

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

REGIONAL BENCH- COURT NO. 02

**CUSTOMS Appeal No. 10083 of 2022**

[Arising Out Of OIO-MUN-CUSTOM-000-COM-10-21-22 Dated- 17/12/2021 passed by the Commissioner of CUSTOMS-MUNDRA)

**LORBAX INDIA PVT LTD**

C-59/3 Wazirpur Industrial Area, Delhi

**.....Appellant**

*VERSUS*

**C.C.-MUNDRA**

Office of the Principal Commissionerate of Customs,  
Port User Buld. Custom House Mundra, Mundra, Kutch, Gujarat-370421

**.....Respondent**

**APPEARANCE:**

Shri. Vikas Mehta, Consultant for the Appellant

Shri. Sarjeet Kumar, Superintendent (AR) for the Respondent

**CORAM: HON'BLE MR. SOMESH ARORA, MEMBER ( JUDICIAL )**

**Final Order No. 11348/2025**

DATE OF HEARING:18.11.2025  
DATE OF DECISION:21.11.2025

**SOMESH ARORA**

Pursuant to post-clearance audit, the appellant was issued Show Cause Notice dated 24.06.2021, inter alia, demanding anti-dumping duty of Rs. 46,49,837/- and short payment of IGST amounting to Rs. 8,36,971/- on cold-rolling flat product of stainless steel (size ranging from 600 MM to 1250 MM) covered by bills of entry filed in September and October, 2019. The details of bill of entry are given on page 26 of appeal memo. As per the allegation, the appellant cleared the goods without payment of anti-dumping duty. Ld. Commissioner, in para 10.9 has held that anti-dumping duty was not payable as the same were covered by advance authorization and EODC was also issued post-export of the same. On this basis, he dropped the demand. However, he imposed a penalty of Rs. 4,00,000/- under section 117 of Customs Act, 1962 on the appellant on the ground that that though anti-dumping duty was exempted under advance authorization, the appellant

was required to correctly self-assess the bills of entry by feeding the details of Notification No. 61/2015-Customs (ADD) dated 11.12.2015 for the purpose of calculation of the quantum of anti-dumping duty and IGST. Since, these details were not incorporated in the bills of entry, which resulted in less debit from the bond, the appellant was liable to penalty under section 117 of Customs Act, 1962.

2. . The appellant submitted that the impugned order has travelled beyond the scope of notice in as much as there is no allegation regarding short-debit of anti-dumping duty and IGST in the notice.

3. Learned AR while agreeing to the proposition that the debiting of bond for the same escaping the scrutiny of Customs was not a matter in the show cause notice has reiterated otherwise the findings of the impugned order.

4. This Court on the basis of submissions of the learned Advocate, which are agreed by the Learned AR also, on the basis of imputations in the show cause notice points that the impugned order in its findings has travelled beyond the show cause notice and therefore the same is bad in law. The non debiting of bond which was not an accusation in the show cause notice cannot be made the basis of penalty even under Section 117 of the Customs Act, 1962 as the same was not the allegation.

5. Order is therefore not maintainable and penalty of Rs. 4,00,000/- under Section 117 of Customs Act, 1962 is set aside.

(Pronounced in the open court on 21.11.2025)

**(SOMESH ARORA)**  
**MEMBER ( JUDICIAL )**