

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

REGIONAL BENCH- COURT NO. 02

Customs Appeal No. 10784 of 2020

(Arising out of OIA No. JMN-CUSTM-000-COM-023-20-21 dated 04.08.2020 passed by Commissioner (Appeals) Commissioner of Customs (Appeals), AHMEDABAD)

ULTRATECH CEMENT LTD

Unit Gujarat Cement Works,
P.O Kovaya, Taluka, Rajula,
Amreli, Gujarat-365541

.....Appellant

VERSUS

C.C.-Jamnagar(prev)

Sharda House...Bedi Bandar Road,
Opp. Panchavati, Jamnagar
Gujarat

.....Respondent

APPEARANCE:

Shri. Manish Jain, Advocate for the Appellant

Shri. Himanshu Nachane, Superintendent (AR) for the Respondent

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

Final Order No. 10113/2026

DATE OF HEARING:19.02.2026
DATE OF DECISION:19.02.2026

SOMESH ARORA

In this case, demurrage was included in the import value and therefore the interest has been demanded on duty short paid due to inclusion of demurrage in CIF value.

2. Learned Advocate relies on Tata Steel Ltd. Vs. Union of India as reported in 2019 (370) ELT 100 (Ori) in which it has been held that Section 14 of the Customs Act, 1962 does not authorized inclusion of demurrage charges to the value of imported goods assessment of imported duty. It is, therefore the point of emphasis of the Learned Advocate that the demurrages are not includible in the value of import goods and charging of interest thereupon cannot be justified. Learned advocate intimates that the

cited quoted above of Tata Steel Ltd has been carried in appeal by the department to the Supreme Court. On being asked, if any stay, has been obtained, he replied in negative.

3. In view of the above, as far as this Court is concerned, the decision of Hon'ble Odisha High Court as reported in 2019 (370) ELT is 100 is required to be followed.

4. Following the ratio of the above, it is held that the demurrages can be not included in value nor can any interest be consequentially charged on this element.

5. In view of the foregoing, the appeal is allowable, same is allowed with consequential relief.

(Dictated & Pronounced in the open court)

(SOMESH ARORA)
MEMBER (JUDICIAL)

Prachi