

	<p>सीमाशुल्कआयुक्तकाकार्यालय, एनएस-II OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-II केंद्रीकृतनिर्यातमूल्यांकनप्रकोष्ठ, जवाहरलालनेहरूसीमाशुल्कभवन CENTRALIZED EXPORT ASSESSMENT CELL, JAWAHARLAL NEHRU CUSTOM HOUSE, न्हावाशेवा, तालुका -उरण, जिला-रायगढ़-४००७०७, महाराष्ट्र. NHAVA SHEVA, TALUKA-URAN, DIST.-RAIGAD - 400 707, MAHARASHTRA.</p>
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F. No.:CUS/228/2026-Adjudication Section-O/o Commissioner-Customs-Nhava Sheva-V
CUS/LIC/MEIS/20/2025-LIC

Date of Order:24-02-2026

Date of Issue: 24-02-2026

जारीकर्ता/Passed By: **Shri. Dr. Chittaranjan Prakash Wagh,**

Additional Commissioner of Customs, NS-II, JNCH

मूलआदेशसं./Order-In-Original No.:1674/2025-26/ADC/DBK/NS-II/CAC/JNCH

(Arising out of SCN No. 542/2025-26/ADC/LIC/NS-II/CAC/JNCH DATED 28.07.2025

निर्यातककानाम/Exporter's Name: **M/s. Neha Pharma Pvt. Ltd. (IEC 0394036174)**

मूल आदेश

- यह प्रति जिस व्यक्ति को जारी की जाती है , उसके उपयोग के लिए नि : शुल्क दी जाती है।
- 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 सीमाशुल्कआयुक्त (अपील), जवाहरलाल नेहरू सीमाशुल्क भवन, शेवा, ता. उरण, जिला - रायगढ़ -४००७०७, महाराष्ट्र 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 स्टॉप लगाया जायेगा और साथ में यह आदेश या इस की 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 स्टॉप भी लगाया जायेगा जैसा कि न्यायालय फीस अधिनियम 1870 की अनुसूची 1, मद 6 के अंतर्गत निर्धारित किया गया है।
- 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

- This copy is granted free of charge for the use of the person to whom it is issued.
- An appeal against this order lies with the Commissioner of Customs (Appeal), Jawaharlal Nehru Custom House, Nhava Sheva, Tal: 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 Annexure on the Customs (Appeal) Rules, 1982. The Appeal should bear a Court Fee stamp of Rs.1.50 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. 1.50 only as prescribed under Schedule 1, item 6 of the Court Fee Act, 1970.

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.

Sub: Adjudication of Show Cause Notice No. 542/2025-26/AC/LIC/NS-II/CAC/JNCH dtd. 28.07.2025 issued to M/s. Neha Pharma Pvt. Ltd. (IEC 0394036174).

BRIEF FACT OF THE CASE

An Alert Circular No. 07/2021 dated 26.07.2021 was issued by NCTC on the above-mentioned subject wherein NCT has observed that some of the Exporters have availed wrong MEIS benefit @3% of FOB value by mis-classifying the goods under CTH 29420090 instead of correct CTH 2901 to 2941 where MEIS benefit was @2% of FOB value. Accordingly, an Audit was conducted to verify correct CTH of respective goods and found that **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174), having address at Godown No. 10, Bldg. No. G-2, Ground Floor, Jai Bhagwan Complex, Purna Village, Bhiwandi, Maharashtra-421302 (hereinafter referred to as the "Exporter")** was engaged in the export of goods declared as "**Diphenhydramine HCL**" (hereinafter referred to as 'the said goods'), classifying the goods under CTH 29420090 of the first schedule of the Customs Tariff Act, 1975 which covers "Other organic compounds; other;" and claimed MEIS benefit @ 3% of FOB value.

2. During the post clearance audit, export data of the exporter were scrutinized and it was noticed that the exporter had filed Shipping Bills as mentioned in Annexure-A to this notice and exported the goods "Diphenhydramine HCL" classifying the goods under CTH 29420090. However, the said goods appear to be correctly classifiable under CTH 29221990.

For ease of reference, the relevant headings, are reproduced below:

Sr. No.	CTH	Description of the goods as per fist Schedule to the Customs Tariff Act, 1975.
1	29420090	Other Organic Compound (Not Classified Elsewhere); Other; Other;
2	29221990	Oxygen-function amino-compounds. –Amino-acids, other than those containing more than one kind of oxygen function, and their esters; salts thereof

3. **Classification of the exported goods:** For better understanding of the above tariff headings, explanatory notes to the relevant chapter heading are provided as under.

A) Custom Tariff Heading 2942 is reproduced as under:

2942 Other Organic Compound (Not classified elsewhere)

This heading covers separate chemically defined organic compounds not classified elsewhere.

(1) Ketenes*. Like ketones, these are characterized by a carbonyl group C=O but it is linked to the neighboring carbon atom by a double bond (eg, ketene, diphenyl ketene). This heading however excludes diketene which is a lactone of heading 29.32.

(2) Boron trifluoride complexes with acetic acid, diethyl ether or phenol".

(3) Di thymol di-iodide.

294200 - Other organic compound:

--- Cefadroxil & its salts, Ibuprofen, Diazepam, Nifedipine, Ranitidine, Danes salt of D (-) Phenyl Glycine, D(- para hydroxyl Dane's Salts:

29420090—Other

B) Custom Tariff Heading 2922 is reproduced as under:

29.22-Oxygen-function amino-compounds. -Amino-acids, other containing more than one kind of oxygen function, and their esters; salts thereof:

2922.11 -- Monoethanolamine and its salts

2922.12 -- Diethanolamine and its salts

2922.14 - Dextropropoxyphene (INN) and its salts

2922.15 -- Triethanolamine

2922.16 - Diethanolammonim perfluorooctane sulphonate

2922.17 - Methyl-diethanolamine and ethyl-diethanolamine

2922.18 -- 2-(N,N-Diisopropylamino)ethanol

2922.19 -- Other

2922.41 -- Lysine and its esters; salts thereof

2922.42 -- Glutamic acid and its salts

2922.43 -- Anthranilic acid and its salts

2922.44 - Tilidine (INN) and its salts

2922.49 – Other

Diphenhydramine HCL (29221990) -Diphenhydramine hydrochloride is a type of organic compound known as an amino alcohol, and it is often referred to as "histamine HI antagonist" or "antihistamine." While it contains an amino alcohol functional group an amino group and an alcohol group. Diphenhydramine contains an amine (NH₂) group and an alcohol (OH) group in its chemical structure, which classifies it as an amino alcohol Diphenhydramine hydrochloride is the hydrochloride salt of diphenhydramine. This means that it includes a chloride ion (Cl⁻) from hydrochloric acid (HCl) The addition of the hydrochloride salt is often done to improve solubility and stability for pharmaceutical use. It belongs to the class of compounds known as ethanolamine. Specifically, it is an ethanolamine derivative Chemical formula of this item is C₁₇H₂₂ClNO. This formula represents the composition of the compound, including the number and types of atoms in its structure it also contains an oxygen function as a part of its structure, specifically in the alcohol group. Accordingly, the same appeared to be correctly classifiable under CTH 29221990.

Further, from above it is evident that only those organic compounds which are not specified elsewhere can be classified under heading 2942. In the present case, as per chapter notes as

discussed supra, the exported items, i.e. "Diphenhydramine HCL" would be out of the scope of Tariff Heading 2942 as claimed by the exporter and appeared to correctly classifiable under CTH 29221990 which attracts MEIS @ 2% instead of 3% as claimed by the exporter.

4. EXPORT INCENTIVES UNDER DUTY CREDIT SCRIPS-MERCHANDISE EXPORTS FROM INDIA SCHEME (MEIS): -

4.1 In terms of Chapter 3 of the Foreign Trade Policy (FTP) 2015-2020 exporters are issued duty credit scrips under two schemes for exports of Merchandise and Services namely (i) Merchandise Exports from India Scheme (MEIS) & (ii) Service Exports from India Scheme (SEIS) with an objective to provide rewards to the exporter to offset infrastructural inefficiencies and associated costs involved in export of goods/ products, which are produced/ manufactured in India, especially those having high export intensity, employment potential and thereby enhancing India's export competitiveness.

4.2 The Merchandise Exports from India Scheme (MEIS) provides benefits to exports of notified goods with the ITC (HS) code made to the notified markets, listed under Appendix 3B of the Hand book of Procedures (HBoP) in the form of Duty Credit Scrips. Appendix 3B also lists the rates) of rewards on various notified products [ITC (HS) code wise]. The basis of calculation of reward would be FOB value of exports realized in free foreign exchange, or on FOB value of exports as given in the Shipping Bills in free foreign exchange, whichever is less, unless otherwise specified.

4.3 Directorate General of Foreign Trade (DGFT, Ministry of Commerce vide Public Notice No. 61/2015-20 dated 07.03.2017 re-notifies the MEIS Schedule Appendix 3B (Table-2) harmonizing MEIS Schedule with ITC(HS), 2017. The MEIS entitlement as per Public Notice No. 61/2015-20 dated 07.03.2017 as amended, on the products classifiable under relevant HS Codes as per Table-2 is as under:

Table-2

Sr. No.	ITC (HS) Code 2017 (Eight Digit)	Description of goods as per ITC(HS) 2017	MEIS Sr. No.	MEIS Reward rate in (%)
1	29420090	Other	1633	3%
2	29221990	Other	1399	2%

5. On introduction of self-assessment vide Finance Act, 2011; it is the onus on the Exporter to make true and correct declaration in all aspects like classification, valuation, including calculation of duty & claim of Customs incentive/ benefit, etc. Further, as per provisions of section 50(2) of the Customs Act, 1962, 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. As per substantive provisions of section 50(3) of the Customs Act, 1962, 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 restrictions or prohibition, if any, relating to,

The goods under this Act or under any other law for the time being in force.

6. However, it appeared in the instant case that the Exporter has not fulfilled the statutory obligation of correct and truthful declaration of the material facts of the exports document i.e. shipping bills, wherein the Exporter appeared to have mis-classified the goods with an intention to claim higher export benefits in form of the MEIS as explained above. Thus, by misclassifying the goods, undue MEIS benefits amounting to **Rs. 31,587/- (Rupees Thirty-One Thousand Five Hundred and Eighty-Seven Only)** appeared to have been wrongly claimed by the Exporter.

7. Therefore, in terms of the provisions of Section 28(4) the Exporter was advised to pay the undue MEIS benefit amounting to **Rs. 31,587/- (Rupees Thirty-One Thousand Five Hundred and Eighty-Seven Only)** along with interest and penalty as detailed in Annexure-A of C.L. No. 191/2023-24 /JNCH (AI) dt.03.05.2023. However, the Exporter has not paid the differential duty along with interest and penalty till date.

8. **WILLFUL MIS-DECLARATION & SUPPRESSION OF FACT:** - It appeared that in the instant case the exporter has given a declaration under section 50(2) of the Customs Act, 1962 for the truthfulness of the content submitted at the time of filing Shipping bills. However, the exporter has not correctly classified the exported goods and therefore wrong MEIS benefit @ 3% instead of applicable MEIS @2% of FOB value on the subject goods was claimed by the exporter. Hence, it appeared that the Exporter has submitted a false declaration under section 50(2) of the Customs Act, 1962 which amounts to willful mis-declaration. Further, it appeared that the Exporter had suppressed the facts of applicability of Correct MEIS benefit @2% while claiming MEIS benefit from DGFT and intentionally claimed undue MEIS benefit on the goods exported vide Shipping bills as mentioned in Annexure-A. This act of exporter appeared to have accrued monetary benefit to the them. Therefore, it appeared that the Exporter has willfully mis-stated, misrepresented and suppressed the facts with an intention to gain undue MEIS benefit. As the Exporter got the undue monetary benefit, due to the said act of misclassification of the subject exported goods, it appeared that the same was done deliberately by misclassification of the said goods in the above said Shipping bills during self-assessment which amounts to willful mis-declaration.

VIOLATION OF VARIOUS LEGAL PROVISIONS OF CUSTOMS ACT, 1962 BY M/s NEHA PHARMA PVT. LTD. (IEC-0394036174):-

9. From the Chapter notes, chapter headings and reasons as elaborated in foregoing paras, it appeared that the Exporter has willfully mis-stated the classifications of the subject goods exported by them and suppressed the actual classification in their export documents filed before the Customs authorities as well as DFT with an intent to avail undue benefit of MEIS scheme and therefore the MEIS scrips obtained by them on the basis of such manipulated documents becomes invalid and it can be termed that they were obtained fraudulently. It appeared that the Exporter by resorting to such acts have contravened various provisions of Customs Act, 1962.

10. Vide Finance Act, 2011 with effect from 08.04.2011 "Self-Assessment" has been introduced under the Customs Act, 1962. Section 17 of the said Act provides for self-assessment of duty on import and export goods by the importer or the exporter by filing a bill of entry or shipping bill as the case may be, in the electronic form, as per Section 46 or 50 respectively. Thus, under self-assessment, it is the importer or exporter who will ensure that he declares the correct classification, applicable rate of duty, value, benefit of exemption notification claimed, if any, in respect of the imported/exported goods while presenting Bill of Entry or Shipping Bill. In the present case, the Exporter have deliberately contravened the above said provisions with an intention to wrongfully avail excess MEIS benefit fraudulently, which were legitimately due to them.

11. From the facts discussed in the foregoing paras, it appeared that the Exporter had misclassified the subject goods "**Diphenhydramine HCL**" under CTH 29420090 instead of correct CTH 29221990. Accordingly, it appeared that the Exporter had deliberately claimed wrong classification with intent to fraudulently avail the benefit of MEIS at higher rate of 3% instead of 2% of FOB value. Further, the undue benefits of MEIS availed and utilized by mis-classifying the said exported goods is required to be denied.

12. It further appeared that **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174)** presented a large number of shipping bills before DGFT to obtain MEIS License/Scripts. The duty credit/granted on such MEIS License/Scripts includes MEIS credit earned on correctly classifiable goods at appropriate eligible rates. However, it appeared that **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174)** has deliberately mis-classified the export goods under CTH 29420090 in shipping bills having **FOB value of Rs. 31,58,713/- (Rupees Thirty-One Lakh Fifty-Eight Thousand Seven Hundred and Thirteen Only)** during the calendar year 2019 and 2020, as detailed in Annexure-B to this notice, to claim and avail undue MEIS benefits which were not due to them. **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174)** thus claimed undue export benefit in terms of MEIS through impugned Shipping Bills for **Rs. 31,587/- (Rupees Thirty-One Thousand Five-Hundred and Eighty-Seven Only)** as enumerated in Annexure-B to this notice. The amount of **Rs. 31,587/- (Rupees Thirty-One Thousand Five Hundred and Eighty-Seven Only)** appeared to be recoverable as per section 28(4) and/or 28AAA of the Customs Act, 1962, as applicable.

13. **CULPABILITY AND LIABILITY OF NOTICEES:-**

Whereas the audit conducted, as discussed in the foregoing paras, revealed that the Exporter by way of willful mis-statement, mis-representation and suppression of facts as regards the classification of goods, presented the subject goods for export before the designated authority of Customs with intent to fraudulently avail benefit of MEIS. The Exporter has violated the provisions of Section 17 and 50 of the Customs Act, 1962 which was their duty to comply with.

In view of the above, it, therefore, appeared that the Exporter have indulged in fraudulent export of goods by mis-declaring the actual classification of goods so exported, which squarely falls

within the ambit of 'illegal export' as defined in section 11H(a) of the Customs Act, 1962 in as much as the same was in contravention of various provisions of Customs Act, 1962, Foreign Trade (Development and Regulation) Act, 1992, Foreign Trade (Regulation) Rules 1993 and Foreign Trade Policy.

14. Whereas Rule 14(2) of Foreign Trade (Regulation) Rules, 1993 prohibits employing of any corrupt or fraudulent practice for the purpose of exporting any goods for obtaining any license.

Further, the said goods are liable for confiscation in terms of Section 113(i) of the Customs Act, 1962 as the same were exported by mis declaring the classification. The above-mentioned acts of commission and omission on the part of the Exporter have rendered the goods exported by resorting to mis declaration in terms of classification of goods, liable for confiscation under the provisions of Section 113 (i) of the Customs Act, 1962. The above-mentioned acts of commission and omission on the part of the Exporter have rendered various goods exported by resorting to mis-declaration in terms of classification of goods, with declared FOB value of **Rs. 31,58,713/-(Rupees Thirty-One Lakh Fifty-Eight Thousand Seven Hundred and Thirteen Only)** as detailed in Annexure-A to this notice, liable for confiscation under the provisions of Section 113 (i) of the Customs Act, 1962.

15. By misclassifying the goods with an intention to avail wrongful/ ineligible/ undue MEIS benefit, the Exporter has violated the provisions of Customs Act and have rendered the goods liable for confiscation under the provisions of Section 113(i) of the Customs Act, 1962. Further, all the above-mentioned acts of commission and omission on the part of the Exporter have rendered them liable for penal action under Section 114(iii), 114AA & 114AB of the Customs Act, 1962 with respect to the goods exported by mis-declaring the classification.

16. It is evident that MEIS benefit, covered by Customs Notification No.24/2015- Customs dated 08/4/2015, as amended, is a custom duty exemption by way of debit through MEIS Scrips. The power to exempt would include within its ambit the power to demand duty in the event such exemption is wrongly claimed/mis-used. Since the MEIS Scrips/Licenses, have been obtained by **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174)** by mis- classification of the export goods as discussed in the foregoing paras, are therefore liable for suspension/ cancellation/ restriction. Hence, the exemptions claimed by the importers are not admissible and duty at the appropriate rate is leviable on the imports to the extent of duty credit denied and same is required to be recovered from **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174)**.

17. Now, therefore, in exercise of the powers conferred by Section 124 read with Section 28(4) and Section 28AAA of the Customs Act, 1962, **that M/s Neha Pharma Pvt. Ltd (IEC-0394036174), having address at Godown No. 10, Bldg. No. G-2, Ground Floor, Jai Bhagwan Complex, Purna Village, Bhiwandi, Maharashtra-421302 is hereby called upon to show cause in writing to the Additional Commissioner of Customs, License Section, NS-II, Jawaharlal Nehru Customs House, Nhava-Sheva, Dist.-Raigad within 30 (Thirty) days of**

receipt of this notice, as to why:-

- (i) The declared classification of the subject goods "**Diphenhydramine HCL**" as mentioned in the shipping bills under CTH 29420090 should not be rejected and the subject goods should not be re-classified under CTH 29221990 of the first schedule to the Customs Tariff Act, 1975 and the said shipping bills should not be re-assessed.
- (ii) The exported goods, having total declared **FOB value of Rs. 31,58,713/-(Rupees Thirty-One Lakh Fifty-Eight Thousand Seven Hundred and Thirteen Only)** (as detailed in Annexure-A), should not be held liable to confiscation under Section 113 (i) of Customs Act, 1962 although the same are not available for confiscation;
- (iii) Export benefit availed by the Exporter in terms of MEIS through shipping bills as detailed in Annexure-A for **Rs. 31,587/- (Rupees Thirty-One Thousand Five Hundred and Eighty-Seven Only)** should not be recovered as per Section 28(4) read with Section 28AAA, of the Customs Act, 1962 along with interest as applicable thereon under Section 28AA of the Customs Act, 1962.
- (iv) Penalty should not be imposed upon them under the provisions of Sections 114 (iii), 114AA & 114AB of the Customs Act, 1962.

RECORD OF PERSONAL HEARING

18. In accordance with the principles of natural justice, a letter was issued to the Exporter requesting their appearance before the Adjudicating Authority for a personal hearing scheduled on 03.02.2026 and 19.02.2026. No one appeared on the scheduled date. However, exporter vide e-mail dated 19.02.2026 enclosing therewith letter dated 30.08.2025 informing that that they had deposited the excess claimed MEIS amount Rs. 31,587/-, along with Rs. 23,183/- (interest @ 15% up to 31.08.2025) and Rs. 8,215.88/- (15% Penalty) through an e-payment having Transaction reference no. No. 008000DIINNSA10339511660299962 dated 30.08.2025. They also requested to close the demand.

DISCUSSION AND FINDINGS

19. I have carefully examined the records of the case, including the Show Cause Notice dated 28.07.2025 and the communication received from the Exporter vide e-mail dated 19.02.2026 enclosing letter dated 30.08.2025. I find that opportunities for personal hearing were granted on 03.02.2026 and 19.02.2026; however, no one appeared on the scheduled dates. Instead, the Exporter informed that they had deposited the excess MEIS amount of Rs. 31,587/- along with interest of Rs. 23,183/- (@15% up to 31.08.2025) and penalty of Rs. 8,215.88/- vide e-payment dated 30.08.2025, and requested closure of the demand.

From the said submission, it is evident that the Exporter has not contested the allegations and has voluntarily discharged the quantified liability. However, since the Show Cause Notice had already been issued under Section 28(4) of the Customs Act, 1962, the proceedings are required to be adjudicated in terms of law. As sufficient opportunity of hearing has been granted and the

principles of natural justice stand complied with, I proceed to decide the case on the basis of the records available.

20. I find that the SCN dated 28.07.2025 was delivered to Noticee on 08.08.2025 as per India Post Website. Further, I find that the Exporter had already paid **total Rs. 62,986/- consisting of duty demanded of Rs. 31,587/-, interest of Rs. 23,183/- (@15% up to 31.08.2025) and penalty of Rs. 8,215.88/- (@ 15%) vide E-Challan No. 3700447447 dated 30.08.2025 within 30 days of receipt of the said SCN dated 28.07.2025.** Further, the said challan has been verified from Icegate website.

21. I find that 28(6) of the Customs Act, 1962, reads as under:

Section 28(6): *“Where the importer or the exporter or the agent or the employee of the importer or the exporter, as the case may be, has paid duty with interest and penalty under sub-section (5), the proper officer shall determine the amount of duty or interest and on determination, if the proper officer is of the opinion-*

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

(ii) ...

21.1 Further, as per section 28(5) of the Customs Act, 1962, the noticee may pay the duty in full or in part, as may be accepted by him, along with interest under section 28AA and penalty equal to 15% of the duty specified in the notice, within 30 days of the receipt of the notice. Exporter had already paid **total Rs. 62,986/- consisting of duty demanded of Rs. 31,587/-, interest of Rs. 23,183/- (@15% up to 31.08.2025) and penalty of Rs. 8,215.88/- (@ 15%) vide E-Challan No. 3700447447 dated 30.08.2025 within 30 days of receipt of the said SCN dated 28.07.2025.** Further, the said challan has been verified from Icegate website.

21.2 I find that the Noticee had paid the Differential MEIS amount of Exporter had already paid **total Rs. 62,986/- consisting of duty demanded of Rs. 31,587/-, interest of Rs. 23,183/- (@15% up to 31.08.2025) and penalty of Rs. 8,215.88/- (@ 15%) vide E-Challan No. 3700447447 dated 30.08.2025 within 30 days of receipt of the said SCN dated 28.07.2025.** Further, the said challan has been verified from Icegate website. Hence, I hold that the proviso of Section 28(6) of the Customs Act, 1962 is squarely applicable in the instant matter and the matter shall be deemed as concluded.

22. I find that the SCN proposes for confiscation of the impugned goods under section 113(i) of the Customs Act, 1962. In this regard, from the facts discussed in the SCN and case records, it is established that the noticee had mis-classified their export goods and availed inadmissible MEIS benefits. Therefore, I hold that the impugned good are liable to confiscation under section 113(i) of the Customs Act, 1962.

23. However, with regard to imposition of redemption fine under section 125 of the Customs Act, 1962, I have gone through Section 125, of the Customs Act which provides for option to pay fine in lieu of confiscation Section 125 of Customs Act reads as-

Whenever confiscation of any goods is authorised by this Act, the officer adjudging it may, in the case of any goods, the importation or exportation whereof is prohibited under this Act or under any other law for the time being in force, and shall, in the case of any other goods, give to the owner of the goods [or, where such owner is not known, the person from whose possession or custody, such goods have been seized,] an option to pay in lieu of confiscation such fine as the said officer thinks fit:

Provided that where the proceedings are deemed to be concluded under proviso to sub-section (2) of section 28 or under clause (i) of sub-section (6) of that section in respect of goods which are not prohibited or restricted, no such fine shall be imposed.

24. Since the matter is being concluded in terms of sub-section (6) of section 28 of the Customs Act, 1962, I find that the law provides that no fine, in lieu of confiscation of the goods, is imposable under section 125 of the Customs Act, 1962.

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

ORDER

(i) I order conclusion of the proceeding in respect of the subject Show Cause Notice No. 542/2025-26/ADC/LIC/NS-II/CAC/JNCH dated 28.07.2025 against **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174)**, in terms of sub section (6) of section 28 of the Customs Act 1962.

(ii) I order to appropriate recovery made by way of voluntary payment by **M/s Neha Pharma Pvt. Ltd. (IEC-0394036174)**, against the duty, interest and penalty.

26. This order is issued without prejudice to any other action that may be taken against the noticee(s) or against any other person(s)/ Entities concerned, under the Customs Act, 1962, and/or under any other law for the time being in force in India.

(Dr. Chittaranjan Prakash Wagh)

Addl. Commissioner of Customs
NS-II, JNCH, Nhava Sheva.

To,

**M/s Neha Pharma Pvt. Ltd. (IEC-0394036174), Godown No. 10, Bldg. No. G-2,
Ground Floor, Jai Bhagwan Complex, Purna Village, Bhiwandi, Maharashtra-421302.**

Copy to :

1. The Commissioner of Customs, NS-II, JNCH, Zone-II.
2. The Addl. Director General of Foreign Trade, CGO Office, Churchgate, Mumbai- 400020.
3. The Asst./Deputy Commissioner of Customs, Audit circle-A1, JNCH.
4. The Asst./Deputy Commissioner of Customs, CRRC, JNCH.
5. The Asst./Deputy Commissioner of Customs, Review Cell, JNCH
6. The Asst./Deputy Commissioner of Customs, EDI Cell, JNCH for uploading on Website.
7. The Asst./Deputy Commissioner of Customs, CEAC
8. CHS Section for display on notice board.
9. Master File