

	सीमाशुल्क आयुक्त का कार्यालय, एनएस-II
	OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-II
	केंद्रीकृत निर्यात आकलन कक्ष, जवाहरलाल नेहरू सीमाशुल्क भवन
	CENTRALIZED EXPORT ASSESSMENT CELL, JAWAHARLAL NEHRU CUSTOM HOUSE,
	न्हावा शेवा, तालुका-उरण, जिला- रायगढ़, महाराष्ट्र -400 707
	NHAVA SHEVA, TALUKA-URAN, DIST- RAIGAD, MAHARASHTRA-400707

फ़ा. नं./F. NO. CUS/ASS/MISC/317/2024-CEAC

द.प.सं. /DIN	20250818NT000000C331
आदेश की तिथि	: 13.08.2025
Date of Order	
जारी किए जाने की तिथि	: 13.08.2025
Date of Issue	
आदेश सं.	166 /2025-26/आयुक्त/सीईएसी /एनएस-II/ सीएसी/जेएनसीएच
Order No.	166 /2025-26/Commissioner /CEAC/NS-II /CAC /JNCH
पारितकर्ता	श्री गिरिधर जी. पई
Passed by	Sh. Giridhar G. Pai
	आयुक्त, सीमाशुल्क (एनएस-II), जेएनसीएच, न्हावाशेवा
	Commissioner of Customs (NS-II), JNCH, Nhava Sheva
पक्षकार (पार्टी)/नोटिसी का नाम	मे. आर आर हस्तकला उद्योग प्राइवेट लिमिटेड
Name of Party/Noticee/IEC	M/s. R.R. Hastkala Udyog Pvt. Ltd. (IEC No. 0506016498)

मूल आदेश

ORDER-IN-ORIGINAL

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

The copy of this order in original is granted free of charge for the use of the person to whom it is issued.

2. इस आदेश से व्यथित कोई भी व्यक्ति सीमाशुल्क अधिनियम १९६२ की धारा १२९ए के तहत इस आदेश के विरुद्ध सी ई एस टी ए टी, पश्चिमी प्रादेशिक न्यायपीठ (वेस्ट रीजनल बेंच, ३४, पी. डी. मेलोरोड, मस्जिद (पूर्व), मुंबई- ४००००९ को अपील कर सकता है, जो उक्त अधिकरण के सहायकरजिस्ट्रार को संबोधित होगी।

Any Person aggrieved by this order can file an Appeal against this order to CESTAT, West Regional Bench, 34, P D Mello Road, Masjid (East), Mumbai - 400009 addressed to the Assistant Registrar of the said Tribunal under Section 129 A of the Customs Act, 1962.

3. अपील दाखिल करने संबंधी मुख्य मुद्दे:-

Main points in relation to filing an appeal:-

फार्म	:	फार्म नं. सीए३, चार प्रतियों में तथा उस आदेश की चार प्रतियाँ, जिसके खिलाफ अपील की गयी है (इन चार प्रतियों में से कमसे कम एक प्रति प्रमाणित होनी चाहिए)
Form		Form No. CA3 in quadruplicate and four copies of the order appealed against (at least one of which should be certified copy)
समय सीमा	:	इस आदेश की सूचना की तारीख से ३ महीने के भीतर
Time Limit		Within 3 months from the date of communication of this order.
फीस	:	(क) एक हजार रुपये-जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्तिकी

Fee	रकम ५ लाख रुपये या उस से कम है। (a) Rs. One Thousand - Where amount of duty & interest demanded & penalty imposed is Rs. 5 Lakh or less. (ख) पाँच हजार रुपये- जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्तिकी रकम ५ लाख रुपये से अधिक परंतु ५० लाख रुपये से कम है। (b) Rs. Five Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 5 Lakh but not exceeding Rs. 50 lakh (ग) दस हजार रुपये-जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्तिकी रकम ५० लाख रुपये से अधिक है। (c) Rs. Ten Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 50 Lakh.
भुगतान की रीति Mode of Payment	क्रॉस बैंक ड्राफ्ट, जो राष्ट्रीयकृत बैंक द्वारा सहायक रजिस्ट्रार, सी ई एस टी ए टी, मुंबई के पक्षमें जारी किया गया हो तथा मुंबई में देय हो। A crossed Bank draft, in favour of the Asstt. Registrar, CESTAT, Mumbai payable at Mumbai from a nationalized Bank.
सामान्य General	विधि के उपबंधों के लिए तथा ऊपर यथा संदर्भित एवं अन्य संबंधित मामलों के लिए, सीमाशुल्क अधिनियम, १९९२, सीमाशुल्क (अपील) नियम, १९८२ सीमाशुल्क, उत्पादन शुल्क एवं सेवा कर अपील अधिकरण (प्रक्रिया) नियम, १९८२ का संदर्भ लिया जाए। For the provision of law & from as referred to above & other related matters, Customs Act, 1962, Customs (Appeal) Rules, 1982, Customs, Excise and Service Tax Appellate Tribunal (Procedure) Rules, 1982 may be referred.

4. इस आदेश के विरुद्ध अपील करने के लिए इच्छुक व्यक्ति अपील अनिर्णीत रहने तक उस में माँगे गये शुल्क अथवा उद्गृहीत शास्तिका ७.५ % जमा करेगा और ऐसे भुगतान का प्रमाण प्रस्तुत करेगा, ऐसा न किये जाने पर अपील सीमाशुल्क अधिनियम, १९६२ की धारा १२८ के उपबंधों की अनुपालना न किये जाने के लिए नामंजूर किये जाने की दायी होगी।

Any person desirous of appealing against this order shall, pending the appeal, deposit 7.5% of duty demanded or penalty levied therein and produce proof of such payment along with the appeal, failing which the appeal is liable to be rejected for non-compliance with the provisions of Section 129 of the Customs Act 1962.

Sub: - Request for Conversion of Shipping Bill No. 5867835 dated 09.11.2021 from Scheme- Drawback & RoSCTL (Scheme Code- 60) to Scheme- Drawback & EPCG (Scheme Code-43) by M/s. R.R. Hastkala Udyog Private Limited -Reg.

M/s. R.R. Hastkala Udyog Private Limited, IEC No. 0506016498, having registered office at 101, Sagardeep Building, LSC Saini Enclave, Delhi- 110092 (hereinafter referred to as "the exporter") has requested for conversion of Shipping bill no. 5867835 dated 09.11.2021 from Drawback (Scheme Code- 19) to Scheme- Drawback & EPCG (Scheme Code-43) vide their letter dated 19.02.2024 (received in this office on 11.03.2024), however on scrutiny of the Shipping bill it is observed that the said Shipping bill is filed under Scheme Code 60 (Drawback and RoSCTL), details of which is tabulated below:

TABLE -I

Sl. No.	Shipping Bill No.	Shipping Bill Date	LEO Date	Scheme in which SB filed	Scheme to which conversion sought
(1)	(2)	(3)	(4)	(5)	(6)
1	5867835	09.11.2021	10.11.2021	Drawback & RoSCTL (Scheme Code: 60)	Drawback & EPCG (Scheme Code-43) Lic. No. 0530169067 dated 01.12.2016

2. The exporter vide letter dated 19.02.2024, *inter alia* stated that they are regular exporter of readymade garments and they export their exclusive products across the globe; that they have accorded the status of Export house by Government of India, Ministry of Commerce & Industry; that they imported stitching machine from Hong Kong against Bill of Entry no. 9602457 dated 08.05.2017; that they imported this machine under the EPCG Licence No. 0530169067 dated 01.12.2016 under duty free import. Further, the exporter has requested for amendment certificate in this regard, as per section 149 of the Customs Act, 1962 and Policy Circular no. 07/2002 dated 11.07.2002.

3. Following the principles of natural justice, opportunity for personal hearing was given on 15.07.2025. Shri Vishal Mehra, Director of M/s. R.R. Hastkala Udyog Private Limited appeared virtually before the undersigned and requested for conversion of their Shipping bill no. 5867835 dated 09.11.2021. He sought to rely on the detailed submissions made vide letter dated 19.02.2024.

DISCUSSIONS AND FINDINGS

4. I have carefully gone through the request made by the exporter vide their letter dated 19.02.2024, for amendment by way of conversion of the Shipping bill from Scheme- Drawback & RoSCTL (Scheme Code-60) to Scheme- Drawback & EPCG (Scheme code-43), the submissions made by the exporter dated 19.02.2024 and the relevant provisions of Customs Act, 1962, which govern the conversion of shipping bill.

5. Before deciding the case, it is necessary to discuss every aspect of law governing conversion including Sections, regulations made thereunder and the procedure for filing shipping bill, etc. In this regard, attention is drawn to Section 17 of the Customs Act, 1962, as amended by the Finance Act, 2011, which introduced the concept of 'Self-

Assessment' in Customs. In the self-assessment era, the exporter has to ensure that he declares the correct classification, the applicable rate of duty (if any), value, export incentive scheme etc. with respect to the exported goods while presenting the shipping bill. Thus, the onus of declaring the correct scheme under which export is being made is on the exporter. Self-assessment empowers exporters to assess the value of their goods, determine the applicable export promotion scheme that they want to avail of, and submit required documentation accordingly to customs authorities. Self-assessment in customs places a significant responsibility on exporters to ensure the accuracy and compliance of their customs declarations. Exporters must be vigilant while filing the shipping bill and must fill in the correct scheme code. Such self-assessment scheme necessarily casts the responsibility on the exporter to make up his mind at the time of filing shipping bills as to which export promotion incentive he would like to avail. With the introduction of the system of online assessment, such request for conversion at a later date creates difficulties.

5.1 Further, attention is invited to the Shipping Bill and Bill of Exports (Forms) Regulations, 2017(as amended) which prescribe the format and specifications of the shipping bill and bill of export forms. The shipping bill and bill of export forms contain various details such as the exporter's name, address, invoice number, description of goods, quantity, value, destination, etc. These forms are used to declare the goods to the Customs authorities and to claim any benefits or exemptions under the foreign trade policy or any other law. The relevance of these regulations is that they ensure the uniformity and standardization of the shipping bill and bill of export forms, help in improving the data quality and accuracy of the export statistics, and enhance the ease of doing business for exporters. The regulation cited supra also facilitates the electronic filing and processing of these forms through the Indian Customs Electronic Commerce/ Electronic Data Interchange (EC/EDI) Gateway (ICEGATE). As the process of filing a shipping bill has become easier, the responsibility of the exporter to provide correct data while filing the shipping bill has increased rapidly. A summary of the steps involved in the process of filing a shipping bill is given below whose main objective is to ensure that correct data is fed in the shipping bill.

- a) The Exporter or the Customs Broker (CB) can file a shipping bill after registering with the ICEGATE system using the IEC Code, AD Code, and/or CB License Number.
- b) After login the ICEGATE System, the exporter or the Customs Broker (CB) can sign in to ICEGATE and fill required details in the prescribed format, along with copies of the invoice, packing list, and other required documents, and submit it.
- c) Thereafter, a checklist is generated for verification of credentials by the exporter or the Customs Broker (CB).
- d) The exporter or the Customs Broker (CB) has to check the accuracy of the data and confirm it. Thereafter, they will submit the shipping bill into the EDI system for processing and thereafter shipping bill no. generated. If discrepancies are noticed in the Checklist, the exporter or the Customs Broker (CB) can create another Check List.
- e) If any discrepancies are noticed after the generation of the shipping bill, the exporter has the option to get it amended from respective Export Docks.

In essence, there are a plethora of opportunities before filing the shipping bill when the documents need to be examined and verified before submission. Not declaring the correct scheme code therefore cannot be said to be a typographical error or an error on the part of the Customs Broker only. It shows the selection of a particular scheme after proper application of mind and after proper verification. At a later date, the exporter cannot take the liberty to state that it was an inadvertent mistake.

5.2 I further observe that the Risk Management System (RMS) for exports was introduced by the Central Board of Excise and Customs (now CBIC) in 2013. The objective of the RMS is to strike an optimal balance between facilitation and enforcement and to promote a culture of compliance. The RMS in exports is a trade facilitation measure that allows low-risk consignments to be cleared based on self-assessment by the exporters, without any verification of self-assessment or examination by the Customs officers. However, exporters are still accountable for any misdeclaration, undervaluation, overvaluation, misclassification, or any other violation of the Customs Act, 1962 and other Allied Acts and may face penal action as per the provisions of the relevant Acts.

6. In the instant case, the exporter has filed Shipping bill bearing No. 5867835 dated 09.11.2021, under Scheme- Drawback & RoSCTL (Scheme Code-60). However, the exporter, vide their letter dated 19.02.2024, has requested for conversion from Scheme- Drawback (Scheme Code-19) to Scheme- Drawback & EPCG (Scheme code-43), which appears to be an oversight, the correct scheme code under which the Shipping bill is filed in 60 i.e. Drawback and RoSCTL. Had they declared their intention to Scheme- Drawback & EPCG (Scheme code-43), the treatment of the shipping bill in RMS and examination of the documents as well as the goods would have been different. Now, the issue to be decided is whether the exporter is eligible for amendment sought by them for conversion of said shipping bill for which Let Export Order was granted on 10.11.2021, from Scheme- Drawback & RoSCTL (Scheme Code-60) to Scheme- Drawback & EPCG (Scheme code-43).

7. Conversion of shipping bill is governed by Section 149 of the Customs Act, 1962. In the instant case, the said shipping bill was filed on 21.03.2023. Therefore, Section 149 of the Customs Act with effect from 01.08.2019 is reproduced as under:

Section 149. Amendment of documents- Save as otherwise provided in section 30 and 41, the proper officer may, in his discretion, authorise any document, after it has been presented in the custom house to be amended in such form and manner, within such time, subject to such restrictions and conditions, as may be prescribed:

Provided that no amendment of a bill of entry or a shipping bill or bill of export shall be so authorized to be amended after the imported goods have been cleared for home consumption or deposited in a warehouse, or the export goods have been exported, except on the basis of documentary evidence which was in existence at the time the goods were cleared, deposited or exported, as the case may be"

8. I find that Export Entry (Post export conversion in relation to instrument based scheme) Regulations, 2025 have been notified vide Notification No. 21/2025-Customs

(N.T.) dated 03.04.2025. The regulation defines 'conversion' in sub-regulation (1)(b) to Regulation 2 of the Regulations as -

"(b) "conversion" means amendment of the declaration made in the export entry to any one or more instrument based scheme, after the export goods have been exported

8.1 Further, export entry is defined in Sub-regulation (1)(c) to Regulation 2, which is as follows-

"(c) export entry" means entry relating to export as defined in clause (16) of section 2 of the Act and includes an entry made in the Shipping Bills or Bills of Exports under Section 50 or entries made for goods to be exported by post or courier under Section 84 of the Act;

8.2 Further instrument based scheme is defined in Sub-regulation (1)(d) to Regulation 2, which is as follows-

(d) "instrument based scheme" means a scheme involving utilisation of instrument referred to in explanation 1 to sub-section (1) of section 28AAA of the Act;

8.3 Sub-regulation (2) of Regulation 3 provides that:

(2) Where an export entry is filed before the 22nd February, 2022, the period of one year specified under sub-regulation (1) shall be reckoned from the date on which these regulations have come into force.

8.4 Further Sub-regulation (e) to Regulation 4 reads as:

"(e) The export entry of which the conversion is sought is one that has been filed in relation to instrument based scheme, or under drawback or for fulfilment of any export obligation or combination thereof."

8.5 Explanation 1 of the Section 28AAA of the Customs Act, 1962 defines instrument based scheme as-

Explanation 1 : For the purpose of this sub-section, "instrument" means any scrip or authorization or license or certificate or such other document, by whatever name called, issued under the Foreign Trade (Development and Regulation) Act, 1992 with respect to a reward or incentive scheme or duty exemption scheme or duty remission scheme or such other scheme bestowing financial or fiscal benefits, which may be utilized under the provisions of this act or the rules made on notifications issued thereunder".

8.6 From the above provisions it emerges that for export entries filed prior to 22.02.2022, the request for conversion shall be determined under the Export Entry (Post Export Conversion in relation to Instrument Based Scheme) Regulations, 2025 and the time limit of one year shall be from the date on which these Regulations have come into force i.e., 03.04.2025. A conjoint reading of these provisions indicates that the regulations apply only to such shipping bills which were filed in relation to instrument based scheme, or under drawback or for fulfilment of any export obligation or combination thereof and the request for amendment in the shipping bill is for conversion to any other or one or more instrument-based scheme. Further, as per Explanation 1 of section 28AAA of the Customs Act, 1962, instrument-based scheme includes Advance License, EPCG, RoDTEP, RoSCTL etc.

8.7 In the instant case, conversion is sought from Drawback & RoSCTL to Drawback and EPCG. Thus, I find that the Export Entry Regulations, 2025 are applicable to the instant case.

9. Regulations 3 and 4 of the Export Entry (Post export conversion in relation to instrument based scheme) Regulations, 2025 prescribe the manner and time for applying for conversion and the conditions and restrictions for conversion respectively. These are reproduced below.

3. Manner and time limit for applying for post export conversion of export entry.

(1) The application for conversion shall be filled by an exporter in writing within one year from the date of clearance of goods under sub-section (1) of section 51 or section 69 of the Act or from the date of entry made under section 84 of the Act, as the case may be:

Provided that the jurisdictional Commissioner of Customs may, for the reasons to be recorded in writing, extend the time limit not exceeding six months, if it is satisfied that the circumstances were such which prevented the exporter from filing an application within the period specified under sub-regulation (1):

Provided further that the jurisdictional Chief Commissioner of Customs may, for the reasons to be recorded in writing, extend the time limit not exceeding six months, if it is satisfied that the circumstances were such which prevented the exporter from filing an application for a period exceeding one year and six months.

(2) Where an export entry is filed before the 22nd February, 2022, the period of one year specified under sub-regulation (1) shall be reckoned from the date on which these regulations have come into force.

(3) Where filing of an application under sub-regulation (1) was prevented due to stay or an injunction passed by any court or tribunal, then, in computing the period specified therein, the period of continuance of the stay or order, the day on which it was issued or made, and the day on which it was withdrawn, shall be excluded.

(4) The jurisdictional Commissioner of Customs, may, in his discretion, authorise the conversion of export entry, subject to the following, namely: -

- (a) on the basis of documentary evidence, which was in existence at the time the goods were exported;
- (b) subject to conditions and restrictions for conversion provided in regulation 4;
- (c) on payment of a fee in accordance with Levy of fees (Customs Documents) Regulations, 1970.

(5) Subject to the provision of sub-regulation (1), the jurisdictional Commissioner of Customs shall, where it is possible so to do, decide every application for conversion within a period of thirty days from the date on which it is filed.

Regulation 4. Conditions and restrictions for conversion of Shipping Bill. - (1) The conversion of shipping bill and bill of export shall be subject to the following conditions and restrictions, namely: -

- (a) fulfilment of all conditions of the instrument-based scheme to which conversion is being sought;
- (b) the exporter has not availed or has reversed the availed benefit of the instrument-based scheme from which conversion is being sought or reversed the amount of drawback or any other benefit, in case drawback or such scheme is not admissible in the scheme to which conversion is being sought, as the case may be;
- (c) no condition, specified in any regulation or notification, relating to presentation of shipping bill or bill of export in the Customs Automated System, has not been complied with;

(d) no contravention has been noticed or investigation initiated against the exporter under the Act or any other law, for the time being in force, in respect of such exports;

(e) the export entry of which the conversion is sought is one that had been filed in relation to instrument based scheme, or under drawback or for fulfilment of any export obligation or combination thereof.

10. Considering the fact that the said Shipping Bills were granted LEO prior to 22.02.2022, a conjoint reading of Section 149 of the Customs Act, 1962 and the Export Entry (Post export conversion in relation to instrument based scheme) Regulations, 2025, provides for the following criteria for conversion of shipping bills-

- A. The application for conversion shall be filed in writing within a period of one year from the date of order for clearance of goods. Further, in the case where export entry is filed before the 22nd February, 2022, the period of one year shall be reckoned from the date on which these regulations have come into force.
- B. Conversion of the shipping bill may be authroised on the basis of documentary evidence, which was in existence at the time the goods were exported,
- C. On payment of a fee in accordance with Levy of fees (Customs Documents) Regulations, 1970, as amended,
- D. All conditions of the instrument-based scheme to which conversion is being sought should be fulfilled,
- E. Exporter has not availed of benefit of the instrument-based scheme from which conversion is being sought,
- F. All conditions relating to shipping bill have been complied with,
- G. No contravention noticed against the shipping bill,
- H. Shipping bill Conversion shall be allowed from one instrument-based scheme, or drawback to another instrument-based scheme.

10.1 I proceed to examine the present case in terms of each of the above criteria;

A. The application for conversion shall be filed in writing within a period of one year from the date of order for clearance of goods and where an export entry is filed prior to 22nd February, 2022, the period of one year specified under sub-regulation (1) shall be reckoned from the date on which these regulations have come into force:

As discussed above, I find that the issue related to the time limit has already been regularised in the Export Entry Regulations 2025. In the instant case, since the export entry in respect of the Shipping bills mentioned in Table-I above is prior to 22.02.2022 and the application is being considered within the period of one year from the date on which the Export Entry Regulations, 2025 have come into force, i.e., 03.04.2025, the application is well within the prescribed time limit in terms of Regulation 3(2) of the said Regulations.

B. Conversion of the shipping bill may be authroised on the basis of documentary evidence, which was in existence at the time the goods were exporter:

(a) From the plain reading of Section 149 of the Customs Act, 1962, it may be seen that the exporter cannot be allowed to claim amendment by way of conversion in a routine and as a matter of right. Depending on the conversion sought, the physical verification and examination of goods in addition to verification of documents is required to be done as the conversion can change the entire nature and character of the shipping bill. Needless to mention that it is now well-settled that conversion from one scheme to

another is not an amendment simpliciter. It is therefore necessary that the request for conversion needs to be examined carefully on case-to-case basis solely on merit.

(b) The exporter's request for conversion of the impugned Shipping Bill from Scheme- Drawback & RoSCTL (Scheme code- 60) to Scheme- Drawback & EPCG (Scheme code- 43). The Customs' Risk Management System ('RMS') provides Assessment/Examination instructions based on the risk profile of the consignment such as Port or Country of discharge/ Nature of goods/ Export incentives/Scheme Chosen/Profiles of the Exporters/ Alerts inserted against IEC etc. declared in the Shipping Bills. As the exporter did not declare the scheme – Drawback along with EPCG (Scheme Code: 43) – in the shipping bill, it is likely that the examination order and related parameters such as the Capital goods, import and export serial numbers and technical characteristics, might have differed. This is because the nature and extent of the export promotion scheme declared, can influence the level of assessment and examination, including the necessity for physical verification of the goods.

(c) In this regard, I observe that the Shipping Bill and Bill of Exports (Forms) Regulations, 2017 requires the exporter to declare the correct scheme code under which export is being made while filing the Shipping Bills. Filing the correct scheme code is important because it helps the government to monitor the export promotion schemes and to ensure that the benefits are being availed by the eligible exporters only. Additionally, it is the exporter's responsibility to declare the correct scheme code during the filing of shipping bill. However, the exporter has failed to furnish the following requisite information as required as per the regulation cited supra:

A. EPCG Scheme [Scheme Code]:				
Item Sl. No. in the shipping Bill	Whether the Export is third party Export	IEC [GSTIN/UIN/PAN etc.] of manufacturer in case of 'third Party Export'	Authorization No. and Date	Sl. No. of Export item as per the Export Item list in the Authorization

(d) Further, on detailed scrutiny of documents uploaded against the above-mentioned Shipping Bills on e-Sanchit, it is evident that the exporter has nowhere mentioned or shown their intention that the consignment was covered under EPCG Licence. A snapshot of the Invoice uploaded vide IRN No. 2021110800077606 is being reproduced for ready reference: -

RR Hastkala Udyog Pvt. Ltd. <small>U. PIN Sector - 65, Noida, U.P. - 201301, INDIA Contact No. : +91 120 4283677, +91 120 4283699, +91 9810270667</small>										
GSTIN : 09AABCR7924E2ZV						IEC No. : 0506016498				
INVOICE										
Invoice No. : RR-055/21		Transport Mode : BY SEA		Invoice Date : 29 Oct 21		Vehicle No. :		Date Of Supply :		
Reverse Charge : Y/N : NO		State : UTTAR PRADESH		Place Of Supply : GREECE						
Bill to Party					BANK DETAILS					
AKA PAK AND PULL LTD, P VAT No. : 801465542 3380KRATON STR 10552 ATHENS GREECE TEL: 0030 210 7221345					NEW BANK DETAILS AXIS BANK LTD. S/C FOR 62, GRD FLR OFFICE NO. 1 TOWER A, LDCE-05, PLOT NO. A-41, SECTOR-62, U.P.- 201301, INDIA (SWIFT: AXISINBB723) Beneficiary: RR HASTKALA UDYOG PVT. LTD. A/c. No. : 915020023583878					
Country : GREECE										
PORT OF LOADING : NHAVA SHEVA, INDIA					PORT OF DISCHARGE : PIRAEUS, GREECE					
TERMS: FOB PAYMENT: T/T BL COPY										
Sr. No.	Product Description	HSN Code	Qty	Rate EURO	Amount FOB	Discount	Taxable Value	IGST Rate	Amount	TOTAL
1	FL 100% COTTON WOVEN SHAWLS WITH 100% POLYESTER TERRA LINING SIZE 90X130 CM	62149090	2113	€3.73	€11,823.75		€11,823.75		€0.00	€11,823.75
2	FL 100% COTTON WOVEN SHAWLS WITH 100% POLYESTER TERRA LINING 90% MATCHING PVC COSMETIC POLYESTER SIZE 90X130 CM	62149090	4119	€5.00	€20,595.00		€20,595.00		€0.00	€20,595.00
<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> The exporter, RR Hastkala Udyog Pvt. Ltd. (INREN0506016498TC019) of the products covered by this document declares that, except where otherwise clearly indicated, the products are of INDIAN preferential origin according to rules of origin of the Generalized System of Preferences of the European Union and that the origin is free from doubt. </div> <div style="display: flex; justify-content: space-between;"> <div> Value FOB: € 32,418.75 IGST Amount: € 0.00 Total INR: ₹ 2,09,10,71.45 </div> <div></div> </div>										
Total					2132	€32,418.75	€0.00	€32,418.75	€0.00	€32,418.75
Total Invoice Amount in Words:						Total Amount Before Tax: € 32,418.75				
FOR EURO THREE THOUSAND AND SIXTY EIGHT SEVEN ONLY.						Add IGST 5%: € 0.00				
						Total Tax Amount: € 0.00				
						Total Amount After Tax: € 32,418.75				
						GST on Reverse Charge: € 0.00				
<div style="border: 1px solid black; padding: 2px;"> Bank Details Bank A/c. No. : 915020023583878 Bank IFSC : UTIB0000723 Total No. of Packages: CARTONS 283 Cases NET WEIGHT : 3209.790 Kgs GROSS WEIGHT : 3419.290 Kgs DIMENSION: 50x40x40 cm x 172 Cases 50x39x18 cm x 87 Cases 50x39x30 cm x 14 Cases Terms & conditions: PAYMENT TERMS: ADVANCE </div>						Supply Meant For Export on Payment Of integrated Tax (IGST)				
Common Seal						For RR Hastkala Udyog Pvt. Ltd. 				

(e) Further, on perusal of documents submitted by the exporter, it is evident that they were in possession of the EPCG Lic. No.-0530169067 dt. 01.12.2016 prior to the export of goods covered under the impugned Shipping bill and the description of the exported goods do not fully align with the description of goods to be exported as per the above-said EPCG Licence.

(f) Further, I find that by opting for Scheme-Drawback & RoSCTL (Scheme Code-60), the exporter has clearly shown their intention that they did not want to avail the benefit of EPCG Licence, although they were in possession of EPCG Authorisations. It is pertinent to mention that afterwards they cannot take the plea that it was because of an oversight error or inadvertent mistake that the Shipping bill was filed under a wrong scheme.

(g) Further, by filing the shipping bill under Scheme- Drawback & RoSCTL (Scheme Code-60), the exporter has failed to comply with the provisions of Section 149 of the Customs Act, 1962. The proviso to Section 149 reads as follows-

Provided that no amendment of a bill of entry or a shipping bill or bill of export shall be so authorized to be amended after the imported goods have been cleared for home consumption or deposited in a warehouse, or the export goods have been exported, except on the basis of documentary evidence which was in existence at the time the goods were cleared, deposited or exported, as the case may be"

[Emphasis supplied]

The exporter has cited Policy Circular No. 07/2002 dated 11.07.2002 in the submission dated 19.02.2024. However, it is for the DGFT to take a view on the said Circular and cannot be taken into account as far as amendment under section 149 is concerned.

(h) In this case, it is evident that, at the time of export, not only was there a complete absence of any supporting documentary evidence indicating that the exports were intended to be made under Drawback and EPCG scheme. The exporter's claim that the omission was merely due to an oversight cannot be relied upon. In view of the above facts and the documentary evidence available on record, the exporter has failed to establish a credible or convincing case that the exports were inadvertently made without claiming the benefits of EPCG Licence.

(i) It is also observed that, at this stage, it cannot be ensured whether the capital goods used in manufacturing are the same as those prescribed in the said Licence, or whether the final product was actually exported under the mentioned shipping bill. Therefore, the exporter's request for conversion of the shipping bill cannot be accepted, as such conversion requires physical verification and examination of goods in addition to document verification, as per RMS guidelines. Under the self-assessment regime, it is the exporter's responsibility to correctly declare the applicable export promotion scheme at the time of filing the shipping bill. In this case, the exporter, given the multiple opportunities available for verification prior to filing, failed to declare the relevant scheme code to which conversion is now being sought.

(j) Further, I rely upon the judgment of the Hon'ble High Court of Madras in the matter of Comm. of Cus. (Seaport-Export), Chennai Versus Suzlon Energy Ltd. (Civil Miscellaneous Appeal No. 2566 of 2012, decided on 14-3-2013) where the exporter requested for conversion of the Shipping Bills from Drawback and EPCG Scheme to EPCG, Drawback and DEEC Scheme, but the Commissioner of Customs, Seaport-Export, Chennai rejected their request for the same. Aggrieved by the said order, the exporter preferred to appeal before the Customs, Excise and Service Tax Appellate Tribunal (for short "CESTAT"). By the order dated 30-5-2011, the CESTAT allowed the request for conversion claimed by the exporter. Further, the department filed an appeal against the CESTAT Order in the Hon'ble High Court of Madras and the Hon'ble Court passed the following order: -

"18.A similar issue was considered by the Division Bench of Delhi High Court in the matter of M/s. Terra Films Pvt. Ltd. v. Commissioner of Customs [2011 (268) E.L.T. 443 (Del.)]. In the above decision, the Delhi High Court has considered the scope of Section 149 of Customs Act and found that the discretion vested in the Proper Officer to permit amendment in any document after the same has been presented in the Customs house has to be though exercised judicially, it was qualified with the proviso

that the amendment could be allowed only if it was based on the documentary evidence in existence at the time the goods were exported. It is further observed therein that the request was made for conversion from one Scheme to another is a case of request for conversion and not of an amendment inasmuch as by converting from one Scheme to another, it was not only addition of certain word, but change of entire status and character of the documents. Thus, the Delhi High Court observed that the Proper Officer may not be in a possession of the documents sought to be amended particularly, when the goods already stood exported. For enabling an exporter to draw the benefits of any scheme, not only physical verification of documents would be required, but also verification of the goods of export and their examination by the Customs was necessarily required to be done. By observing so, the Delhi High Court upheld the rejection of the request of the exporter seeking for conversion of the Shipping Bill from one Scheme to another.

19. We are in full agreement with the reasonings given by the Delhi High Court in the above said case and by following the said decision [2011 (268) E.L.T. 443 (Del.)], we find that the 1st Respondent's claim seeking conversion is not maintainable and the same has been rightly rejected by the Commissioner of Customs. The Tribunal has not gone into any of these aspect in detail, even though it happens to be a final fact finding authority. It has simply allowed the conversion by resorting to the provision under Section 149 of Customs Act as if, it is a simple request for amendment. Therefore, we find that the order passed by the Tribunal cannot be sustained and accordingly, the same is set aside and the appeal filed by the Department is allowed. The questions of law raised in the appeal are answered in favour of the Department. No costs".

C. On payment of a fee in accordance with Levy of fees (Customs Documents) Regulations, 1970, as amended:

The amendment, if approved, in this regard is to be carried out in ICES system as per the procedure laid down in Advisory No: 16/2025 dt. 25.03.2025 regarding Post EGM Amendment Module and the same is allowed only after payment of applicable amendment fees as prescribed under Levy of Fees (Customs Documents) Amendment Regulation, 2017.

D. All conditions of the instrument-based scheme to which conversion is being sought should be fulfilled,

As discussed in previous paras, the exporter requested for conversion of the said shipping bills into Scheme- Drawback & RoSCTL (Scheme Code- 60). I find that the EPCG Scheme (Export Promotion Capital Goods Scheme) is an export promotion initiative aimed at boosting Indian exports by allowing duty-free import of capital goods required for manufacturing export products. The DGFT (Directorate General of Foreign Trade) issues EPCG Licences to manufacturers and merchant exporters under the EPCG Scheme, enabling them to import capital goods at zero customs duty. The License holders are required to fulfill a specific export obligation within a stipulated time frame, ensuring that the duty-free inputs are used solely for manufacturing export products. In this regard, the Exporter has to file a declaration to the effect that what are the capital goods are used in the manufacture of the final product during filing a

Shipping bill. It is submitted that at the time of examination of goods, parameters related to EPCG given in the declaration will be verified. However, in the present case, on perusal of export documents i.e., Invoice & Packing List, etc. as uploaded on e-Sanchit, I find that the exporter has not filed any declaration to the effect that the capital goods which have been imported under the EPCG concerned were used in the manufacture of the final product. Hence, the exporter has not fulfilled all the conditions of the scheme to which he is seeking conversion. Hence, the exporter has failed to fulfill this condition.

E. Exporter has not availed of benefit of the instrument-based scheme from which conversion is being sought:

(a) The exporter has filed Shipping Bills, detailed in Table-I above under Scheme-Drawback (Scheme Code-19).

(b) It is evident from the Shipping Bills that the exporter has availed the benefit of Drawback & RoSCTL under which the goods were exported. I am of view that, since other conditions stipulated above have not been complied by the exporter, therefore this condition does not have much relevance in the subject matter. However, for the sake of examination of this condition, I further observe that exporter has neither provided any challans nor undertaken to reverse the already claimed export benefits.

F. All conditions relating to shipping bill have been complied with:

As discussed in the preceding paras, the exporter has to file a EPCG declaration to the effect that what are the Capital goods used in the manufacture of the final product during filing a shipping bill. In the present case, on perusal of export documents i.e., Invoice, packing list & Shipping bill submitted by the exporter as well as uploaded on e-Sanchit. I find that the exporter has not filed any declaration to the effect that the subject capital goods which have been imported under the concerned EPCG Licence, were used in the manufacture of the final product. Therefore, it was not verified since the shipping bill was not filed under the EPCG scheme and now the verification is not possible as the goods are not available. Therefore, the exporter did not fulfill this condition. The exporter has neither declared the details of any EPCG Licence in the said shipping bills, nor the exporter had made any declarations for claim of EPCG Licence in any of the export documents such as Commercial Invoice, Packing list or in any other declaration.

G. No contravention noticed against the shipping bill:

On perusal of the ICES 1.5 system (under the comment tab), I find that system has shown INDEL-4 Alert and the shipment was examined 5% as ordered by Shed Supdt. against the said shipping bill, and subsequently LEO was granted.

H. Conversion shall be allowed from one instrument-based scheme, or drawback to another instrument-based scheme:

The exporter has requested for conversion of the said shipping bill from Scheme-Drawback & ROSCTL (Scheme Code-60) to Scheme-Drawback & EPCG (Scheme Code-43) and as discussed in para 8.6 above, the said conversion falls under the ambit of the Export Entry (Post export conversion in relation to instrument based scheme) Regulations, 2025. Thus, I find that this condition is fulfilled in the present case.

11. In view of the above discussions, I hold that the application for conversion of shipping bill bearing no. 5867835 dated 09.11.2021 as detailed in Table-I above from Scheme-Drawback & RoSCTL (Scheme Code-60) to Scheme-Scheme- Drawback & EPCG (Scheme code-43), is liable for rejection. Accordingly, I pass the following order: -

ORDER

I reject the conversion of the shipping bill bearing no. 5867835 dated 09.11.2021 as detailed in Table-I above from Scheme-Drawback & RoSCTL (Scheme Code-60) to Scheme-- Drawback & EPCG (Scheme code-43).

Digitally signed by
Giridhar Gopalkrishna Pai
Date: 13-08-2025
17:20:29 (Giridhar G. Pai)
Commissioner of Customs, NS-II
JNCH, Nhava Sheva.

To:

M/s. R.R. Hastkala Udyog Private Limited
101, Sagardeep Building, LSC Saini Enclave, Delhi- 110092,

Copy to:

- I. The Chief Commissioner of Customs, JNCH, Nhava Sheva,
- II. Assistant Commissioner, CEAC, JNCH,
- III. EDI Section, for uploading on website
- IV. Office copy

V. Dy. / Asstt. Commr. of Customs, CAC, JNCH