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

REGIONAL BENCH- COURT NO.1

Customs Appeal No. 10673 of 2022

(Arising out of Order in Appeal No. JMN-CUSTM-000-APP-09-2022-23 dated 21.04.2022 passed by Commissioner of Customs (Appeals)-Ahmedabad)

Modest Infrastructure Private Limited **...Appellant**
Ramsar Yard Ferry Road, Nr. Lakadiya Pool
Old Port, Bhavnagar-Gujarat-364001

VERSUS

Commissioner of Customs- Jamnagar (Prev) **...Respondent**
Sharda House, Bedi Bandar Road,
Jamnagar-Gujarat

AND

APPEARANCE:
(On merits) None appeared for the Appellant
Shri Himanshu Nachane, Superintendent (AR) appeared for the Respondent

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

FINAL ORDER NO. 10380 /2026

DATE OF HEARING: 30.06.2026
DATE OF DECISION:30.06.2026

SOMESH ARORA

None has appeared for the party nor any adjournment request is on record. Even on last occasion matter was adjourned on request of advocate. In view of the above position, the matter is proceeded to be decided on merits.

2. In the instant case, show cause notice has been issued on 15.05.2018 to the appellants for imported goods i.e. "Design Fabrication Testing" and Delivery of 01 (one) 800, Metric Ton Multipurpose vessel 324 names as 'Sagar Yuvraj' for carrying out in bond manufacturing activities. Goods were eventually got cleared for home consumption by availing exemption Notification No. 12/2012-Cus dated 17.03.2012. After importation, as per the appellant, the said raw material had been used in building/ manufactured before expiry of (re warehouse bonded period i.e., before 90 days from the date of "re-warehousing) above referred imported goods. However as per the party no such material evidences were disclosed in the present litigation initiated by the Customs Department and the appellant had got used

the disputed imported raw material under the 100% supervision of Customs Officer in or in relation to carrying out in bond manufacturing of the declare Hull within the approved manufacturing license obtained under the provisions of re warehousing procedures read with the respective Rules and Regulation of the erstwhile Central Excise Act, 1944 read with Section 174 of the GST Rules and Regulation Act, 2017. However, the Adjudicating Authority as well as the Appellate Authority holding the view that the matter was not covered by the decision of M/s Alcock Ashdown Gujarat Limited Bhavnagar reported vide Final Order No. A/12910-12933/2017 dated 20.12.2018 as was claimed by the party did not give benefit to the party distinguishing the cited law on the basis that in that case the relevant party had applied for extension of warehousing period which has not been the case in the present instance. Thus, the decision of M/s Alcock Ashdown Guj. Ltd. Bhavnagar reported vide Final Order No. A/12910-12933/2017 dated 20.12.2018 is distinguishable as the permission to extend the period seemingly has not been made by the party in the present instance. It is also clear that the party is claiming that it cleared goods of the ship after carrying out certain operations which accounted to manufacturing while the goods were warehoused. If that be so, this aspect deserves to be examined and to consider whether interest is demandable from the party or it fulfills the requirement of exemption on this aspect, matter is remanded to Appellate Authority. Appeal is allowed by way of remand.

(Dictated & Pronounced in the open court)

(SOMESH ARORA)
MEMBER (JUDICIAL)

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