Customs, Excise & Service Tax Appellate Tribunal
West Zonal Bench At Ahmedabad

REGIONAL BENCH- COURT NO. 1

Customs Appeal No. 10129 of 2024-DB
(Arising out of Order No. AHM-CUSTOM-000-COM-006-20-21 dated 18.09.2020 passed by Principal Commissioner Customs -Ahmedabad)

Meghmani Industries Ltd. **........Appellant**
Plot No. Z/6, Dahej Special Economic Zone
Taluka-Vagra, District-Bharuch

VERSUS

C.C.-Ahmedabad **........Respondent**
1sr Floor, Custom House,
Navrangpura, Ahmedabad-380 009

APPEARANCE:
Shri Amal Dave, Advocate appeared for the appellant
Sh. Girish Nair, Assistant Commissioner (Authorised Representative) appeared for the Appellant

CORAM: HON'BLE MR. RAMESH NAIR (JUDICIAL)
HON'BLE MR. RAJU, MEMBER (TECHNICAL)

FINAL ORDER NO. 12489 /2024

DATE OF HEARING:14.10.2024
DATE OF DECISION: 23.10.2024

RAMESH NAIR

The issue involved in the present case is that whether the appellant is entitled for the remission of custom duty in respect to the goods destroyed in fire in SEZ unit.

2. Shri Amal Dave, Learned Counsel appearing on behalf of the appellant submits that the adjudicating authority has rejected the remission claim on the ground that in SEZ Act there is no provision for remission of duty. Secondly, the appellant's insurance claim is not settled raising the dispute on the cause of fire. It is his submission that in various judgments this tribunal has settled that for the SEZ unit the remission of duty is applicable in case of goods destroyed in fire in terms of Section 23 of Customs Act. He placed reliance on the following judgments:

2.1 He further submits that as regard the insurance claim, it is instructions from his client that as of now the insurance claim is settled. Accordingly, there is no reason for rejection of remission claim filed by the appellant.

3. Shri Girish Nair, Learned Assistant Commissioner (AR) appearing on behalf of the Revenue reiterates the finding of the impugned order.

4. We have carefully considered the submission made by both sides and perused the records. We find that the adjudicating authority has rejected the remission claim in respect of the goods destroyed in fire in the appellant's SEZ unit on the ground that the SEZ act has no provision for remission of duty and Section 23 of the Customs Act will not apply for the goods destroyed in fire for the purpose of remission of duty. We find that the issue that whether the duty can be remitted in respect of the goods destroyed in fire at SEZ has been settled in various judgments cited by the learned counsel. Therefore, it is not under dispute now that the appellant is entitled for the remission of duty in terms of Section 23 of the Customs Act,1962.

4.1 As regard the dispute raised on the insurance claim , we find that as per the submission made by the learned counsel , now the insurance claim has been settled. However, the status of insurance claim was not before the adjudicating authority and even before this tribunal no documents have been submitted. In this position matter should go back to the adjudicating authority for deciding a fresh by passing a de novo order.

5. Accordingly, we set aside the impugned order and allow the appeal by way of remand to the adjudicating authority.

(Order pronounced in the open court on 23.10.2024)

(RAMESH NAIR)
MEMBER (JUDICIAL)

(RAJU)
MEMBER (TECHNICAL)

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