have not been used for intended purpose for which the exemption from payment of duty was claimed and therefore, the aforesaid Capital goods appears liable for confiscation under Section 111(o) of the Customs Act, 1962 and thus the said importer appears to have rendered itself liable for penal action under the provisions of Section 112(a) and Section 117 of the Customs Act, 1962.

8.2 Since, the said importer could not fulfill the conditions laid down under Notification No.16/2015-Cus dated 01.04.2015, the Bank Guarantee No. 102/201516 dated 10.12.2015 for Rs. 1,90,000/- issued by the Laxmi Vilas Bank (Merged with DBS Bank India Limited), Ring Road, Surat in favor of the Deputy/Asstt. Commissioner of Customs, ICD-Sachin, Surat against the EPCG License No. 5230018813 dated 10.12.2015 appears required to be appropriated against the proposed demand.

8.3 As per para (7) of Customs Notification No. 16/2015-Cus dated 01.04.2015, the importer was required to produce, within 30 days from the expiry of each block from the date of issue of authorization or within such extended period, evidence to the extent of export obligation fulfilled by them, and where the export obligation of any particular block was not fulfilled, the importer were required to pay duties of customs equal to an amount which for the unfulfilled portion of the export obligation along with interest within three months from the expiry of the said block. The said importers have also given bond to this effect. The letter dated 13.01.2023 was written to the importer to intimate the extent of export obligation fulfilled by them but no reply received. Thus, the fact that they had neither completed their Export obligation nor paid the duty on import as per law & procedure is on record. The DGFT also informed that the importer has not submitted any documents regarding fulfillment of Export obligation. Thus, it appears that the said importer has neither fulfilled their Export obligation nor paid the customs duty along with interest for non-fulfillment of EO. These facts were not disclosed to the department or DGFT, thereby suppressing the facts with a clear intent to evade the payment of duty.

9. In view of the foregoing, a Show Cause Notice bearing F. No. VIII/6-3026/ICD-Sachin/2015-16 dated 08.12.2023 was issued by the Additional Commissioner of Customs, In-charge, ICD Sachin, Surat to M/s Nilkanth Creation, having its premises at 49-50, 13-14, 2nd Floor, Ishwar Moti Industrial Society, Ved Road, Near Nani Bahucharaji, Surat-395004, calling upon them to show cause as to why:

(i) The benefit of Zero Duty for EPCG Scheme under Notification No. 16/2015Cus dated 01.04.2015 on the subject imported Multi Head Computerized Embroidery Machine in the name of M/s Nilkanth Creation, should not be denied.

- (ii) Customs Duty totally amounting to **Rs.11,64,917/- (Rupees Eleven Lakh Sixty Four Thousand Nine Hundred Seventeen only)** being the Duty forgone at the time of import under EPCG Licence, should not be demanded and recovered from them in terms of Notification No.16/2015-Cus dated 01.04.2015 as amended, read with the Conditions of Bond executed and furnished by them in term of Section 143 of the Customs Act, 1962 by enforcing the terms of the said Bond and as to why the Bank Guarantee No. 102/2015-16 dated 10.12.2015 for Rs. 1,90,000/- issued by the Laxmi Vilas Bank (Merged with DBS Bank India Limited), Ring Road, Surat backed against the Bond, should not be appropriated and adjusted towards the Duty liability as mentioned above.
- (iii) Interest at the applicable rate should not be recovered from them on the Customs Duty as mentioned at (ii) above in term of Notification No. 16/2015Cus dated 01.04.2015 as amended from time to time read with Conditions of the Bond executed in term of Section 143 of the Customs Act, 1962.
- (iv) Imported Capital Goods should not be held liable for confiscation under Section 111(o) of the Customs Act, 1962 read with conditions of Bond executed, in terms of Section 143 of the Customs Act, 1962 read with Notification No.16/2015-Cus dated 01.04.2015 as amended from time to time.
- (v) Penalty should not be imposed on the Importer under Section 112(a) of the Customs Act, 1962 for the acts of omission & commission mentioned above.
- (vi) Penalty should not be imposed on the Importer under Section 117 of the Customs Act, 1962 for the acts of omission & commission mentioned above,
- (vii) Bond executed by them at the time of import should not be enforced in terms of Section 143(3) of the Customs Act, 1962 and the Bank Guarantee thereof should not be encashed for recovery of the Customs Duty as mentioned above and interest thereupon.

10. The above said SCN was adjudicated by the then Adjudicating Authority vide Order-in-Original No. 125 /AR /ADC /ICD-SACHIN /SRT /2024-25 dated 05.08.2024 issued vide F. No. GEN/ADJ/ADC/1292/ 2024-ICD-SRT-CUS-COMMRTE-AHMEDABAD, wherein the Adjudicating Authority passed the following order: –

- (i) disallowed the benefit of zero rate of duty for EPCG Scheme under Notification No. 16/2015-Cus dated 01.04.2015 on the subject Machines imported in the name of M/s Nilkanth Creation, 49-50, 13-14, 2nd Floor, Ishwar Moti Ind. Society, Ved Road, Near Nani Bahucharaji, Surat-395004.
- (ii) confirmed the demand of customs duty amounting **Rs. 11,64,917/- (Rupees Eleven Lakh Sixty Four Thousand Nine Hundred Seventeen only)** being the Duty forgone at the time of import of Capital Goods under EPCG Licence, in terms of Notification No. Notification No. 16/2015-Cus dated 01.04.2015 as amended, read with the Conditions of Bond executed and ordered the same to be recovered from M/s Nilkanth Creation, 49-50, 13-14, 2nd Floor, Ishwar Moti Ind. Society, Ved Road, Near Nani Bahucharaji, Surat-395004, in terms of Section 143 of the Customs Act, 1962 by enforcing the terms of the above mentioned Bond.
- (iii) ordered to appropriate the amount of Rs. 1,90,000/- by encashment of the Bank Guarantee No. 102/2015-16 dated 10.12.2015 For Rs. 1,90,000/- issued by the Laxmi Vilas Bank (Merged with DBS Bank India Limited), Ring Road, Surat submitted by the Noticee. The same is required to be encashed and the

deposited in Government exchequer. The amount may be adjusted against the duty liability confirmed at Sr. No (ii) above.

- (iv)** hold the subject Capital Goods under reference imported by M/s Nilkanth Creation, 49-50, 13-14, 2nd Floor, Ishwar Moti Ind. Society, Ved Road, Near Nani Bahucharaji, Surat-395004, liable to confiscation in terms of the provisions of section 111(o) of the Customs Act, 1962. Allowed the Noticee an option to redeem the said goods on payment of redemption fine of Rs. 24,87,490/- (Rupees Twenty Four Lakh Eighty Seven Thousand Four Hundred Ninety only) in terms of the provisions of Section 125(1) of the Customs Act, 1962.
- (v)** Ordered for recovery of interest at the applicable rate on the Customs duty confirmed at (ii) above in terms of Notification No. 16/2015-Cus dated 01.04.2015 as amended read with conditions of Bond executed and furnished by them in terms of Section 143 of the Customs Act, 1962.
- (vi)** Imposed penalty of Rs. 1,16,492/- (Rupees One Lakh Sixteen Thousand Four Hundred Ninety Two only) on M/s Nilkanth Creation, 49-50, 13-14, 2nd Floor, Ishwar Moti Ind. Society, Ved Road, Near Nani Bahucharaji, Surat-395004, in terms of Section 112(a) of the Customs Act, 1962.
- (vii)** Imposed penalty of Rs. 1,00,000/- (Rupees One Lakh only) on M/s Nilkanth Creation, 49-50, 13-14, 2nd Floor, Ishwar Moti Ind. Society, Ved Road, Near Nani Bahucharaji, Surat-395004, in terms of Section 117 of the Customs Act, 1962.

11. Being aggrieved with the Order-in-Original No. 125/ AR/ADC/ ICD-SACHIN/ SRT/2024-25 dated 05.08.2024, the noticee filed an appeal with the Commissioner of Customs(Appeals), Ahmedabad. The Commissioner of Customs(Appeals), Ahmedabad, vide Order-in-Appeal No. AHDCUSTM-000-APP-309-25-26 dated 06.11.2025, allowed the appeal by way of remand to the adjudicating authority for passing fresh order after taking the submissions made by the appellant in the present appeal on record and pass fresh order.

11.1 The Appellate Authority observed that, in the memorandum of appeal, the Noticee submitted that the entire export obligation under the EPCG licence had been duly fulfilled on 15.05.2018 and that an application for redemption of the said EPCG licence was filed before the Joint Director General of Foreign Trade, Surat on 24.04.2024. The Appellate Authority further observed that the learned Advocate for the appellant, vide letter dated 16.10.2025 submitted through e-mail, furnished a copy of the Export Obligation Discharge Certificate (EODC) / Redemption Letter dated 15.10.2025 issued in respect of EPCG Licence No. 5230018813 dated 10.12.2015.

11.2 The Appellate Authority further observed that the submissions now advanced by the appellant were being raised for the first time at the appellate stage and had not been placed before the Adjudicating Authority. Accordingly, the Appellate Authority allowed the appeal of the noticee by remanding the matter to the Adjudicating Authority for de novo adjudication, with a direction to pass a fresh order after duly considering the submissions made in the present appeal and after verifying the authenticity and validity of the Export Obligation Discharge Certificate (EODC) in respect of EPCG Licence No. 5230018813 dated 10.12.2015. The Adjudicating Authority was further directed to examine all relevant facts, documents, and submissions on record and to issue a reasoned and speaking order afresh, strictly in accordance with the principles of natural justice and the applicable statutory provisions.

In compliance with the aforesaid directions of the Appellate Authority, the matter has been taken up for fresh adjudication.

DEFENSE SUBMISSION AND PERSONAL HEARING:

12. In pursuance of the directions of the Appellate Authority, the matter was taken up for de novo adjudication. Accordingly, the first and second personal hearings were fixed on 12.12.2025 and 23.12.2025, respectively. The authorized Chartered Accountant of the Noticee, vide letter dated 22.12.2025, submitted that the Export Obligation Discharge Certificate (EODC) / Redemption Letter dated 15.10.2025 had been issued by the DGFT, Surat vide F. No. 52EEEPC07487AM24 in respect of EPCG Licence No. 5230018813 dated 10.12.2015, and forwarded a copy of the said EODC/Redemption Letter to this office through e-mail and **informed that they did not wish to avail of a personal hearing in the matter. The Noticee further requested that the proceedings initiated against them be dropped.**

DISCUSSIONS AND FINDINGS:

13. I have carefully gone through the Show cause notice, records, submissions and facts in the present case.

14. I find that, in the present case, a Show Cause Notice bearing F. No. VIII/63026/ICD-Sachin/2015-16 dated 08.12.2023 was issued to the Noticee/Importer, holder of EPCG Licence No. 5230018813 dated 10.12.2015, by the Additional Commissioner of Customs, In-charge, ICD Sachin, Surat, proposing action for alleged non-fulfilment of export obligation as prescribed under Notification No. 16/2015-Cus. dated 01.04.2015 and for non-submission of the Export Obligation Discharge Certificate (EODC) issued by the DGFT authorities. As per the provisions of Notification No. 16/2015-Cus. dated 01.04.2015, the importer was required to fulfil the export obligation, on FOB basis, equivalent to six times the duty saved on the imported capital goods, within a period of six years from the date of issuance of the authorisation, as stipulated in the EPCG Licence. The said Show Cause Notice was adjudicated by the then Adjudicating Authority vide Order-in-Original No. 125/AR/ADC/ICD-SACHIN/SRT/2024-25 dated 05.08.2024, wherein the demand of duty was confirmed along with imposition of penalty and redemption fine. Aggrieved by the said Order-in-Original, the Noticee preferred an appeal before the Commissioner of Customs (Appeals), Ahmedabad.

The Commissioner of Customs (Appeals), Ahmedabad, vide Order-in-Appeal No. AHD-CUSTOM-000-APP-309-25-26 dated 06.11.2025, allowed the appeal by way of remand, directing the Adjudicating Authority to pass a fresh order after taking on record the submissions made by the appellant in the appeal and after examining the Export Obligation Discharge Certificate (EODC) in respect of EPCG Licence No. 5230018813 dated 10.12.2015.

In compliance with the directions contained in the aforesaid Order-in-Appeal, the matter has been taken up for de-novo adjudication. Accordingly, the issues arising for consideration before me are as follows:

(i) Whether the zero rate of duty for EPCG Scheme under Notification No. 16/2015-Cus dated 01.04.2015 is admissible to the Noticee, as alleged in the Show cause notice.

(ii) Whether the noticee is liable for confiscation of Capital Goods and penalties as proposed in the SCN.

15. Now I proceed to decide whether the zero rate of duty for EPCG Scheme under the said Notification No. 16/2025-Cus dated 01.04.2015 is admissible to the Noticee.

15.1 I find that, in the present case, a Show Cause Notice bearing F. No. VIII/63026/ICD-Sachin/2015-16 dated 08.12.2023 was issued to the

Noticee/Importer, holder of EPCG Licence No. 5230018813 dated 10.12.2015, by the Additional Commissioner of Customs, In-charge, ICD Sachin, Surat, proposing action for alleged non-fulfilment of export obligation as prescribed under Notification No. 16/2015-Cus. dated 01.04.2015 and for non-submission of the Export Obligation Discharge Certificate (EODC) issued by the DGFT authorities. As per the provisions of Notification No. 16/2015-Cus. dated 01.04.2015, the importer was required to fulfil the export obligation, on FOB basis, equivalent to six times the duty saved on the imported capital goods, within a period of six years from the date of issuance of the authorisation, as stipulated in the EPCG Licence.

15.2 I find that the Commissioner of Customs (Appeals), Ahmedabad, while remanding the matter, observed that the learned Advocate for the appellant, vide letter dated 16.10.2025, had submitted a copy of the Export Obligation Discharge Certificate (EODC) / Redemption Letter dated 15.10.2025 in respect of EPCG Licence No. 5230018813 dated 10.12.2015. It was further observed that the said facts and documents were brought to the notice of the Appellate Authority for the first time and that the Adjudicating Authority had no occasion to examine or consider the same at the time of adjudication. In view thereof, the Appellate Authority remanded the matter to the Adjudicating Authority for passing a fresh order after taking on record and considering the submissions made by the appellant in the present appeal. It is observed that the Noticee, vide letter dated 22.12.2025, submitted a copy of the Export Obligation Discharge Certificate (EODC) / Redemption Letter dated 15.10.2025, issued vide F. No. 52EEEPC07487AM24, in respect of the impugned EPCG Authorisation No. 5230018813 dated 10.12.2015. I further find that neither the application filed by the Noticee before the DGFT for issuance of the EODC nor the EODC/Redemption Letter dated 15.10.2025 issued by the DGFT, Surat, was available on record at the time of issuance of the impugned Show Cause Notice or during the original adjudication proceedings.

15.3 I find that the Noticee, vide letter dated 22.12.2025, submitted that the DGFT, Surat had issued the Export Obligation Discharge Certificate (EODC) / Redemption Letter dated 15.10.2025 in respect of EPCG Authorisation No. 5230018813 dated 10.12.2015. Copy/image of the said EODC/Redemption Letter is reproduced below for ready reference:

UJ3INR 1*CO00355435AM26



Government of India / भारत सरकार
Ministry of Commerce and Industry / वाणिज्य और उद्योग मंत्रालय
Department of Commerce / वाणिज्य विभाग
Directorate General of Foreign Trade / विदेश व्यापार महानिदेशालय
Office of the Joint Director General of Foreign Trade, Surat / संयुक्त महानिदेशक, विदेश व्यापार का कार्यालय, सूरत
6th Floor, Resham Bhavan, Lal Darwaja, SURAT, GUJARAT, 395003 / छठी मंजिल, रेशम भवन, लाल दरवाजा, सूरत,
सूरत, गुजरात, 395003
Email Office : surat-dgft@nic.in , Phone Office : 0261-2423381

File No: 52EEPC07487AM24

Date : (Refer Date of Digital Signature)

REDEMPTION LETTER

To ,

NILKANTH CREATION
49-50, 2ND FLOOR, ISHVER MOTI IND. SOC.,
SURAT/GUJARAT
395004

SUBJECT: EODC/REDEMPTION against EPCG Authorization No. 5230018813

Dated 10/12/2015

I write to inform you that on the basis of document submitted towards discharge of export obligation by you, it is observed that the Export Obligation stipulated in the License has been met in full in proportion to duty amount utilized by you. Consequently, Export Obligation has been discharged against the said Authorization in terms of Para 5.10 of Hand Book of procedure.

Issued from File Number 52EEPC07487AM24

Dated 15/10/2025

Copy To :

1. COPY FORWARDED TO THE ASSISTANT COMMISSIONER OF CUSTOMS, EPCG CELL,
2. Commissioner customs, 130 SURAT DIAMOND PARK, GIDC, SACHIN, SURAT-394230

(In case the document is digitally signed please refer Digital Signature at the bottom of the page)

Note: If digitally signed, the date of digital signature may be taken as date of document.

This document has been digitally signed by SATYADEV DOMMETY, FTDO, RA SURAT on 15-Oct-2025.

1

Signature Not Verified

Digitally Signed
Name: SATYADEV
SATYANARAYANA PURTY
DOMMETY (FTDO)
Date: 15-Oct-2025 11:13:06
Reason: SATYADEV.D@GOV.IN
Location: RA SURAT

15.4 I further find that the Redemption Letter dated 15.10.2025, issued by DGFT, Surat, states the following: -

“I write to inform you that on the basis of document submitted towards discharge of export obligation by you, it is observed that the Export Obligation stipulated in the License has been met in full in proportion to duty amount utilized by the you. Consequently, Export Obligation has been discharged against the said Authorization in terms of Para 5.10 of Hand Book of procedure.”

From the said Redemption Letter, it is observed that the DGFT has issued the Export Obligation Discharge Certificate (EODC) / Redemption Letter dated 15.10.2025, as discussed hereinabove, in respect of the impugned EPCG Authorisation. In view of the issuance of the said EODC/Redemption Letter by the DGFT, I hold that the Noticee has duly fulfilled the export obligation prescribed under the EPCG Scheme, as mandated under Notification No. 16/2015-Cus. dated 01.04.2015. Consequently, the Noticee is entitled to the benefit of concessional rate of duty, including zero customs duty, under the EPCG Scheme in terms of Notification No. 16/2015-Cus. dated 01.04.2015. Accordingly, I hold that the demand of customs duty proposed against the Noticee vide Show Cause Notice F. No. VIII/63026/ICD-Sachin/2015-16 dated 08.12.2024 is not sustainable in law and is liable to be set aside.

16. Now I proceed to decide whether the noticee is liable for confiscation of Capital Goods Imported and penalties as proposed in the Show Cause Notice.

16.1 In view of the Export Obligation Discharge Certificate (EODC)/ Redemption

Letter dated 15.10.2025 issued by the DGFT in respect of the impugned EPCG Authorisation No. 5230018813 dated 10.12.2015, I find that the Noticee has duly complied with and fulfilled the conditions stipulated under Customs Notification No. 16/2015-Cus. dated 01.04.2015, as well as the terms and conditions of the Bond executed by them, by completing the export obligation as prescribed under the said EPCG Authorisation. Accordingly, I hold that the imported capital goods are not liable to confiscation under Section 111(o) of the Customs Act, 1962. Consequently, no penalty is imposable upon the Noticee under Section 112(a) or Section 117 of the Customs Act, 1962. In view of the foregoing, I further hold that the demand initiated against the Noticee vide Show Cause Notice F. No. VIII/6-3026/ICD-Sachin/2015-16 dated 08.12.2024 is not sustainable in law and is liable to be dropped.

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

ORDER

I drop the proceedings initiated against the noticee vide subject Show Cause Notice bearing F. No. VIII/6-3026/ICD-Sachin/2015-16 dated 08.12.2023.

18. The Show Cause Notices F. No. VIII/6-3026/ICD-Sachin/2015-16 dated 08.12.2023 is disposed of in above terms.

(Shravan Ram)

Additional Commissioner
Customs, Ahmedabad

DIN:20251271MN000000C6A5

F. No. GEN/ADJ/ADC/1292/2024-ICD-SRT-CUS-COMMRTE-AHMEDABAD **Dated:31.12.2025**

By Speed Post A.D./E-mail /Hand Delivery/Through Notice Board

**To,
M/s. Nilkanth Creation,
49-50, 13-14, 2nd Floor,
Ishwar Moti Ind. Society,
Ved Road, Near Nani Bahucharaji,
Surat-395004**

**Shri Jerambhai Miyani,
Proprietor of M/s. Nilkanth Creation,
Plot No. 126, Gr. Floor, Hariram Society,
Laxmikant Ashram Road, Katargam,
Surat-395004**

Copy to:-

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