CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
CHANDIGARH

REGIONAL BENCH - COURT NO. I

Customs Appeal No. 60465 of 2023

[Arising out of Order-in-Appeal No. LUD-EXCUS-001-APP-95/2023 dated 08.02.2023 passed by the Commissioner (Appeals), CGST, Ludhiana]

M/s Genuine Copier System **......Appellant**
Plot No.77, Block-P, Darya Ganj,
New Delhi-110002

VERSUS

Commissioner of Customs, Ludhiana **......Respondent**
Central Excise House, Ludhiana, Punjab-141001

APPEARANCE:

Shri Saurabh Kapoor, Advocate for the Appellant

Shri Anurag Kumar, Authorized Representative for the Respondent

CORAM: HON'BLE MR. S. S. GARG, MEMBER (JUDICIAL)

FINAL ORDER NO. 60523/2025

DATE OF HEARING: 07.05.2025
DATE OF DECISION: 07.05.2025

The present appeal is directed against the impugned order dated 08.02.2023 whereby the Commissioner (Appeals) has rejected the appeal of the appellant and upheld the Order-in-Original.

2. Briefly the facts of the present case are that the appellant imported 116 units of "Old & Used Digital Multifunction Device with Standard Accessories and Attachment" imported from the USA. The goods were self-assessed under the Tariff Item No.84433100 of the

Customs Tariff Act, 1975. They were ordered to be examined on first check basis before clearance. Thereafter, the goods were examined and the services of Shri Anil Kumar, Chartered Engineer was taken to determine the description and value of the imported goods. As per the reports of the Chartered Engineer, it was found to be on the lower side and it was enhanced and finally determined for Rs.31,13,620/-. Thereafter, the original authority confirmed the re-determined value and also imposed the redemption fine of Rs.15,56,810/- and penalty of Rs. 1 Lakh. In order to avoid the damage and detention charges, the appellant accepted the enhanced value but challenge the redemption fine and the penalty as the same was on the higher side. Thereafter, the appellant filed appeal before the Commissioner and the Commissioner (Appeals) rejected the appeal of the appellant. Hence, the present appeal.

2. Heard both sides and perused the material on record.

3. Learned Counsel appearing for the appellant submits that the only ground of appeal in the present case is the imposition of redemption fine and penalty which should be reduced in view of the various decisions of the Tribunal and the High Courts. He further relied upon the judgment of the Larger Bench of the Tribunal in the case of **Marque Enterprises Vs Commissioner of Customs (Preventive), Amritsar – 2015 (329) ELT 307 (Tri. Del.)** wherein it has been held that after considering various decisions of the Tribunal vide majority that redemption fine should be restricted to 10% of the value of the goods and the penalty to the extent of

5% of the declared value. He prays that in view of the judgment of the Larger Bench, the appeal may be decided.

4. On the other hand, learned AR reiterates the findings of the impugned order.

5. After considering the submissions of both the parties and perusal of the material on record, I find that the re-determined value of the goods was Rs.31,13,620/- which was accepted by the appellant. Further, I find that the imposition of redemption fine of Rs.15,56,810/- is excessive and in view of the Larger Bench's decision cited supra, it should be reduced to 10% of the re-determined value which is Rs.31,13,620/-. As regards the penalty of Rs. 1 Lakh, I find that it is already below 5% of the re-determined value therefore I do not disturb the said finding which does not require any interference.

6. In view of the above, I restrict the redemption fine to the extent of Rs.3,11,362/- and penalty of Rs. 1 Lakh.

7. Accordingly, the appeal is partly allowed in the above terms.

(Operative part of the order pronounced in the open court)

(S.S. GARG)
MEMBER (JUDICIAL)

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