सीमाशुल्क आयुक्त (न्हावा शेवा – II) का कार्यालय,
OFFICE OF THE COMMISSIONER OF CUSTOMS, NS- II,
जवाहरलाल नेहरू सीमाशुल्क भवन, न्हावा शेवा,
JAWAHAR LAL NEHRU CUSTOM HOUSE, NHAVA -SHEVA,
ता. उरण,जिला – रायगड - 400 707, महाराष्ट्र.
TAL. URAN DIST- RAIGAD - 400 707, MAHARASHTRA.

F. No. CUS/ASS/MISC/777/2025 CEAC
CUS/DOCKS/56/2025-Exp (Docks)

Date of Order: 10.09.2025
Date of issue : 12.09.2025

Order passed by: Sh.. Raghukiran Batchali,
Addl Commississioner , CEAC

Order-in-Original No. 816(L)/2025-26/ADC/CEAC/NS-II/CAC/JNCH.
DIN: 20250978NT0000622095

Name of the Parties/Noticees: M/s Zaasas Exports (IEC - AACFZ4699J)

मूलआदेश

1. यह प्रति जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए नि:शुल्क दी जाती है।

2. इस आदेश के विरुद्ध अपील सीमाशुल्क अधिनियम 1962 की धारा 128 (1) के तहत इस आदेश की संसूचना की तारीख से साठ दिनों के भीतर सीमाशुल्क आयुक्त) अपील(, जवाहरलाल नेहरू सीमाशुल्क भवन, शेवा, ता .उरण, जिला - रायगढ़, महाराष्ट्र- 400707 को की जा सकती है। अपील दो प्रतियों में होनी चाहिए और सीमाशुल्क (अपील (नियमावली, 1982 के अनुसार फॉर्म सी.ए.-1 संलग्नक में की जानी चाहिए। अपील पर न्यायालय फीस के रूप में 2.00 रुपये मात्र का स्टांप लगाया जायेगा और साथ में यह आदेश या इसकी एक प्रति लगायी जायेगी। यदि इस आदेश की प्रति संलग्न की जाती है तो इस पर न्यायालय फीस के रूप में 2.00 रुपये का स्टांप भी लगाया जायेगा जैसा कि न्यायालय फीस अधिनियम 1870 की अनुसूची 1, मद 6 के अंतर्गत निर्धारित किया गया है ।

3. इस निर्णय या आदेश के विरुद्ध अपील करने वाला व्यक्ति अपील अनिर्णीत रहने तक, शुल्क या शास्ति के संबंध में विवाद होने पर माँगे गये शुल्क के 7.5% का, अथवा केवल शास्ति के संबंध में विवाद होने पर शास्ति का भुगतान करेगा|

ORDER-IN-ORIGINAL

1. This copy is granted free of charge for the use of the person to whom it is issued.

2. An appeal against this order lies with the Commissioner of Customs (Appeals), Jawaharlal Nehru Custom House, Sheva, Taluka : Uran, Dist : Raigad, Maharashtra – 400707 under Section 128(1) of the Customs Act, 1962 within sixty days from the date of communication of this order. The appeal should be in duplicate and should be filed in Form CA-1 annexed to the Customs (Appeals) Rules, 1982. The appeal should bear a Court Fee stamp of Rs.2.00 only and should be accompanied by this order or a copy thereof. If a copy of this order is enclosed, it should also bear a Court Fee Stamp of Rs. 2.00 only as prescribed under Schedule 1, Item 6 of the Court Fees Act, 1870.

3. Any person desirous of appealing against this decision or order shall, pending the appeal, make 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 FACT OF THE CASE

M/s Zaasas Exports (IEC - AACFZ4699J) having address at SHOP NO 10, NEW SONAWALA MARKET, FATHER PETER PEREIRA ROAD, KURLA WEST, Mumbai, Maharashtra, 400070 (hereinafter referred to as the "exporter") had filed Shipping bill No. 6772242 dated 26.12.2024 through their Customs Broker M/s Asian Premier Logistics for export of "Raw material for Bakhoor/Dhoop" under Export Promotion Scheme Code 60 (Drawback and RoDTEP). The details of the same are tabulated as under:-

TABLE-I

Shipping bill number and date	Name of Exporter	Description of goods	Invoice No. & Date	Quantity	FOB value (Rs.)	Drawback (Rs.)	RoDTEP (Rs.)	IGST (Rs.)
6772242 dated 26.12.2024	M/s Zaasas Exports (IEC - AACFZ4699J)	RITC- 33074100 Raw material for Bakhoor/Dhoop	ZE/009/2024 dated 23.12.2024	960 PKG	5,72,900/-	6,874.80/-	4,010.30/-	30330/-

2. Based on specific intelligence regarding export of suspicious consignment of M/s Zaasas Exports (IEC - AACFZ4699J) covered under one Shipping Bill no. 6772242 dated 26.12.2024 filed through Customs Broker M/s Asian Premier Logistics at CWC Distri Park, Conex CFS, the goods covered under the Shipping Bill no. 6772242 dated 26.12.2024 having declared item as "Raw material for Bakhoor/Dhoop" were speculated to be misclassified in terms of description in order to export prohibited goods under guise of freely exportable goods. In view of suspected misclassification, the case was taken up by SIIB(X) for detailed investigation.

3. Consequently, the subject goods pertaining to the Shipping Bill no. 6772242 dated 26.12.2024 were then examined on 15.01.2025 wherein discrepancy was speculated in the classification of the goods. It was observed that the HSN Code 33074100 specifically pertains to finished products like "*Agarbatti or other odoriferous preparations that operate by burning*". Therefore, raw materials such as Wood flakes or chips, cannot be classified under the CTH 33074100. Thereafter, representative sealed samples were drawn for further investigation purpose. An alert was inserted against the IEC to withhold export incentives.

4. Further, Representative Sealed Samples (RSS) were forwarded to DYCC for testing of RSS in order to determine exact characteristics, nature and composition of the subject goods. The details of test report are as under:

Table-II

Shipping bill no. and date	Item description	Test Report Number and date	Lab Number and date	Report
6772242 dated 26.12.2024	RITC- 33074100 Raw material for Bakhoor/Dhoop	283194 dated 16.01.2025	21/DBK dated 17.01.2025	The sample as received is in the form of "brownish powder & brownish wood chips" and is mainly composed of "cellulosic material together with lignin & tannin etc & it

				does not contain essential oil and odoriferous compound". Sealed remnant returned.

5. As per the DYCC Test Reports, it appears that the goods covered under the shipping bill no. 6772242 dated 26.12.2024 are in the form of "**brownish powder & brownish wood chips**" and is mainly composed of "**cellulosic material together with lignin & tannin etc & it does not contain essential oil and odoriferous compound**".

5.1 Further, reference is invited to Schedule-2 of Export Policy wherein the goods covered under RITC 33074100 are "Freely exportable" and have the following description:

"preparations for perfuming or deodorizing rooms, including odoriferous preparations used during religious rites : -- Agarbatti and other odoriferous preparations which operate by burning".

Accordingly, to the DYCC Lab Reports, the goods covered under the shipping bill no. 6772242 dated 26.12.2024 are in the form of "**brownish powder & brownish wood chips**" and is mainly composed of "**cellulosic material together with lignin & tannin etc & it does not contain essential oil and odoriferous compound**". From the facts above, it is clear that the goods covered under the aforementioned shipping bill are misclassified in terms of RITC as the RITC 33074100 specifically pertains to finished products like Agarbatti or other odoriferous preparations that operate by burning. Therefore, raw materials such as Wood flakes or chips, cannot be classified under this CTH.

5.2 According to DYCC Lab Reports read with ITC (HS), 2018 Schedule-2 of Export Policy as in force at the time of filing of the shipping bill, i.e., 26.12.2024, the goods merit classification in CTH 4401 which, according to Schedule 2 of Export Policy is described as below:

"Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; ***wood in chips*** *or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms."*

Hence, the impugned goods covered under shipping bill number 6772242 dated 26.12.2024 are misclassified under CTH 33074100 and actually merit classification under CTH 4401. The export policy condition for CTH 4401 is "**Prohibited**".

S.No.	Tariff Itrem HS Code	Unit	Item Description	Export Policy	Policy Conditions
259	4401 11 10 4401 12 10 4401 11 90 4401 12 90	MT	Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; Wood in chips or particles; Sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms	Prohibited	Not permitted to be Exported.

In view of the above, it is established that the goods described as "**brownish wood chips**" in the DYCC Test Reports covered under the aforementioned shipping bill are actually prohibited for export from India.

6. Further, to ascertain the genuineness of supply chain of the exporter M/s Zaasas Exports (IEC - AACFZ4699J) (GSTIN-27AACFZ4699J1ZD) and its supplier, namely, M/s H.D. Panhalkekar Udyog (GSTIN: 27AAHFP8251K1Z0), letters dated 01.04.2025 and 24.04.2025 and 14.05.2025 were issued to GST Authorities. A reply dated 29.04.2025 for the exporter, M/s Zaasas Exports (IEC - AACFZ4699J) (GSTIN-27AACFZ4699J1ZD), has been received from The Office of Assistant Commissioner, Division-II, Mumbai East Commissionerate which is underlineated as:

i. *Based on the physical verification conducted and verification of documents submitted by M/s. Zaasas Exports (GSTIN: 27AACFZ4699JIZD), this office found that M/s. Zaasas Exports (GSTIN: 27AACFZ4699J1ZD) is existent at the declared PPoB and appears to be a genuine exporter*

ii. *On verification from GST BO this office found that M/s. Zaasas Exports (GSTIN: 27AACFZ4699J1ZD) has filed GST returns regularly and properly.*

iii. *On verification from GST BO this office found that M/s. Zaasas Exports (GSTIN: 27AACPZ4699JIZD) has availed ITC in their GSTR-3B which is correctly reflecting in GSTR-2A of the taxpayer. The copies of GSTR-1 and 2A of /s. Zaasas Exports (GSTIN: 27AACFZ4699JIZD) have been mailed on email id- siibx.jnch@gov.in*

iv. *Based on the physical visit conducted by this office and returns available un GST BO, M/s Zaasas Exports (GSTIN: 27AACE 24699JIZD) appears to be genuine and existent*

6.1 To ascertain the genuineness of the supplier, M/s H.D. Panhalkekar Udyog (GSTIN: 27AAHFP8251K1Z0), letters dated 01.04.2025 and 24.04.2025 and 14.05.2025 were issued to GST Authorities. A reply from the Office of Assistant Commissioner, Central Tax, Division-V, Ratnagiri dated 21.05.2025 has been received by this office. The report received is as under:

i. *The declared address for the premises of supplier M/s. H. D. Panhalekar Udyog (GSTIN 27AAHFH8251K120) as per GST registration is 1, Kuve, Lanja Ratnagiri, Maharshtra-416701. Upon conducting physical verification of the premises/declared places, it is found that the correct address is 302, Musalamanwadi, Kuve, Lanja, Ratnagiri, Maharashtra-416701. The copy of the Physical verification along with photos and documents are enclosed for information please.*

ii. *The taxpayer is genuine. They run the business of Catechu extract.*

iii. *The taxpayer has filed the returns up to April 2025. Further,* ***he stated that officials from the Forest department, Sindhudurg had sealed the premises of his business in January 2025****. On being asked to provide any correspondence received from the forest department. He stated that he did not have any correspondence/letter from the forest department. The image of the sealed premises has been attached herewith.*

iv. *The copies of GSTR-1, GSTR-3B returns of the supplier H. D. Panhalekar Udyog (GSTIN 27AAHFH8251K1Z0) has been attached herewith. As per GSTR-1 of October 24, it is showing that a supply has been made to M/s. Zaasas Exports (GSTIN No. 27AACFZ4699J1ZD).*

v. *During physical verification on 02-05-2025, when asked about the supply made to M/s. Zaasas Exports (GSTIN No. 27AACFZ4699J1ZD). It is stated by the taxpayer that they had supplied waste wood to M/s. Zaasas Exports (GSTIN No. 27AACFZ4699J1ZD) and also provided the copy of invoices of the same. However, the product description on the* *invoice is written as raw material for dhoop. The copy of the invoices along with E-way bills has been attached herewith.*

vi. The said GSTIN is genuine business entity.

7. During the course of investigation, the statement of Shri Abdul Rashid Mohammed Ebrahim, Partner of M/s Zaasas Exports (IEC: AACFZ4699J), was recorded under Section 108 of the Customs Act, 1962, wherein he inter alia stated that he and his wife are partners in the said firm, which has been engaged in the export of goods since obtaining IEC registration on 20.12.2019. he further stated that the commodity being exported in the current shipment is "Raw Material for Bakhoor/Dhoop". It is an odoriferous preparation used in the manufacturing of Agarbatti/ Dhoop. They have been exporting the commodity "Raw Material for Bhakhoor/ Dhoop" which is an odoriferous preparation classified in Chapter 3307 every 3-4 months. However, in the instant case, they are exporting non odoriferous "Raw Material for Bakhoor/Dhoop" as per buyer's requirement. On being asked if they have exported non- odoriferous "Raw Material for Bakhoor/Dhoop" before the current shipment, he clarified that this was their first export consignment of non – odoriferous commodity; that they have exported odoriferous "Raw Material for Bakhoor/Dhoop" before. In the instant case, they attempted to export non-odoriferous commodity as per buyer's requirement. He admitted that the shipping bill no. 6772242 dated 26.12.2024 was filed by their Customs Broker M/s Asian Premier Logistics, and that he was present during the 100% examination of the goods on 17.01.2025. On being shown that the goods were wrongly classified under CTH 33074100 (for agarbatti and other odoriferous preparations), while they actually fall under CTH 4401 (a restricted category), he stated that no classification check was done by the firm and that the CB had handled all documentation. He stated that they were not aware of the restricted status of the goods, considering them freely available in the domestic market. The goods were sourced from GST-registered supplier—M/s H.D. Panhalkar Udyog—contacted through online search. He affirmed that the firm regularly files its ITR and GSTR, and that their office premises in Mumbai and warehouse in Bhiwandi are self-owned. The annual turnover for FY 2023-24 was Rs. 1.26 crore with declared profits for FY 2022-23 and 2023-24. On overseas buyer details, he stated that he came in contact with traders in Dubai-Saudi during his visits, and payment terms were based on post-receipt of goods. He claimed to have received foreign remittances for all past exports and undertook to submit the BRCs for the years 2023 and 2024. He concluded the statement by affirming his willingness to cooperate fully in the ongoing investigation.

7.1. During the course of investigation, statement of Shri Mangesh Daolat Rahate, G Card Holder of M/s Asian Premier Logistics (License no. 11/1996) was recorded on 28.05.2025 under section 108 of the Customs Act, 1962, wherein he inter-alia addressed his involvement in filing shipping bills for M/s Zaasas Exports, particularly in relation to Shipping Bill No. 6772242 dated 26.12.2024. He confirmed that this was their first export consignment with the exporter M/s Zaasas Exports and that the goods in question were declared as "Raw material for Bakhoor/Dhoop" under CTH 33074100. He stated that they came into contact with the exporter through a reference and conducted KYC before filing first shipping bill on behalf of the exporter. As a part of the shipping bill filing process, they ensured all requisite documents were in place, including invoices and packing lists, and obtained approval of the checklist from the exporter before filing the shipping bill. On being asked about if they verified the classification of goods before filing of the shipping bill no. 6772242 dated 26.12.2024, Rahate clarified that there was a disagreement over the correct classification of the goods. While the exporter claimed that the goods fell under CTH 33074100, the Customs Broker's team felt that the goods might be more appropriately classified under CTH "32030010". The exporter disagreed and insisted to classify the said goods under the CTH 33074100. The exporter supported their classification with a prior LEO (Let Export Order) and an end-use letter stating that the export goods will be used in manufacturing of bhakhoor/dhoop. Relying on these documents, they ultimately filed the shipping bill under CTH 33074100, even though they initially disagreed. He further stated that as a Custom Broker, they advised their client about the potential misclassification. Also, their client showed them a LEO copy of the same goods being exported under the same CTH in their previous shipments. Further, the exporter also provided the end use letter stating that the subject goods will be used in manufacturing bhakhoor/ Dhoop. Thereafter, they filed the subject shipping bill by classifying the subject goods under our client's recommended CTH, i.e., 33074100. He also clarified that they understand the importance of ensuring proper classification of goods. In the present case, they did not rely on a prior LEO in isolation. The LEO was considered as a supporting document, which showed precedent for the same item being exported under the same classification. They also obtained a signed End-Use Declaration from the exporter confirming the use of the material in manufacturing "Bakhoor/Dhoop". In light of the above, and given that they only knew the description of the goods and got to see the goods when they were presented for export, they had no reason to suspect that the item was prohibited or misclassified. Hence, their reliance on the prior LEO and the client's signed undertaking was in good faith and in the ordinary course of business. On being asked if it is their firm's standard practice to classify goods solely based on client instruction and past clearances, without applying independent judgment or consulting relevant tariff schedules, he clarified that it is not our standard practice to classify goods solely on client instruction. They normally consult relevant tariff schedules and advise clients where any doubt arises. However, in the instant case, the goods had a history of prior clearance under the same CTH (33074100), and the exporter provided both the end-use letter and related invoices confirming the same. Given the absence of any visual or documentary indication of prohibited nature, and in light of the lack of any alert at the time of filing, they acted upon the documentary trail and the classification requested by the exporter. There was no willful negligence or intent to mislead. He denied any collusion or wilful misconduct. He reaffirmed that he and his firm have diligently complied with their responsibilities under Regulation 10(d) of the CBLR, 2018. There was no mala fide intent or negligence, and all actions were taken in good faith.

8. PAST EXPORTS

BRCs: Further, on perusal of the past export data in respect of the subject exporter in ICES 1.5 system, the following shipping bills have been found wherein foreign remittance has not been received as per FEMA regulation. The details of the shipping bills are as under:-

Table-IV

Serial No.	SB No. and Date	LEO Date	Expected Realisation Date	Drawback (in Rs)	RoDTEP (in Rs)	FOB to be Realised(in FC)	FOB Actually Realised(in FC)
31.	8050152 dated 04-03-2024	07-03-2024	31-12-2024	0	8,384	6,800	0
34.	9211405 dated 11-04-2023	11-04-2023	31-01-2024	0	4,400	6,100	0
			Grand Total	0	12,784	12,900	0

A screenshot of ICES 1.5 reflecting the non- receipt of foreign remittance in the shipping

IEC:AACFZ4699J Exporter Name:ZAASAS EXPORTS

Serial No.	SB No.	SB Date	Invoice SrNo.	Invoice No.	LEO Date	Expected Realisation Date	FOB to be Realised(in FC)	FOB Actually Realised(in FC)
1	1251751	24/05/2023	1	ZE/003/2023	25/05/2023	29/02/2024	30,606	30,075
2	1284514	10/05/2022	1	ZE/001/2022	12/05/2022	28/02/2023	43,366	43,012
3	1531035	08/06/2024	1	ZE/003/2024	24/06/2024	31/03/2025	13,200	13,162
4	1617093	12/06/2024	1	ZE/004/2024	14/06/2024	31/03/2025	5,315	5,298
5	1619617	24/05/2022	1	ZE/002/2022	26/05/2022	28/02/2023	20,933	20,824
6	1657348	10/06/2023	1	ZE/003/2023	13/06/2023	31/03/2024	6,922	6,825
7	1923480	06/06/2022	1	ZE/006/2022	07/06/2022	31/03/2023	9,050	8,899
8	2007413	09/06/2022	1	ZE/003/2022	11/06/2022	31/03/2023	7,700	7,204
9	2230622	05/07/2023	1	ZE/007/2023	08/07/2023	30/04/2024	14,200	14,180
10	3100404	09/08/2024	1	ZE/006/2024	13/08/2024	31/05/2025	24,520	24,451
11	3129461	28/07/2022	1	ZE/007/2022	29/07/2022	30/04/2023	2,294	2,213
12	3444748	11/08/2022	1	ZE/008/2022	16/08/2022	31/05/2023	7,100	7,040
13	3632102	03/08/2021	1	ZE/010/2020	06/08/2021	31/05/2022	9,600	9,560
14	3903593	18/07/2020	1	AE/001/2020	21/07/2020	30/04/2021	37,021	36,869
15	4424744	12/08/2020	1	AE/002/2020	14/08/2020	31/05/2021	2,985	2,965
16	4318095	29/09/2022	1	ZE/016/2022	01/10/2022	31/07/2023	5,265	5,198
17	4641160	17/09/2021	1	ZE/001/2021	23/09/2021	30/06/2022	13,980	13,930
18	4634520	16/10/2023	1	ZE/010/2023	20/10/2023	31/07/2024	4,213	4,202
19	5344685	09/11/2022	1	ZE/011/2022	10/11/2022	31/08/2023	5,600	5,693
20	5522614	29/09/2020	1	AE/003/2020	01/10/2020	31/07/2021	22,201	22,231
21	5605458	29/11/2022	1	ZE/012/2022	02/12/2022	30/09/2023	22,797	22,769
22	5891362	20/10/2020	1	ZE/004/2020	21/10/2020	31/07/2021	3,516	3,496
23	6121946	19/11/2021	1	ZE/002/2021	24/11/2021	31/08/2022	5,800	5,781
24	6449461	26/12/2022	1	ZE/016/2022	29/12/2022	30/09/2023	5,850	5,733

This report is limited to Data sent by RBI and Integrated in ICES

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Indian Customs EDI System - Exports

JNCH, NHAVA SHEVA, TAL:URAN, DIST-RAIGAD-400707

List of Shipping Bills Without Extension and Without FOB Realisation

AS on Date 17-JUL-23

IEC:AACFZ4699J Exporter Name:ZAASAS EXPORTS

Serial No.	SB No.	SB Date	Invoice SrNo.	Invoice No.	LEO Date	Expected Realisation Date	FOB to be Realised(in FC)	FOB Actually Realised(in FC)
25	6449500	26/12/2022	1	ZE/015/2022	30/12/2022	30/09/2023	2,550	2,382
26	7105324	29/12/2021	1	ZE/004/2021	05/01/2022	31/10/2022	5,800	5,781
27	7320379	19/12/2020	1	ZE/005/2020	21/12/2020	30/09/2021	5,900	5,840
28	7632222	21/01/2022	1	ZE/007/2021	24/01/2022	31/10/2022	41,700	41,631
29	8001972	23/02/2023	1	ZE/018/2022	25/02/2023	30/11/2023	6,000	5,910
30	8038730	07/02/2022	1	ZE/006/2021	14/02/2022	30/11/2022	6,950	6,931
31	8050152	04/03/2024	1	ZE/013/2023	07/03/2024	31/12/2024	6,800	0
32	8728035	24/03/2023	1	ZE/019/2022	28/03/2023	31/12/2023	5,660	5,562
33	8768841	30/03/2024	1	ZE/015/2023	02/04/2024	31/01/2025	8,925	8,700
34	9211405	11/04/2023	1	ZE/001/2023	18/04/2023	31/01/2024	6,100	0
35	9853600	14/05/2024	1	ZE/001/2024	17/05/2024	28/02/2025	6,815	6,796
36	9978856	08/04/2021	1	ZE/006/2020	10/04/2021	31/01/2022	13,411	13,390
						Grand Total	4,43,867	4,23,272

bill nos. 8050152 dated 04-03-2024 and 9211405 dated 11-04-2023 are mentioned at serial no. 31 and 34 respectively is placed below:

In view of the above, in the event of non –receipt of foreign remittance in the above shipping bills, the claimed export incentive i.e. RoDTEP are liable to be demanded back from the exporter in terms of sNotification No. 76/2021-Cus(N.T) dated 23.09.2021, 77/2021-Cus (N.T) dated 24.09.2021 & 25/2023-Cus (N.T) dated 01.04.2023 and section 28AAA read with section 28AA of the Customs Act, 1962.

9. RELEVANT PROVISIONS OF LAW APPLICABLE IN THIS CASE:-

(i) Section 2(30) of the Customs Act, 1962: Market price in relation to any goods means the wholesale price of the goods in the ordinary course of trade in India.

(ii) Section 50 of the Customs Act, 1962: Entry of goods for exportation. –

(1)The Exporter of any goods shall make entry thereof by presenting [electronically] [on the customs automated system] to the proper officer in the case of goods to be exported in a vessel or aircraft, a shipping bill, and in the case of goods to be exported by land, a bill of export [in such form and manner as may be prescribed]:

Provided that the [Principal Commissioner of Customs or Commissioner of Customs] may, in cases where it is not feasible to make entry by presenting electronically [on the customs automated system], allow an entry to be presented in any other manner.]

(2) The Exporter of any goods, while presenting a shipping bill or bill of export, shall make and subscribe to a declaration as to the truth of its contents.

(3) The Exporter who presents a shipping bill or bill of export under this section shall ensure the following, namely:-

(a) the accuracy and completeness of the information given therein;

(b) the authenticity and validity of any document supporting it; and

(c) compliance with the restriction or prohibition, if any, relating to the goods under this Act or under any other law for the time being in force.

(iii) Section 113(d) of the Customs Act, 1962: any goods attempted to be exported or brought within the limits of any customs area for the purpose of being exported, contrary to any prohibition imposed by or under this Act or any other law for the time being in force;

(iv) Section 113(ia) of the Customs Act, 1962: Any goods entered for exportation under claim for drawback which do not correspond in any material particular with any information furnished by the Exporter or manufacturer under this Act in relation to the fixation of the rate of drawback under Section 75, shall be liable to confiscation;

(v) Section 113(ja) of the Customs Act, 1962: any goods entered for exportation under claim of remission or refund of any duty or tax or levy to make a wrongful claim in contravention of the provisions of this Act or any other law for the time being in force;

(vi) Section 114(iii)of the Customs Act, 1962: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 113, or abets the doing or omission of such an act, shall be liable, in the case of any other goods, to a penalty not exceeding the value of the goods as declared by the Exporter or the value as determined under this Act, whichever is the greater;

(vii) Section 114AA of the Customs Act, 1962: Penalty for use of false and incorrect material – If a person knowingly or intentionally makes, signs or uses, or causes to be made, signed or used, any declaration, statement or documents which is false or incorrect in any material particular, in the transaction of any business for the purpose of this Act, shall be liable to a penalty not exceeding five times of the value of goods.

(viii) Section 114(i): 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 113, or abets the doing or omission of such an act, shall be liable, in the case of goods in respect of which any prohibition is in force under this Act or any other law for the time being in force, to a penalty not exceeding three times the value of the goods as declared by the exporter or the value as determined under this Act, whichever is the greater;

(ix) Section 114AC: Where any person has obtained any invoice by fraud, collusion, wilful misstatement or suppression of facts to utilise input tax credit on the basis of such invoice for discharging any duty or tax on goods that are entered for exportation under claim of refund of such duty or tax, such person shall be liable for penalty not exceeding five times the refund claimed.

(x) Section 114AB. Penalty for obtaining instrument by fraud, etc.—Where any person has obtained any instrument by fraud, collusion, wilful misstatement or suppression of facts and such instrument has been utilised by such person or any other person for discharging duty, the person

to whom the instrument was issued shall be liable for penalty not exceeding the face value of such instrument.

Explanation. – For the purposes of this section, the expression "instrument" shall have the same meaning as assigned to it in the Explanation 1 to section 28AAA.]

(xi) Section 28AAA. Recovery of duties in certain cases.--(1) where an instrument issued to a person has been obtained by him by means of–

(a)collusion; or

(b) willful mis-statement; or

(c) Suppression of facts,

for the purposes of this Act or the Foreign Trade (Development and Regulation) Act, 1992 (22 of 1992), or any other law, or any scheme of the Central Government, for the time being in force, by such person] or his agent or employee and such instrument is utilised under the provisions of this Act or the rules or regulations made or notifications issued there under, by a person other than the person to whom the instrument was issued, the duty relatable to such utilisation of instrument shall be deemed never to have been exempted or debited and such duty shall be recovered from the person to whom they said instrument was issued:

Provided that the action relating to recovery of duty under this section against the person to whom the instrument was issued shall be without prejudice to an action against the importer under section 28.

(xii) Section 28AA Interest on delayed payment of duty - (1) Notwithstanding anything contained in any judgment, decree, order or direction of any court, Appellate Tribunal or any authority or in any other provision of this Act or the rules made there under, the person, who is liable to pay duty in accordance with the provisions of section 28, shall, in addition to such duty, be liable to pay interest, if any, at the rate fixed under sub-section (2), whether such payment is made voluntarily or after determination of the duty under that section.

(2) Interest at such rate not below ten per cent and not exceeding thirty-six per cent. per annum, as the Central Government may, by notification in the Official Gazette, fix, shall be paid by the person liable to pay duty in terms of section 28 and such interest shall be calculated from the first day of the month succeeding the month in which the duty ought to have been paid or from the date of such erroneous refund, as the case may be, up to the date of payment of such duty.

(3) Notwithstanding anything contained in sub-section (1), no interest shall be payable where,

(a) the duty becomes payable consequent to the issue of an order, instruction or direction by the Board under section 151A; and

(b) Such amount of duty is voluntarily paid in full, within forty-five days from the date of issue of such order, instruction or direction, without reserving any right to appeal against the said payment at any subsequent stage of such payment

(xiii) Section 75A(2)of the Customs Act, 1962: Where any drawback has been paid to the claimant erroneously or it becomes otherwise recoverable under this Act or the rules made there under, the claimant shall, within a period of two months from

the date of demand, pay in addition to the said amount of drawback, interest at the rate fixed under section 28AA and the amount of interest shall be calculated for the period beginning from the date of payment of such drawback to the claimant till the date of recovery of such drawback.

B. Customs and Central Excise Duties Drawback Rules, 2017.

Rule 17: Repayment of erroneous or excess payment of drawback and interest. - Where an amount of drawback and interest, if any, has been paid erroneously or the amount so paid is in excess of what the claimant is entitled to, the claimant shall, on demand by a proper officer of Customs repay the amount so paid erroneously or in excess, as the case may be, and where the claimant fails to repay the amount it shall be recovered in the manner laid down in sub-section (1) of section 142 of the Customs Act, 1962.

Rule 18 (1): Where an amount of drawback has been paid to an exporter or a person authorised by him (hereinafter referred to as the claimant) but the sale proceeds in respect of such export goods have not been realised by or on behalf of the exporter in India within the period allowed under the Foreign Exchange Management Act, 1999 (42 of 1999), including any extension of such period, such drawback shall, except under circumstances or conditions specified in sub-rule (5), be recovered.

10. Whereas, from the investigation, the following facts emerge:

10.1 M/s Zaasas Exports (IEC - AACFZ4699J) having its registered office address at Shop No. 10, New Sonawala Market, Father Peter Pereira Road, Kurla West, Mumbai, Maharashtra, 400070 had filed 01 shipping bill no. 6772242 dated 26.12.2024 through their Customs Broker M/s Asian Premier Logistics for export of "Raw Material of Bhakhoor/ Dhoop" under CTH 33074100 under "Export Promotion Scheme Code 60 (Drawback and RoDTEP). The FOB value of the said goods is Rs. 5,72,900/- with drawback claim of Rs. 6,874.80/- and RoDTEP claim of Rs. 4,010.30/-.

10.2 The subject goods pertaining to the Shipping Bill no. 6772242 dated 26.12.2024 were then examined wherein discrepancy was speculated in the classification of the goods. It was observed that the HSN Code 33074100 specifically pertains to finished products like "*Agarbatti or other odoriferous preparations that operate by burning*". Therefore, raw materials such as Wood flakes or chips, cannot be classified under the CTH 33074100. Thereafter, Representative sealed samples were drawn for further investigation purpose. As per the DYCC Test Reports, it appears that the goods covered under the shipping bill no. 6772242 dated 26.12.2024 are in the form of "**brownish powder & brownish wood chips**" and is mainly composed of "**cellulosic material together with lignin & tannin etc & it does not contain essential oil and odoriferous compound**".

10.3 In view of test reports from DYCC it appears that the exporter has attempted to export the impugned goods described as "Raw Material for Bakhoor/Dhoop" by classifying them under CTH 33074100. According to Schedule-2 of Export Policy, the goods covered under RITC 33074100 are "Freely exportable" and have the following description:

"preparations for perfuming or deodorizing rooms, including odoriferous preparations used during religious rites : -- Agarbatti and other odoriferous preparations which operate by burning".

Accordingly to the DYCC Lab Reports, the goods covered under the shipping bill no. 6772242 dated 26.12.2024 are in the form of "**brownish powder & brownish wood chips**" and is mainly composed of "**cellulosic material together with lignin & tannin etc & it does not contain essential oil and odoriferous compound**". From the facts above, it is clear that the goods covered under the aforementioned shipping bill are misclassified in terms of RITC as the RITC 33074100 specifically pertains to finished products like Agarbatti or other odoriferous preparations that operate by burning. Therefore, raw materials such as Wood flakes or chips, cannot be classified under this CTH.

10.4 According to the DYCC Test Reports, the goods covered under the shipping bill no. 6772242 dated 26.12.2024 are in the form of "**brownish powder & brownish wood chips**" and is mainly composed of "**cellulosic material together with lignin & tannin etc & it does not contain essential oil and odoriferous compound**". According to the DYCC Test Reports read with ITC (HS), 2018 Schedule-2 of Export Policy as in force at the time of filing of the shipping bill, i.e., 26.12.2024, the goods merit classification in CTH 4401 which, according to Schedule 2 of Export Policy is described as below:

"Fuel wood, in logs, in billets, in twigs, in faggots or in similar forms; ***wood in chips*** *or particles; sawdust and wood waste and scrap, whether or not agglomerated in logs, briquettes, pellets or similar forms."*

Hence, the impugned goods covered under shipping bill number 6772242 dated 26.12.2024 are misclassified under CTH 33074100 and actually merit classification under CTH 4401. The export policy condition for CTH 4401 is "**Prohibited**". The goods covered under the aforementioned shipping bill are actually prohibited for export from India. Thus, it appears that the exporter deliberately misclassified the impugned goods in terms of description and CTH in order to export "prohibited goods" in the guise of "freely exportable goods". It can thus be concluded that the goods covered under shipping bill no. 6772242 dated 26.12.2024 are actually prohibited goods mis-declared in terms of description and CTH, thereby, rendering the goods liable for confiscation under section 113(d),113 (i),113(ia) and 113(ja) of the Customs Act, 1962.

10.5 From the facts on record, it is evident that M/s Zaasas Exports (IEC - AACFZ4699J) misclassified goods actually composed of "brownish powder and brownish wood chips" under CTH 33074100 by declaring them as "Raw Material for Bakhoor/Dhoop", despite this heading being applicable only to finished odoriferous products that operate by burning. The DYCC test reports confirmed that the goods do not contain essential oils or odoriferous compounds and are primarily cellulosic in nature, thereby falling under CTH 4401, which is prohibited for export. The exporter admitted in their statement that they procured the impugned goods from local suppliers and did not conduct any classification check before filing the shipping bill, leaving the documentation entirely to the Customs Broker. However, the act of declaring incorrect description under an incorrect custom tariff heading, without verifying the classification, demonstrates wilful disregard of legal obligations and reflects deliberate inaction intended to mislead Customs. By filing the impugned shipping bill with inaccurate description and CTH, the exporter has violated their statutory obligation to ensure truthfulness and accuracy in export declarations and has misrepresented the true nature of the goods to Customs. The exporter has attempted to polish the violation committed by terming it as an act of ignorance. However, from the IEC details, it is seen that the exporter has been exporting such goods from the previous years as well. Hence, the exporter can't escape from this violation committed by quoting ignorance. Ignorance of law can't become a legal remedy for violation committed under Customs Act, 1962 or any other laws.

10.6 As the Exporter had not made declaration truthfully in the said Shipping Bill, they have violated the conditions of Section 50(2) of the Customs Act, 1962. Hence, it appears that there was a deliberate mis-declaration, mis- statement and suppression of facts regarding the actual description and RITC classification of the impugned goods on the part of the Exporter with mala-fide intention to export prohibited goods out of India. The exporter had declared the FOB value in the aforementioned shipping bill as Rs. 5,72,900/- and claimed a drawback amounting to Rs. 6,874.80/- and RoDTEP amounting to Rs. 4,010.30/- not legitimately payable to them. Thus, it appeared that the said goods were attempted to be exported in violation of Section 50(2) of the Customs Act, 1962 read with Section 11(1) of Foreign Trade (Development &Regulation) Act 1992 & Rules 11 of Foreign Trade Rules 1993, as exporter had furnished wrong declaration to the Custom Authorities. Hence, the goods are liable for confiscation under section 113(d), 113 (i), 113(ia) and 113(ja) of the Customs Act, 1962.

11. It further appears that the exporter M/s Zaasas Exports (IEC - AACFZ4699J) has knowingly & intentionally caused to sign & used the documents to provide the undue advantage to the exporter with mala-fide intent to export prohibited goods out of India. Therefore, the exporter is also liable for penalty under Section 114AA of Customs Act, 1962 for this intentional mis- declaration.

12. In light of the foregoing findings, it is evident that M/s Zaasas Exports (IEC - AACFZ4699J), with full knowledge and intent, misdeclared the impugned goods in terms of their description and classification by wilfully misclassifying prohibited goods under a freely exportable tariff heading 33074100 in order to circumvent the restriction applicable under CTH 4401 and thereby attempt export of goods otherwise prohibited under the ITC (HS), 2018 Schedule-2 of Export Policy as in force at the time of filing of the shipping bill, i.e., 26.12.2024. The deliberate act of misdeclaration was compounded by the use of fabricated and misleading documentation aimed at portraying the goods as freely exportable "Raw Material for Bakhoor/Dhoop," when in fact they did not conform to the essential characteristics of goods under CTH 33074100. This conduct indicates a clear mala fide intention to violate the provisions of the Customs Act, 1962, thereby rendering the impugned goods liable for confiscation under Section 113(i) of the Customs Act, 1962.

13. From the verification report received from the Office of Assistant Commissioner, Central Tax, Division-V, Ratnagiri, it is evident that the supplier M/s H.D. Panhalkekar Udyog (GSTIN: 27AAHFP8251K1Z0) had physically confirmed that the goods supplied to M/s Zaasas Exports were waste wood. However, the invoices issued for the said supply falsely described the goods as "raw material for dhoop", thereby misrepresenting the true nature of the goods. The exporter, M/s Zaasas Exports, has utilized the Input Tax Credit (ITC) on the basis of such misdescribed invoices in their GSTR-3B returns, which was duly reflected in their GSTR-2A. It is thus apparent that the exporter, in collusion with the supplier, wilfully misrepresented the actual nature of goods in the purchase invoice, and thereafter, utilized ITC fraudulently to discharge tax liability on export goods filed under Shipping Bill No. 6772242 dated 26.12.2024. These prohibited goods were exported under claim of drawback and RoDTEP, despite being ineligible for the same. Accordingly, the act of obtaining and utilizing input tax credit based on misdeclared invoices for prohibited goods which were later attempted to be exported under wrong classification and with an ineligible refund claim, renders the exporter liable for penalty under Section 114AC of the Customs Act, 1962.

14. As seen from Table IV above, M/s Zaasas Exports (IEC - AACFZ4699J) failed to realise full foreign remittance for two export consignments, in violation of the time limits prescribed under FEMA. Despite this, the exporter claimed export incentives such as RoDTEP on these shipments. The non-realisation or short realisation of export proceeds indicates that the goods were exported without fulfilment of essential conditions for incentive eligibility. Accordingly, the goods are liable for confiscation under Section Section 113(ja) of the Customs Act, 1962. Further, by utilising duty credit instruments against such exports, the exporter has rendered itself liable to penalty under Section 114AB of the Customs Act, 1962.

WRITTEN SUBMISSION FROM NOTICEES

15. The exporter M/s Zaasas Exports (IEC: AACFZ4699J) has submitted a letter dated 30.07.2025 in which they have stated they are fully aware of the grounds of the case and do not wish to contest the same. In order to expedite the adjudication process and avoid unnecessary delay, they hereby waive their right to receive a show cause notice and personal hearing in the matter.

DISCUSSION AND FINDINGS

16. I have carefully gone through the facts of the case, records available and submissions made by thes Exporter during the course of investigation. The Exporter vide letter dated 30.07.2025 s have voluntarily requested for waiver of SCN and PH. Accordingly, I take up the case for adjudication on merits on the basis of evidences available on records.

17. I find that in the instant case, M/s Zaasas Exports (IEC: AACFZ4699Js filed a Shipping Bill No. 6772242 dated 26.12.2024 having declared items as "Raw material for Bakhoor/Dhoop" for export as discussed in above paras and declared the FOB of Rs. 5,72,900/- involving drawback claim of Rs.6874.80/- and RODTEP claim of Rs. 4010.30/- . Goods pertaining to the Shipping Bill No. 6772242 dated 26.12.2024 were examined by SIIB(X) officers wherein discrepancy was speculated in the classification of the goods. It was observed that the HSN code 33074100 specifically pertains to finished products like " agarbatti or other odoriferous preparation that operate by burning." Therefore raw material such as wood flake chips , cannot be classified under the CTH 33074100. Accordingly, representative sample were drawn for further investigation

18. I find that DYCC in its report observed that "the sample as received is in the form of " brownish powder and brownish wood chips" and is mainly composed of "cellulosic material together with lignin and tannin etc and it does not contain essential oil and odiferous compound." As per DYCC test report, goods covered un the said shipping bill are misclassified in terms of RITC as the RITC 33074100 specifically pertain to finished product like agarbatti or other odoriferous preparation that operate by burning . Therefore, raw material such as wood flakes or chips , cannot be classified under CTH 33074100.. The goods merits classification in HSN code 4401 which accordingly to Schedule 2 of the Export policy is described as below-

" Fuel wood, in log , in billet, in twigs , in faggots or in similar forms, wood in chips or particle, sawdust and wood waste and scarp, whether or not agglomerated in logs , briquettes, pellets or similar forms" The export policy condition for CTH 4401 is prohibited. Therefore, the

goods described as "brownish wood chips" in the DYCC Test report covered under the aforesaid Shipping Bill are actually prohibited for export from India.

19. I further find that the goods were declared under CTH 33074100, which pertains to odoriferous preparations, but actually merit classification under CTH 4401, which is prohibited for export under Schedule-2 of Export Policy, ITC (HS), 2018.1. Having examined the investigation report, facts of this case, the submissions made by the exporter, and the documents on record, the following issues emerge for consideration-

(i) Whether the export goods covered under Shipping Bill No. 6772242 dated 26.12.2024, having declared FOB value of Rs. 5,72,900/-, should be held liable for confiscation under Sections 113(i), 113(ia), 113(ja), and 113(d) of the Customs Act, 1962, for having been mis-declared in terms of description and classification, wrongly claimed ineligible export incentives, and found to be prohibited for export as per DYCC Test Reports read with the ITC (HS), 2018 Schedule-2 of Export Policy.

(ii) Whether the drawback claimed amounting to Rs. 6,874.80/- and RoDTEP claimed amounting to Rs. 4,010.30/- should be denied on account of the goods attempted to be exported being prohibited for export.

(iii) Whether the exporting firm M/s Zaasas Exports (IEC: AACFZ4699J) should be penalized under Section 114AA of the Customs Act, 1962, for omission on the part of the Exporter which has rendered the export goods liable for confiscation under the aforesaid provisions of the Customs Act, 1962.

(iv) Whether the exporting firm M/s Zaasas Exports (IEC: AACFZ4699J) should be penalized under Section 114(i) of the Customs Act, 1962, for attempting to export prohibited goods.

(v) Whether the exporter should be penalized under Section 114AC of the Customs Act, 1962, on account of fraudulent utilization of Input Tax Credit based on misdeclared invoices falsely describing prohibited goods as "raw material for dhoop", which was used for claiming export refund.

(vi) Whether the past export goods covered under Shipping Bills 9211405 dated 11.04.2023 having FOB value of Rs 4,94,710/- and 8050152 dated 04.03.2024 having FOB value of Rs. 5,58,960/-should be confiscated under Section 113(ja) of the Customs Act, 1962, due to non-realisation or short realisation of export proceeds in contravention of FEMA provisions.

(vii) Whether the exporter should be penalized under Section 114AB of the Customs Act, 1962, on account of claiming export incentives without receipt of foreign remittance in respect of shipping bills mentioned in Table-IV above.

(viii) Whether the RoDTEP claimed in the past shipping bills mentioned in Table-IV above amounting to Rs. 12,784/- should be suspended and, after cancellation, demanded from the exporter along with applicable interest in terms of Notification No. 76/2021-Cus (N.T) dated 23.09.2021, 77/2021-Cus (N.T) dated 24.09.2021 & 24/2023-Cus (N.T) dated 01.04.2023 and section 28AAA read with section 28AA of the Customs Act, 1962.

20. I find that the investigation established that the goods declared as "Raw Material for Bakhoor/Dhoop" under CTH 33074100 were misclassified, as confirmed by the DYCC test report, which identified the goods as "brownish powder and brownish wood chips" primarily composed of cellulosic material, meriting classification under CTH 4401,

a prohibited category under Schedule-2 of ITC (HS), 2018 Export Policy. The exporter in his statement stated that no classification check was done by the firm and CB had handled all documentation,. He further stated that was not aware of the restricted status of the goods, considering them freely available in the domestic market. By this act of omission and commission, the exporter has contravened the prohibition under the Foreign Trade Policy, read with Section 11 of the Foreign Trade (Development and Regulation) Act, 1992, as well as Section 50 of the Customs Act, 1962, which renders the goods liable for confiscation under Section 113(d) and 113(i) of the Customs Act, 1962. Further, the exporter attempted to mis-declare the goods and wrongfully avail undue drawback of Rs. 6,874.80 and RoDTEP of Rs. 4,010.30 on the impugned goods, which renders the goods liable for confiscation under Sections 113(ia), and 113(ja) of the Customs Act, 1962. Therefore, the said goods are liable for confiscation under the provisions of Sections 113(d), 113(i), 113(ia) and 113(ja) of the Customs Act-1962.

21. I find that the goods under Shipping Bill No. 6772242, declared under CTH 33074100, are actually classifiable under CTH 4401, which is prohibited for export as per Schedule-2 of ITC (HS), 2018. The DYCC test report confirms the goods lack essential oils or odoriferous compounds, rendering the claimed drawback of Rs. 6,874.80/- and RoDTEP of Rs. 4,010.30/- ineligible under Section 75 of the Customs Act, 1962, Rule 18 of the Customs and Central Excise Duties Drawback Rules, 2017 and in terms of Notification No. 76/2021-Cus (N.T) dated 23.09.2021. The exporter's admission supports this finding. Therefore, the drawback and RoDTEP on the said goods are liable for denial of export incentives.

22. I find that the exporter intentionally classified the goods under CTH 33074100, instead of CTH 4401, which was establish from the statement of the customs broker. This act of omission and commission, aimed at availing undue export incentives and exporting prohibited goods, contravenes Section 50 of the Customs Act, 1962 by giving false declaration. Therefore, a penalty should be imposed on M/s Zaasas Exports under Section 114AA of the Customs Act, 1962.

23. I find that the exporter attempted to export prohibited goods under CTH 4401 by declaring them as freely exportable under CTH 33074100, contravening Section 50 of the Customs Act, 1962, Rule 11 of the Foreign Trade (Regulation) Rule, 1993 and Section 11 of the Foreign Trade (Development and Regulation) Act, 1992. The exporter's admission and reliance on false documentation confirm the deliberate attempt to export prohibited goods which renders the goods liable for confiscation. Therefore, a penalty should be imposed on M/s Zaasas Exports under Section 114(i) of the Customs Act, 1962.

24. I find that the exporter utilized Input Tax Credit (ITC) based on invoices from M/s H.D. Panhalkekar Udyog that falsely described the goods as "raw material for dhoop", whereas they were waste wood under CTH 4401, which indicates fraudulent utilization through collusion and wilful misstatement. The exporter's admission supports this finding. Therefore, a penalty should be imposed on M/s Zaasas Exports under Section 114AC of the Customs Act, 1962.

25. I find that the investigation established non-realisation of foreign remittances for exports under Shipping Bills 9211405 dated 11.04.2023 and 8050152 dated 04.03.2024, contravening FEMA provisions. The exporter claimed RoDTEP of Rs. 12,784/- on these shipments, which is ineligible due to non-realisation of export proceeds. This wrongful claim, as admitted by the exporter, renders the goods liable for confiscation under Section 113(ja) of the Customs Act, 1962. Therefore, the goods should be held liable for confiscation under Section 113(ja) of the Customs Act-1962.

26. I find that the exporter claimed RoDTEP of Rs. 12,784/- for Shipping Bills 9211405 and 8050152 without receiving foreign remittances, contravening FEMA requirements (para 15). This wrongful claim, supported by the exporter's admission, involves the use of duty credit instruments obtained through misstatement. Therefore, a penalty should be imposed on M/s Zaasas Exports under Section 114AB of the Customs Act, 1962.

27. I find that the RoDTEP of Rs. 12,784 claimed for Shipping Bills 9211405 dtd 11.04.2023 and 8050152 dtd 04.03.2024 is ineligible due to non-realisation of export proceeds, as confirmed by the investigation. This contravenes FEMA regulations mandate recovery of such incentives with interest in terms of Notification No. 76/2021-Cus (N.T) dated 23.09.2021 and section 28AAA read with section 28AA of the Customs Act, 1962. Therefore, the RoDTEP should be suspended and demanded from the exporter with applicable interest.

ORDER

28. In view of the above discussions and findings, I pass the following order:

(i) I order confiscation of the goods covered under Shipping Bill No. 6772242 dated 26.12.2024, having declared FOB value of Rs. 5,72,900/-, under the provisions of Sections 113(i), 113(ia), 113(ja), and 113(d) of the Customs Act, 1962. However, I impose a Redemption Fine of Rs. 50,000/- (Rupees Fifty Thousand only) upon the Exporter M/s Zaasas Exports, under the provisions of Section 125 of the Customs Act, 1962, in lieu of confiscation of the goods, for limited purpose of back to town only.

(ii) I reject the export incentives claimed against the above-mentioned Shipping Bill in the form of Drawback amounting to Rs. 6,874.80/- and RoDTEP amounting to Rs. 4,010.30/-.

(iii) I impose a penalty of Rs. 20,000/- (Rupees Twenty Thousand only) on the Exporter, M/s Zaasas Exports, under Section 114AA of the Customs Act, 1962.

(iv) I impose a penalty of Rs. 20,000/- (Rupees Twenty Thousand only) on the Exporter, M/s Zaasas Exports, under Section 114(i) of the Customs Act, 1962.

(v) I impose a penalty of Rs. 10,000/- (Rupees Ten Thousand only) on the Exporter, M/s Zaasas Exports, under Section 114AC of the Customs Act, 1962.

(vi) I order confiscation of the goods covered under Shipping Bills No. 9211405 dated 11.04.2023 and 8050152 dated 04.03.2024, totally valued at Rs 10,53,670/- under Section 113(ja) of the Customs Act, 1962. However, I impose a Redemption Fine of Rs. 1,00,000/- (Rupees One Lakh only) upon the Exporter M/s Zaasas Exports, under the provisions of Section 125 of the Customs Act, 1962.

(vii) I impose a penalty of Rs. 10,000/- (Rupees Ten Thousand only) on the Exporter, M/s Zaasas Exports, under Section 114AC of the Customs Act, 1962, in respect the goods export under Shipping Bills No. 9211405 dated 11.04.2023 and 8050152 dated 04.03.2024.

(viii) I order the recovery of RoDTEP amounting to Rs. 12,784/- claimed in the past Shipping Bills 9211405 dated 11.04.2023 and 8050152 dated 04.03.2024, in terms of the notification NO 76/2021 dated 23.09.2021 read with Section 28AAA along with applicable interest under Section 28AA of the Customs Act, 1962.

(ix) I reject the IGST Refund intended to be claimed by the Exporter amounting to Rs. 30,330/-.

29. This order is issued without prejudice to any other action that may be taken in respect of the goods in question and/or against the persons concerned or any other person, if found involved, under the provisions of the Customs Act, 1962, and/or any other law for the time being in force in the Republic of India.

10/09/25

(RAGHUKIRAN BATCHALI)
ADDl. Commissioner of Customs,
CEAC / NS - II, JNCH.

To,

1. M/s Zaasas Exports (IEC - AACFZ4699J),
SHOP NO 10, NEW SONAWALA MARKET,
FATHER PETER PEREIRA ROAD,
KURLA WEST, Mumbai,
Maharashtra, 400070.

Copy to:

1. The Asstt. Commissioner of Customs, SIIB (X), JNCH
2. The Asstt. Commissioner of Cutoms, CAC Section, JNCH
3. The Asstt. Commissioner of Customs, CRAC, JNCH
4 The Asstt. Commissioner of Customs CRRC, JNCH.
5. Supdt/CHS, JNCH for display on Notice Board.
6. The Asstt./Dy. Commissioner of Customs, EDI Section, JNCH
7. Office Copy