



सीमा शुल्क आयुक्त का कार्यालय,  
नवीन सीमा शुल्क सदन, नया कंडला  
**OFFICE OF THE COMMISSIONER OF CUSTOMS,  
NEW CUSTOM HOUSE, NEW KANDLA-370 210 (GUJARAT)**  
Phone No: 02836-271468/469, Fax No. : 02836-271467.

फा.सं./ F. No. S/6-529/Ref/2010

आदेश की दिनांक / Date of Order: 08.05.2019

जारी करने की दिनांक / Date of Issue: 08.05.2019

पारित कर्ता/ Passed by: - श्री डी पी बामनवत / SHREE D P Bamanavat

संयुक्त आयुक्त/Joint Commissioner,  
सीमा शुल्क सदन, कांडला/ Customs House, Kandla.

आदेश में मूल सं/ ORDER-IN- ORIGINAL NO: KDL/ JC/DPB/ 60/Ref/2019-20

1. जिसके लिये यह प्रतिलिपि जारी की जाती है उस व्यक्ति के उपयोग के लिए यह नि: शुल्क दी जाती है।  
This copy is granted free of charge for the use of person to whom it is issued.
2. इस आदेश के विरुद्ध अपील सीमा शुल्क अधिनियम-1962 की धारा-128 के तहत उक्त अपील की प्रति के साथ, आयुक्त के कार्यालय 7 वीं मंजिल मृदुल टॉवर, टाइम्स ऑफ इंडिया बिल्डिंग के पास, आश्रम रोड, अहमदाबाद, गुजरात 380009 में इस आदेश के जारी होने की तिथि से साठ दिनों के भीतर दायर की जानी चाहिए।  
An appeal against this order lies with the Commissioner (Appeals), having office at 7<sup>th</sup> floor, Mridul Tower, Near Times of India Building, Ashram Road, Ahmedabad, Gujarat - 380 009 in terms of section 128 of the Customs Act, 1962. It should be filed within sixty days from the date of communication of this order.
3. यह अपील सीमा शुल्क नियमावली-1982 के नियम-3 के उपनियम-(2) में निर्दिष्ट व्यक्ति द्वारा हस्ताक्षरित निर्धारित प्रारूप में दायर किया जाना चाहिए। उक्त अपील को दो प्रतियों में दाखिल किया जाए तथा जिस आदेश के विरुद्ध अपील की गई हो, उसकी भी उतनी ही प्रतियां संलग्न की जाएं (उनमें से कम से कम एक प्रति प्रमाणित होनी चाहिए)। संबन्धित सभी दस्तावेज चार प्रतियों में भेजे जाने चाहिए। उक्त अपील, अपील के उचित समय और दिनांक को कमिश्नर (अपील) कार्यालय, अहमदाबाद में व्यक्तिगत रूप से प्रस्तुत किया जाए।  
An appeal should be filed in format prescribed. It shall be signed by the person specified in sub-rule (2) of rule 3 of the Customs Appeals Rules, 1982. It shall be filed in duplicate and shall be accompanied by an equal number of copies of the order appealed against (one of which at least shall be certified copy). All supporting documents should be forwarded in quadruplicate. The appeal shall be presented in person to the office of the Commissioner (Appeals), Ahmedabad, but the date of receipt in the office will be relevant date of appeal whether in time or not.
4. अनुसूची-1 में न्यायालय शुल्क अधिनियम, 1870 के मद सं. 6 के तहत इस आदेश की प्रतिलिपि साथ निर्धारित 5/- रुपए का स्टाम्प कोर्ट फीस के रूप में वहन करना चाहिए।  
The copy of this order attached herein should bear a Court Fee Stamp of Rs. 5/- (Rupees five only) as prescribed under schedule-I, item 6 of the Court Fees Act, 1870.
5. उक्त अपील पर 5/- ( पाँच रुपये मात्र ) का न्यायशुल्क टिकट लगा होना चाहिए तथा इसके साथ उक्त अपील की एक प्रति और इस आदेश की यह प्रति अथवा कोई अन्य प्रति जिस पर 5/- ( पाँच रुपये मात्र ) का न्यायशुल्क टिकट अवश्य लगा हो संलग्न की जाये।  
The appeal should bear a court fee stamp of Rs.5.00 (Rupees five only) and it must be accompanied by A copy of appeal and this copy or any other copy of this order which must bear a court fee stamp of Rs. 5.00 (Rupees five only).
6. यदि कोई व्यक्ति इस आदेश के विरुद्ध अपील करना चाहता है तो, उक्त अपील में मांगा गया शुल्क अथवा उस पर लगायी गयी शास्ति जमा करने और उक्त अपील के साथ ऐसे भुगतान का सबूत प्रस्तुत करने पर विचाराधीन रहेगी, ऐसे करने में असफल होने पर उक्त अपील सीमा शुल्क अधिनियम-1962 की धारा-128 के प्रावधानों के गैर अनुपालन करने के लिए अस्वीकृत किए जाने योग्य होगी।  
Any person desirous of appealing against his decision or order shall pending the appeal, deposit the duty demanded or the 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 of the provisions of Section 128 of the Customs Act, 1962.

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Sub: Refund claim dated 29.07.2010 for Rs. 4,47,480/- (Rupees Four Lakh Forty Seven Thousand Four Hundred Eighty Only) filed by M/s. Shree Ram Timber Mart, Opp. Taluka Police Station, Sarpat Gate, Bhuj, Kutch - 370201.

**Brief facts of the case:**

(1) M/s. Shree Ram Timber Mart, Opp. Taluka Police Station, Sarpat Gate, Bhuj, Kutch - 370201. (hereinafter referred to as "the claimant") have filed a refund claim of Rs.4,47,480/- (Rupees Four Lakh Forty Seven Thousand Four Hundred Eighty Only) vide letter dated 27.07.2010 received on 29.07.2010. The claimant has claimed the refund of 4% SAD paid by them at the time of importation. The refund claim is filed on the basis of the exemption as granted vide Notification No.102/2007-Cus. dated 14.09.2007. The claimant have been issued deficiency memo 13.03.2019 and in the response of same, the claimant have submitted their reply along with all required documents vide their letter dated 16.03.2019 (received in this office on \_\_\_/\_\_\_/2019) Accordingly the claim have been taken for processing. The refund claim is filed under Section 27 of the Customs Act, 1962.

(2) The claimant has filed a refund claim along with following documents.

II) Triplicate copy of in original TR-6 Challans evidencing payment of all custom duty and Duplicate copy (in Original) of B/Es showing the import of Qty. **482.725 CBM** by the claimant as detailed below.

Sr. No.	B/E No. & Date	TR-6 No. & Date	As per Indian CBM	Total 4%	Total Duty
				SAD Paid	Paid (Rs.)
1	302133/04.08.2009	20200741/05.08.2009	79.310	69733	155120.00
2	302443/07.08.2009	20200991/11.08.2009	74.240	57237	190859.00
3	303719/17.08.2009	20201876/30.08.2009	52.600	45656	152242.00
4	303650/17.08.2009	20201869/18.08.2009	12.040	9965	22172.00
5	304774/24.08.2009	20202598/25.08.2009	54.350	42979	143315.00
6	305050/25.08.2009	20202736/04.09.2009	105.465	179369	398995.00
7	307343/09.09.2009	20204239/14.09.2009	63.990	53554	119127.00
8	308273/14.09.2009	20204887/14.09.2009	17.870	14955	33266.00
9	311243/06.10.2009	20206881/08.10.2009	22.860	17820	59423.00
Total			482.725	491266	1274519.00

III) Copies of Sale invoice as evidence of sale of the imported goods to the buyers with an endorsement that "No credit of the SAD duty levied under sub-section 5 of section 3 of the Customs shall be admissible" as required under Para 2(b) of the exemption Notification No.102/2007. Other details like B/E No, VAT payable is reflected in the sale Invoices.

IV) Worksheet showing the details of import made under above B/E and sales affected there under.

V) Copies of VAT /CST challan evidencing total VAT /CST payment, as shown in below mentioned table

Sl	VAT Paid in Cash	VAT Paid th ITC	Total VAT Paid	CST Paid in Cash	CST Paid th ITC	Total CST Paid	Return Period
1	48,845	70238	119083	7,350	0	87,505	Aug-09
2				80,155			
3	517,268	0	517,268	57,626	0	57,626	Sep-09
4	N/A	N/A	N/A	183,410	0	183,410	Oct-09

VI) Undertaking from the claimant that the 4% SAD has not been passed on by them to buyer/any other person.

VII) Declaration regarding the appointment of Chartered Accountant M/s. Natubhai Dayabhai Patel, for the financial year 2009-10.

VIII) Copy of Ledger Account of 4% SAD refundable, VAT/CST and certificate issued by the Chartered Accountant showing the amount of SAD receivable under the Head SAD refund receivable.

IX) Declaration regarding filing of single claim in a month of July 2010.

X) C.A. Certificate certifying co-relation between VAT/CST payment and sale invoice and burden of 4% SAD has not passed on to buyer or any other person.

(3) As per Notification No.102/2007-Cus. Dated 14.09.2007, the exemption contained in this notification shall be given effect, if the conditions, as stipulated in the said notification are fulfilled. The conditions are that the importer of the said goods shall pay all duties, including the said additional duty of customs leviable thereon. as applicable, at the time of importation of the goods; the importer, while issuing the invoice for sale of the goods, shall specifically indicate in the invoice that in respect of the goods covered therein, no credit of the additional duty of customs levied under Sub-section (5) of Section 3 of the Customs Tariff Act, 1975 shall be admissible; the importer shall file a claim for refund of the said additional duty of customs paid on the imported goods with the jurisdictional customs officer; the importer shall pay on sale of the said goods appropriate sales tax or value added tax, as the case may be. Further, as per Para 2(e), the importer at the time of claiming of the refund shall, inter alia, provide copies of the documents evidencing the payment of the said additional duty; the invoice of sale of the imported goods in respect of which refund of the said additional duty is claimed and documents evidencing the payment of appropriate sales tax or value added tax as the case may be, by the importer, on sale of such imported goods.

(4) The claimant has subsequently sold imported Qty.429.217 CBM of Teak Logs to the as detailed below.

1. BE No.302133/04.08.2009, Import Qty.79.310 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	RI-037, 07.08.09	17.039	0	0	6270
2	RI-039, 12.08.09	14.339	0	0	6244
3	RI-050, 02.09.09	22.895	0	0	9702
4	RI-051, 08.09.09	17.273	0	0	6100
Sales qty		71.546			
Short Sales Qty		7.764			
Import Qty		79.310	0	0	28316
2. BE No.302443/07.08.2009, Import Qty.74.240 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	RI-041, 17.08.09	14.059	0	0	6455
2	RI-042, 18.08.09	14.381	0	0	6602
3	RI-043, 19.08.09	25.012	0	0	11953
4	RI-045, 20.08.09	6.539	0	0	3002
Sales qty		59.991			
Short Sales Qty		14.249			
Import Qty		74.240	0	0	28012
3. BE No.303719/17.08.2009, Import Qty. 52.600 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	TI-015, 22.08.09	23.565	67947	13539	0
2	RI-047, 25.08.09	21.803	0	0	9849
Sales qty		45.368			
Short Sales Qty		7.232			
Import Qty		52.600	67947	13539	9849
4. BE No.303650/17.08.2009, Import Qty.12.040 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	RI-046, 22.08.09	11.180			3948
Sales qty		11.180			
Short Sales Qty		0.860			
Import Qty		12.040	0		3948

5. BE No.304774/24.08.2009, Import Qty. 54.350 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	RI-048, 28.08.09	13.242	0	0	6090
2	RI-049, 02.09.09	5.182	0	0	2384
3	RI-055, 14.09.09	23.895	0	0	10126
Sales qty		42.319			
Short Sales Qty		12.031			
Import Qty		54.350	0	0	18600
6. BE No.305050/25.08.2009, Import Qty. 105.465 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	RI-052, 09.09.09	12.026	72101	14421	0
2	RI-053, 09.09.09	7.282			6429
3	RI-054, 09.09.09	6.879			6073
4	TI-017, 17.09.09	17.242	102318	20464	0
5	TI-018, 18.09.09	17.395	103848	20770	0
6	RI-056, 18.09.09	9.897			8752
7	RI-057, 18.09.09	9.115			8060
8	TI-020, 19.09.09	17.638	105030	210063	0
9	RI-058, 02.10.09	7.991	0	0	7066
Sales qty		105.465			
Short Sales Qty		0.000			
Import Qty		105.465	383297	265718	36380
7. BE No.307343/09.09.2009, Import Qty. 63.990 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	RI-072, 15.10.09	19.841	0	0	9109
2	RI-081, 27.10.09	17.344	0	0	6761
3	RI-083, 28.10.09	17.538	0	0	7742
Sales qty		54.723			
Short Sales Qty		9.267			
Import Qty		63.990	0	0	23612
8. BE No.308273/14.09.2009, Import Qty. 17.870 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	TI-019, 19.09.09	15.769	0	0	9552
Sales qty		15.769			
Short Sales Qty		2.101			
Import Qty		17.870	0	0	9552
9. BE No.311243/06.10.2009, Import Qty. 22.860 CBM					
Sr. No.	Inv. No. & date	Sold Qty (in CBM)	VAT	Add VAT	CST
1	RI-063, 10.10.09	22.856	0	0	10493
Sales qty		22.856			
Short Sales Qty		0.004			
Import Qty		22.860	0	0	10493

(5) The said refund claim has been scrutinized in terms of section 27 of the Custom Act, 1962 and it is found that the claim has been received within eligible time limit of one year and all necessary documents as stated above have been furnished.

**Findings:**

(6) I have carefully gone through the case record submitted by the claimant and find that the claimant has imported Qty.482.725 CBM of Teak Logs and paid duties of customs amounting to Rs.1274519/- inclusive of 4% SAD amounting to Rs.491266/-under B/Es detailed as in para,s'2 (ii)

(7) As regards to limitation of filing refund claim within one year from the date of payment of duty or from date of filing, I find, in the present case, this refund claim was filed in this office on 29.07.2010, which is within stipulated period of one year from the date of duty payment of Bill of entry I find the claim is not hit by time bar. The claim was scrutinized as per provisions of Section 27 of Customs Act, 1962 and was found in order,.

(8) The claim is not barred by unjust enrichment since the claimant has submitted a certificate No Nil dated Nil of M/s Natubhai Dayabhai Patel, Chartered Accountant, wherein it is certified that the amount sought as refund has not been passed on by the claimant to any other party, directly or indirectly. As such I find that the claim is not barred by unjust enrichment.

(9) The sale invoice is endorsed with the remark "No credit of the Additional duty levied under Sub-section (5) of Section 3 of the Customs Tariff Act, 1975 shall be admissible".

(10) I find that the claimant has sold 429.217 CBM out of total imported quantity of 482.725 CBM and hereby they have short sold 53.508 CBM of the imported goods, as shown in table.

Sr. No.	B/E No. & Date	Imp. Qty.	Sold Qty. in (CBM.)	Short Sold Qty (CBM)	Total 4%	4% SAD on Short Sold	Net Eligible Refund Claim
		in (CBM.)			Sad Paid		
1	302133/04.08.2009	79.310	71.546	7.764	69733	6826	62906
2	302443/07.08.2009	74.240	59.991	14.249	57237	10985	46252
3	303719/17.08.2009	52.600	45.368	7.232	45656	6277	39379
4	303650/17.08.2009	12.040	11.180	0.860	9965	712	9253
5	304774/24.08.2009	54.350	42.319	12.031	42979	9514	33465
6	305050/25.08.2009	105.465	105.465	0.000	179369	0	179369
7	307343/09.09.2009	63.990	54.723	9.267	53554	7756	45798
8	308273/14.09.2009	17.870	15.769	2.101	14955	1758	13197
9	311243/06.10.2009	22.860	22.856	0.004	17820	3	17816
Total		482.725	429.217	53.508	491266	43832	447435

I find that the claimant has sold quantity of imported goods i.e. 429.217 CBM. out of total imported quantity 482.725 CBM, As per Para-2(d) of Notification No. 102/2007-Cus. Dated 14.09.2007 the importer shall pay on sale of the said goods, appropriate Sales Tax or Value Added Tax, as the case may be and as per Para 4.1 of Circular No. 06/2008-Cus. Dated 28.04.2008, unsold stock would not be eligible for refund. In other words, refund can be granted only for the quantity of imported goods sold on payment of applicable VAT/CST. Accordingly, the claimant is eligible for refund for the quantity sold only, which comes to Rs.4,47,435/- as per Table above and the claimant has filed refund claim for same amount. The claimant has also given an undertaking that they shall not claim the refund on short sold quantity i.e. 53.508 CBM in future also.

(11) The claimant have been issued deficiency memo 14.03.2019 and in the response of same , the claimant have submitted their reply along with all required documents vide their letter dated 16.03.2019 (received in this office on 18/03/2019) Accordingly the claim have been taken for processing.

(12) Board has issued Circular No.06/2008 dated 28.04.08, 16/2008 and 18/2010, wherein certain procedures are to be adopted for refund of 4 % SAD. The procedures are outlined as under.

- (i) The refund claim has to be filed within one year.
- (ii) A single claim against a particular B/E has to be filed.
- (iii) C.A. Certificate certifying co-relation between VAT/CST payment and sale invoice and burden of 4% SAD has not passed on to buyer or any other person.
- (iv) Self certification by the importer with respect to the unjust enrichment.
- (v) Copies of VAT/CST challan/returns.

(13) I find that the refund claim is filed within the prescribed time limit and a single claim has been filed against a particular Bill of Entry. The Chartered Accountant, M/s. Natubhai Dayabhai Patel, Ahmedabad vide their certificate dated Nil has certified that M/s Shree Ram Timber Mart., has made the VAT/CST payment which co-relates with the sale invoices. They have further certified that the burden of 4% SAD has not been passed on to buyer or any other person. The importer has given an undertaking that they have not passed on the burden of 4% SAD to buyer or any other person. The claimant has also submitted VAT/CST challans & returns in co-relation to the Chartered Accountant certificate for the said claim. Hence, I am satisfied that there is no unjust enrichment in the present case.

(14) The documents showing the payment of VAT/CST related to the refund claim have been forwarded to the proper authorities for verification of its genuineness. However, the refund claim is sanctioned subject to the verification of genuineness of VAT/CST documents submitted with this refund claim. Action under section 28 of the Customs Act, 1962 will be initiated against the claimant, if any, discrepancy is noticed/reported in respect to the genuineness of VAT/CST challan during its verification by the concerned authority.

(15) In view of the foregoing para, I find that the claimant has fulfilled all the conditions as laid down in the notification No. 102/2007 Cus, dated 14.09.07 read with Board Circular No. 06/2008,16/2008 and 18/2010 and therefore the claimant is eligible for the refund of Rs. 4,47,435/- Only.

(16) In view of the above discussion, I pass the following order.

**ORDER**

I sanction refund of Rs.4,47,435/- (Rupees Four Lakh Forty Seven Thousand Four Hundred Thirty Five Only) filed by M/s. Shree Ram Timber Mart, Opp. Taluka Police Station, Sarpat Gate, Bhuj, Kutch - 370201, in terms of notification no. 102/2007-cus-dated 14.09.2007 as amended under section 27 of the Customs Act, 1962.



(D P Bamanavat)  
Joint Commissioner (Refund)  
Customs House, Kandla

By Reg. Post/By Hand Delivery  
F. No. S/6-529/Ref/2010

Date 08 /05 /2019

To,  
M/s. Shree Ram Timber Mart,  
Opp. Taluka Police Station,  
Sarpat Gate, Bhuj, Kutch - 370201

Copy to: 1) The Deputy Commissioner (RRA), Customs House, Kandla.  
2) The Deputy Commissioner (EDI), Customs House, Kandla.  
3) Respective Refund file  
4) Guard file Refund Section.

