

	<b>OFFICE OF THE PRINCIPAL COMMISSIONER OF CUSTOMS, CUSTOMS HOUSE, MP &amp; SEZ MUNDRA, KUTCH-GUJARAT</b> <b>प्रधान आयुक्त का कार्यालय, सीमा शुल्क सदन, एमपी और एसईजेड, मुंद्रा, कच्छ- गुजरात -370421</b> <b>PHONE : 02838-271426/271428</b> <b>FAX :02838-271425</b>	 <b>सत्यमेव जयते</b>
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A	File No.	CUS/APR/ASS/397/2025-Gr 1
B	Order-in-Original No.	MCH/ADC/ZDC/68/2026-27
C	Passed by	<b>Dipak Zala Additional Commissioner, Import Assessment, Custom House, Mundra</b>
D	Date of order & Date of issue	<b>11.05.2026 11.05.2026</b>
E	Noticee/Party/Importer/ Exporter	<b>M/s LT Food Limited</b>
F	DIN No.	<b>20260571M00000121973</b>

- यह अपील आदेश संबन्धित को निःशुल्क प्रदान किया जाता है।  
This Order - in - Original is granted to the concerned free of charge.
- यदि कोई व्यक्ति इस अपील आदेश से असंतुष्ट है तो वह सीमा शुल्क अपील नियमावली 1982 के नियम 3 के साथ पठित सीमा शुल्क अधिनियम 1962 की धारा 128 A के अंतर्गत प्रपत्र सीए- 1- में चार प्रतियों में नीचे बताए गए पते पर अपील कर सकता है-  
Any person aggrieved by this Order - in - Original may file an appeal under Section 128 A of Customs Act, 1962 read with Rule 3 of the Customs (Appeals) Rules, 1982 in quadruplicate in Form C. A. -1 to:

**सीमा शुल्क आयुक्त (अपील),  
चौथी मंजिल, हुडको बिल्डिंग, ईश्वर भुवन रोड,  
नवरंगपुरा, अहमदाबाद-380 009**  
**THE COMMISSIONER OF CUSTOMS (APPEALS), MUNDRA**  
**4<sup>th</sup> Floor, HUDCO Building, Ishwar Bhuvan Road,  
Navrangpura, Ahmedabad-380 009**

- उक्त अपील यह आदेश भेजने की दिनांक से 3 माह के भीतर दाखिल की जानी चाहिए।  
Appeal shall be filed within three months from the date of communication of this order.
- उक्त अपील के पर न्यायालय शुल्क अधिनियम के तहत 5/- रुपए का टिकट लगा होना चाहिए और इसके साथ निम्नलिखित अवश्य संलग्न किया जाए-  
Appeal should be accompanied by a fee of Rs. 5/- under Court Fee Act it must accompanied by -  
(i) उक्त अपील की एक प्रति और  
A copy of the appeal, and  
(ii) इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर अनुसूची-1 के अनुसार न्यायालय शुल्क अधिनियम-1870 के मद सं०-6 में निर्धारित 5/- रुपये का न्यायालय शुल्क टिकट अवश्य लगा होना चाहिए।  
This copy of the order or any other copy of this order, which must bear a Court Fee Stamp of Rs. 5/- (Rupees Five only) as prescribed under Schedule - I, Item 6 of the Court Fees Act, 1870.
- अपील ज्ञापन के साथ ड्यूटी/ ब्याज/ दण्ड/ जुर्माना आदि के भुगतान का प्रमाण संलग्न किया जाना चाहिये।  
Proof of payment of duty / interest / fine / penalty etc. should be attached with the appeal memo.
- अपील प्रस्तुत करते समय, सीमा शुल्क (अपील) नियम, 1982 और सीमा शुल्क अधिनियम, 1962 के अन्य सभी प्रावधानों के तहत सभी मामलों का पालन किया जाना चाहिए।  
While submitting the appeal, the Customs (Appeals) Rules, 1982 and other provisions of the Customs Act, 1962 should be adhered to in all respects.

7. इस आदेश के विरुद्ध अपील हेतु जहां शुल्क या शुल्क और जुर्माना विवाद में हो, अथवा दण्ड में, जहां केवल जुर्माना विवाद में हो, Commissioner (A) के समक्ष मांग शुल्क का 7.5% भुगतान करना होगा।

An appeal against this order shall lie before the Commissioner (A) 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.

### **BRIEF FACTS OF CASE:**

M/s. LT FOODS LIMITED (IEC: 0592005801) situated at 43, K. M. Stone, G.T. Road, Bahalga Rh, Sonipat, Haryana-131021 (hereinafter also referred to as "the Importer/the Noticee" for the sake of brevity") filed one Bill of Entry for the clearance of re-imported goods i.e. "Rozana Basmti Rice" under CTH 10063020 through their CB M/s. ACT Infraport Limited . The said Bill of Entry was filed after availing the benefit of Sr.No. 1 (d) of Notification No 45/2017-Customs dated 30.06.2017. The details are as under:-

**Table-A**

S.No.	BE No.	BE Date	Item No.	Item Description	Assessed CTH	Assessed Value	IGST Paid (In Rs.)
1	7655898	14.05.2020	1	ROZANA BASMATI RICE 4 X 10KG NW BAGS RE IMPORT VIDE SB No. 9857934 dated 23.01.2020	10063020	68579	0
2	7655898	14.05.2020	2	ROZANA BASMATI RICE 1 X 20KG WPP BAGS RE IMPORT VIDE SB No. 9857934 dated 23.01.2020	10063020	330075	0
3	7655898	14.05.2020	3	ROZANA BASMATI RICE 1 X 35KG WPP BAGS RE IMPORT VIDE SB NO. 9857934 dated 23.01.2020	10063020	2247940	74319/-

2. Whereas, it is observed that Notification No. 45/2017-Customs dated 30.06.2017 exempts the goods falling with any chapter of the First Schedule of the Customs Tariff Act, 1975, when re-imported into India, from so much of the duty of customs leviable thereon which is specified in the first schedule, and the whole of the integrated tax, compensation Cess leviable thereon respectively under sub-section (7) and (9) of Section 3 of the said Customs

Tarrif Act, as is in excess of the amount indicated in the corresponding entry in column (3) of the said Table in the Notification. Further, Sr. No. 1 (d) of the table of said Notification states that if the goods exported under bond without payment of integrated tax then amount of integrated Tax not paid to be paid at the time of import.

3. Whereas, the Noticee had exported their goods under LUT/Bond. As per Sr. No.1 (d) of the above-stated Notification, at the time of export if the exporter sends the goods under Bond then at the time of re-import the importer should pay the amount of IGST not initially paid at the time of Export. It is evident on records that the Noticee exported the re-imported goods under LUT/Bond without payment of IGST. Thus, the IGST amount not paid/ short paid is required to demanded and recovered from the Noticee.

4. It is observed that total Assessable Value of the goods shown in the Bill of Entry is Rs 26,46,594/- Further, as per the uploaded Export Commercial Invoice No. 9101007640 dated 21.01.2020, which is issued on CIF basis, the total value of the consignment is shown as 33,652.20 USD (33,652.20 \$ \* 69.950 = Rs 23,53,971). The IGST liability (5%) on the above goods i.e. IGST payable at the time of Exportation comes to Rs 1,17,699/-. However, it is observed the Noticee had paid only Rs 74,319/- towards the IGST liability on the reimported goods in the Bill of Entry No 7655898 dated 14.05.2020.

4.1. Further Section 15 of CGST Act, 2017 which is made applicable to IGST Act too vide section 20 of IGST Act,2017 , provides valuation under GST. The relevant extracts are re-produced below.

*"15(1) value of a supply of goods or services or both shall be the transaction value, which is the price actually paid or payable for the said supply of goods or services or both where the supplier and the recipient of the supply are not related and the price is the sole consideration for the supply.*

*(2) The value of supply shall include-*

*(c) incidental expenses, including commission and packing,*

*charged by the supplier to the recipient of a supply and any amount charged for anything done by the supplier in respect of the supply of goods or services or both at the time of, or before delivery of goods or supply of services;*

In view of the above provisions, as the Commercial Invoice No. 9101007640 dated 21.01.2020 is issued on CIF basis, therefore, the IGST@5% is applicable on the Invoice Value i.e Rs 23,53,971/-.

5. Whereas, the Noticee had wrongly assessed the Bill of Entry which resulted in short levy and short payment of IGST amounting to Rs. 43,380/-. From the advent of self-assessment in 2011, it is the responsibility of the importer while presenting the Bill of Entry under section 46 of the Customs Act, 1962 shall make and subscribe to a declaration as to the truth and correctness of the contents of the Bill of Entry and to classify the goods under appropriate tariff item. In the instant case, the Noticee wilfully not paid the IGST on re-import of exported goods. The Noticee had not shown any intent to Suo motu pay the whole IGST amount payable which reveals his intents to evade the same.

6. Relevant Legal provisions, in so far related to the facts of the case are as under:-

**a. Section 46 of the Customs Act, 1962** provides for filing of Bill of Entry upon importation of goods, which casts a responsibility on the Importer to declare truthfully, all contents in the Bill of Entry. Relevant portion of Section 46 (4) is reproduced below:-

"(i) The Importer while presenting a bill of entry shall make and subscribe to a declaration as to the truth of the contents of such bill of entry and shall, in support of such declaration, produce to the proper officer the invoice, if any, and such other documents relating to the imported goods as may be prescribed".

**b. Section 28 (4) of the Customs Act, 1962** provides that "Where any duty has not been levied or not paid or has been short-levied or short-paid or erroneously refunded, or interest payable has not been paid, part-paid or erroneously refunded, by reason of,-

(a) collusion; or

(b) any willful mis-statement; or

(c) suppression of facts,

by the Importer or the exporter or the agent or employee of the Importer or exporter, the proper officer shall, within five years from the relevant date, serve notice on the person chargeable with duty or interest which has not been [so levied or not paid] or which has been so short-levied or short-paid or to whom the refund has erroneously been made, requiring him to show cause why he *should not pay the amount specified in the notice*".

**c. Section 28 (AA) of Customs Act, 1962 provides interest on delayed payment of duty-**

(1) Where any duty has not been levied or paid or has been short-levied or short-paid or erroneously refunded, the person who is liable to pay the duty as determined under sub-Section (2), or has paid the duty under sub-Section (2B), of Section 28, shall, in addition to the duty, be liable to pay interest at such rate not below ten percent and not exceeding thirty-six per cent per annum, as is for the time being fixed by the Central Government, by notification in the Official Gazette, from the first day of the month succeeding the month in which the duty ought to have been paid under this Act, or from the date of such erroneous refund, as the case may be, but for the provisions contained in sub-Section (2), or sub-Section (2B), of Section 28, till the date of payment of such duty:

**d. SECTION 111. Confiscation of improperly imported goods,** etc. - The following goods brought from a place outside India shall be liable to confiscation : -

*(m) any goods which do not correspond in respect of value or in any other particular with the entry made under this Act*

**e. SECTION 112. Penalty for improper importation of goods,** etc. - Any person, -

who, in relation to any goods, does or omits to do any act which act or omission would render such goods liable to confiscation under section 111, or abets the doing or omission of such an act, or

*(ii) in the case of dutiable goods, other than prohibited goods, subject to the provisions of section 114A, to a penalty not exceeding ten per cent. of the duty sought to be evaded or five thousand rupees, whichever is higher:*

7. In the instance case, the importer intentionally abused this faith placed upon it by the law of the land. Therefore, it appears that the importer has wilfully violated the provisions of Section 17(1) of the Act in as much as Importer has failed to correctly self-assess the impugned goods and has also wilfully violated the provisions of sub-section (4) and (4A) of Section 46 of the Act. Therefore, the goods having assessable value of Rs 26,46,594/- imported vide Bill of Entry No-7655898 dated 14.05.2020, appear liable for confiscation under Section 111(m) of the Customs Act, 1962.

8. It appears that the importer willfully claim ed undue benefit for the impugned goods resulting into short levy of duty. Further, it appears that in respect of the impugned Bill of Entry, such non payment of applicable IGST on the re-imported goods has resulted into short levy of duty of Rs. 43,380/- (Rupees forty three thousand and three hundred and eighty only ) which is recoverable from the importer under the provisions of Section 28(4) of the Customs Act, 1962 along with interest as applicable under Section 28AA of the

Act. For such act of omission and commission, the importer has rendered themselves liable to penalty under Section 112(a)(ii) of the Customs Act, 1962.

9. Thus, a Show Cause Notice was issued vide F.No. CUS/APR/ASS/397/2025-Gr 1-O/o Pr Commr-Cus-Mundra to M/s LT FOODS LIMITED (IEC: 0592005801) situated at 43, K. M. Stone, G.T. Road, Bahalga Rh, Sonipat, Haryana-131021 to show cause to the Additional Commissioner of Customs, Import Assessment, Custom House, Mundra, having office at PUB Building, SB, Mundra (Kutch) Gujarat 370 421, as to why:-

i. The goods having assessable value of. Rs 26,46,594 /-covered under the Bill of Entry No- 7655898 dated 14.05.2020, should not be held liable for confiscation under Section 111(m) of the Customs Act, 1962;

ii. The differential IGST worked out to Rs. 43,380/- (Rupees forty three thousand and three hundred and eighty only) in respect of Bill of Entry No- 7655898 dated 14.05.2020, should not be recovered under Section 28 (4) of the Customs Act, 1962 along with applicable interest thereon as per Section 28AA of the Customs Act, 1962, as applicable.

iii. Penalty should not be imposed upon them under Section 112(a)(ii) of the Customs Act, 1962.

**10. PERSONAL HEARING AND DEFENCE REPLY:** Following the principles of natural justice, opportunities of personal hearing was granted to importer on dated 08.04.2026. The importer did not attend PH granted to them, however, they vide letter dated 08.04.2026 informed that they have already paid the differential duty demanded under the SCN along with applicable interest and penalty and requested for closure of the proceedings initiated vide the impugned SCN.

**DISCUSSIONS AND FINDINGS:**

**11.** I have gone carefully gone through the facts of the case

Show Cause Notice dated 13.05.2025 and the noticee's submission. I find that the show cause notice was issued to M/s. LT Food Limited on basis of available records that the noticee availed the benefit of Sr. No. 1(d) of the Notification 045/2017-Cus without fulfilling the condition of the said notification and cleared the re-imported goods without payment of IGST in respect of the imported goods under Bill of Entry No. 7655898 dated 14.05.2020. On a careful perusal of the subject Show Cause Notice and case records, I find that following main issues are involved in this case, which are required to be decided: -

- i. Whether the goods having assessable value Rs 26,46,594/- covered under the Bill of Entry No- 7655898 dated 14.05.2020 are liable for confiscation under Section 111(m) of the Customs Act, 1962 or otherwise?
- ii. Whether the differential IGST amounting to Rs. 43,380/- (Rupees Forty Three Thousand and Three Hundred and Eighty only ) in respect of Bill of Entry No- 7655898 dated 14.05.2020, along with interest demanded under the SCN is required to be confirmed or otherwise?
- iii. Whether the Importer is liable for penalty under Section 112(a)(ii) of the Customs Act, 1962?

11.1. I find that the impugned goods were re-imported vide Bill of Entry No. 765898 dated 14.05.2020 which was self assessed by importer, under availment of benefit of Sr. No. 1 (d) of the Notification No. 045/2017-Cus dated 30.06.2017. I find that as per Sr. No. 1(d) of Notification No. 045/2017-Cus dated 30.06.2017, the goods exported under LUT/bond without payment of integrated tax, when re-imported into India are exempted from so much of the duty of Customs leviable thereon, and the whole of the integrated tax, compensation cess leviable thereon in excess of the amount indicated in the corresponding entry in column (3) of the said Table in the Notification i.e. *"amount of integrated tax not paid"*.

11.2. I also find that Noticee had re-imported the subject goods vide Bill of Entry No. 7655898 dated 14.05.2020 and paid IGST amounting to Rs. 74,319/-. On examine the available records, I find that the goods were exported on CIF basis and the total invoice value of the consignment was USD 33,652.20, equivalent to Rs. 23,53,971/- at the applicable exchange rate. Since the invoice was issued on CIF basis, the said value includes freight, insurance, and other incidental charges and therefore constitutes the proper value for determination of IGST liability in terms of Section 15 of the CGST Act, 2017 read with Section 20 of the IGST Act, 2017, which provides that the value of supply shall be the transaction value including incidental expenses charged by the supplier. Accordingly, IGST @ 5% on the said invoice value works out to Rs. 1,17,699/-. However, I find that against this liability, the Noticee has paid only Rs. 74,319/-, resulting in short payment of IGST amounting to **Rs. 43,380/-**.

11.3. Therefore, I hold that M/s L T Foods Limitd is liable to pay differential IGST payment of Rs. 43,380/- (Rupees Forty Three Thousand Three Hundred Eighty Only) in respect of Bill of Entry 7655898 dated 14.05.2020 as per Sr.No. 1(d) of the Notification No. 045/2017-Cus.

12. I find that in terms of Section 17 of the Customs Act, "self-assessment" has been provided for the duty on import and export goods by the importer or exporter himself by filing a bill of entry or shipping bill as the case may be, in the electronic form, as per Section 46 or 50 respectively. Thus, under self-assessment, it is the importer or exporter who will ensure that he declares the correct classification, applicable rate of duty, value, benefit, or exemption notification claimed, if any in respect of the imported/exported goods while presenting Bill of Entry or Shipping Bill. In the present case, it is evident that the actual facts were only known to the noticee and aforesaid fact came to light only subsequent to the in-depth investigation. I find that the said importer has failed to discharge the conditions laid down under Notification No. 45/2017-Cus. dated 30.06.2017 inasmuch as they have not paid correct IGST.

12.2. I find that the importer has admitted the non-fulfilment of the conditions prescribed under Sr. No. 1(d) of Notification No. 45/2017-Cus., and consequently failed to correctly discharge the applicable IGST on the re-imported goods. I further find that the importer has voluntarily paid the total amount of Rs. 82,422/- (comprising IGST of Rs. 43,380/-, interest of Rs. 32,535/-, and penalty @15% amounting to Rs. 6,507/-) vide challan no. 4911702229 dated 06.06.2025, within one month from the date of issuance of the Show Cause Notice. In view of such voluntary compliance and payment within the stipulated period, the case falls within the ambit of the relevant provisions for conclusion of proceedings.

12.3. I further take note of the provisions of Section 28(6) of the Customs Act, 1962, wherein the proper officer is required to determine the duty payable under Section 28(4) together with the interest leviable under Section 28AA. Upon such determination, the proper officer is required to ascertain whether the duty, interest and penalty at the rate of fifteen percent have been discharged in full. Where the entire liability stands paid, the proceedings are deemed to be concluded in terms of Section 28(6)(i) of the Customs Act, 1962. Accordingly, I proceed to determine the duty payable under section 28(4), interest payable under section 28AA and penalty@15% of the said duty and whether such amount has been paid by the importer under section 28(5) of the customs act, 1962.

12.4. On perusal of the Show Cause Notice dated 13.05.2025, it is observed that the importer had filed one Bill of Entry, in respect of which duty demand under Section 28 (4) of Customs Act, 1962 has been proposed. The detailed computation of duty, interest, and penalty is furnished in the table below for ease of reference:-

S. No.	BE No.	BE Date	Differential duty (IGST) as per SCN	IGST Paid Vide Challan No.	Penalty @15% paid	Interest Paid	Total Payment	Interest Calculation			
								Payment Date	Delay	Interest payable	Short payment of Interest
1	2	3	4	5	6	7	8	9	10	11	12=11-7
1	76558 98	14- 05-	43380	43380	6507	3253 5	8242 2	06-06- 2025	1849	329 63	428

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12.5 On verification of payment made by the importer, it was observed that there was short payment of interest amounting to Rs. 428/- In terms of clause (ii) of sub-section (6) of Section 28 of the Customs Act, 1962, where the proper officer is of the view that the amount paid under sub-section (5) is less than the amount actually payable, he is required to issue a notice for recovery of the shortfall in accordance with the provisions of clause (a) of sub-section (1) of Section 28, in the manner prescribed therein. The relevant provision of Section 28(6)(ii) is reproduced below:

“(6) Where the importer or the exporter or the agent or the employee of the importer or the exporter, as the case may be, has paid duty with interest and penalty under sub-section (5), the proper officer shall determine the amount of duty or interest and on determination, if the proper officer is of the opinion —

*(i) that the duty with interest and penalty has been paid in full, then, the proceedings in respect of such person or other persons to whom the notice is served under sub-section (1) or sub-section (4), shall, without prejudice to the provisions of sections 135, 135A and 140 be deemed to be conclusive as to the matters stated therein; or*

*(ii) that the duty with interest and penalty that has been paid falls short of the amount actually payable, then, the proper officer shall proceed to issue the notice as provided for in clause (a) of sub-section (1) in respect of such amount which falls short of the amount actually payable in the manner specified under that sub-section and the period of [two years] shall be computed from the date of receipt of information under sub-section (5).*

12.6 Further, Section 28(1)(a) of the Customs Act, 1962 provides for issuance of a Show Cause Notice for recovery of duties not levied, short-levied, not paid, or short-paid, and the proviso thereto mandates pre-notice consultation in such cases.

12.7 On being pointed out, importer vide letter 29.04.2026 stated that they do not want any Pre-consultation notice cum letter under Section 28 (1) of the Customs Act, 1962 regarding

short payment of interest and paid amounting to Rs. 428/- towards such short payment of interest vide Challan bearing no. 1818464305 dated 28.04.2026 and requested for sought closure of the proceedings under clause (i) of sub-section (6) of Section 28 of the Act.

13. Now, it is required to be examined whether the instant case is fit for conclusion of proceedings under Section 28(6)(i) of the Customs Act, 1962. Section 28 (6) of the Customs Act, 1962 casts a statutory obligation upon the proper officer to determine the amount of duty or interest payable in respect of the demand raised under Section 28(4). Upon such determination, clause (i) of sub-section (6) provides that where the person chargeable with duty pays the duty so determined, along with applicable interest and penalty in full, the proceedings in respect of such demand shall be deemed to be concluded. However, clause (ii) of sub-section (6) stipulates that in cases where the amount paid by the noticee falls short of the amount so determined, the proper officer is required to initiate proceedings for recovery of the shortfall by issuance of a notice under Section 28(1)(a), in the manner prescribed therein. Thus, the statutory scheme clearly contemplates a situation where any deficiency in payment is brought within the ambit of proceedings under Section 28(1). The question that arises for consideration is whether, upon initiation of such proceedings under Section 28(1)(a) for recovery of the shortfall, and subsequent payment thereof by the noticee, the entire proceedings—comprising both the original demand under Section 28(4) and the subsequent proceedings under Section 28(1) can still be concluded in terms of Section 28(6)(i)

13.2 In this regard, reference is invited to sub-section (6) of Section 28 which reveals that clause (i) thereof permits conclusion of proceedings in respect of cases falling under both Section 28(1) as well as Section 28(4), upon full discharge of the duty, interest, and penalty as determined by the proper officer. The legislative intent in this regard is explicit, inasmuch as, notwithstanding the independent provision for conclusion of proceedings under Section 28(2) in respect of show cause proceedings under Section 28(1), the statute has consciously extended the benefit of conclusion under

Section 28(6)(i) to proceedings under Section 28(1) as well, so as to encompass and give effect to situations arising out of shortfall in payment made under Section 28(5), which are brought within the fold of Section 28(1).

13.3 Accordingly, the scheme of Section 28(6) makes it evident that proceedings initiated under clause (ii), on account of short payment, ultimately culminate into clause (i) upon full payment of the determined dues. In other words, Section 28(6)(ii) operates as a transitional provision to ensure recovery of any shortfall, while Section 28(6)(i) governs the ultimate conclusion of proceedings upon complete discharge of liability. Therefore, it can be concluded that where the short-paid amount is subsequently discharged by the noticee in pursuance of proceedings under Section 28(1), the entire proceedings—comprising the original demand under Section 28(4) as well as the consequential proceedings under Section 28(1)—stand concluded in terms of Section 28(6)(i), as the total duty, interest, and penalty determined by the proper officer under Section 28(6) stands paid in full.

13.4 I find that the importer has voluntarily discharged the entire liability comprising differential duty i.e. IGST amounting to Rs. 43,380/-, interest of Rs. 32,963/- and penalty @15% comes to Rs. 6507/-, thus I order to appropriate and adjust the same against the demand of duty, applicable interest and penalty. In the view of above, the proceedings initiated vide impugned SCN dated 13.05.2025 are liable to be concluded in terms of Section 28(6)(i) of the Customs Act, 1962.

#### **14. CONFISCATION OF THE GOODS UNDER SECTION 111(m) OF THE CUSTOMS ACT, 1962:**

14.1. I find that it is alleged in the subject SCN that the goods are liable for confiscation under Section 111(m) of the Customs Act, 1962 as importer failed to fulfilment of the conditions prescribed under Sr. No. 1(d) of Notification No. 45/2017-Cus. Accordingly, the impugned goods are liable for confiscation under the provisions of Sections 111(m) of the Customs Act, 1962. However, first proviso to Section 125(1) of the Customs Act, 1962 provides that where the

proceedings are deemed to be concluded under clause (i) of sub-section (6) of Section 28 in respect of the goods which are not prohibited or restricted, no such fine shall be imposed. Since the subject goods are neither prohibited nor restricted and proceedings have been deemed to be concluded under Section 28(6)(i) of the Customs Act, 1962, no redemption fine is imposable.

**15. PENALTY UNDER SECTION 112A OF THE CUSTOMS ACT, 1962:** *Now I decide the issue of penalty proposed under Section 112 (a)(ii) of the Customs Act, 1962. I already decided that the fact that the goods are not liable for confiscation under the provisions of Section 111 of the Customs Act, 1962 for the reasons explained under foregoing paras. I note that the importer failed to fulfilment of the conditions prescribed under Sr. No. 1(d) of Notification No. 45/2017-Cus, therefore, the importer is liable for penalty under Section 112(a)(ii) of the Customs Act, 1962. However, the importer has paid the duty along with applicable interest and penalty @15% under Section 114A of the Customs act, 1962. The amount paid is required to be appropriated and adjusted against the outstanding demand of penalty.*

**16. In view of above discussions and findings supra, I pass the following order:-**

**ORDER**

The proceedings initiated vide Show Cause Notice F.No. CUS/APR/ASS/397/2025-Gr 1 dated 13.05.2025 against M/s LT FOODS LIMITED (IEC: 0592005801) #43, K.M. Stone, G.T. Road, Bahalga Rh, Sonipat, Haryana-13102, are hereby deemed to be concluded in terms of Section 28(6)(i) of the Customs Act, 1962 as discussed above in foregoing paras.

17. This OIO is issued without prejudice to any other action that may be taken against the claimant under the provisions of the Customs Act, 1962 or rules made there under or under any other law for the time being in force.

18. The Show Cause Notice bearing F.No. CUS/APR/ASS/397/2025/Gr-1-O/o Pr Commr-Cus-Mundra dated 13.05.2025 stands disposed off in above terms.

Additional Commissioner of Customs,  
Import Assessment  
Custom House, Mundra.

**To,**

M/s. LT FOODS LIMITED  
(IEC: 0592005801),  
43, K. M. Stone, G.T. Road, Bahalga Rh,  
Sonipat, Haryana- 131021

**Copy to:**

1. The Deputy/Assistant Commissioner of Customs (RRA), CH, Mundra.
2. The Deputy/Assistant Commissioner of Customs (TRC), CH, Mundra.
3. The Deputy/Assistant Commissioner of Customs (EDI), CH, Mundra.