

**CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
HYDERABAD**

REGIONAL BENCH - COURT NO. - I

Customs Appeal No. 25321 of 2013

(Arising out of **Order-in-Appeal** No.89/2012-VCH dated 20.11.2012 passed by Commissioner of Customs, Central Excise & Service Tax (Appeals), Visakhapatnam)

M/s Patnaik Minerals Pvt Ltd.,

No. 3/27, Irc Village,
Nayapalli, Bhubaneswar,
Odisha - 751 015.

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APPELLANT

VERSUS

Commissioner of Customs

Visakhapatnam - Customs

4th Floor, Customs House,
Port Area,
Visakhapatnam,
Andhra Pradesh - 530 035.

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RESPONDENT

APPEARANCE:

Shri S.C. Choudhury, Advocate for the Appellant.

Shri K. Sreenivasa Reddy, Authorized Representative for the Respondent.

CORAM: HON'BLE Mr. A.K. JYOTISHI, MEMBER (TECHNICAL)

HON'BLE Mr. ANGAD PRASAD, MEMBER (JUDICIAL)

FINAL ORDER No. A/30556/2025

Date of Hearing: 27.11.2025

Date of Decision: 27.11.2025

[ORDER PER: A.K. JYOTISHI]

M/s Patnaik Minerals Pvt Ltd., (hereinafter referred to as appellant) are in appeal against the order of Commissioner (Appeals) dated 20.11.2012, whereby, the Commissioner has dismissed the appeal filed by the appellant against the order dated 28.06.2013.

2. The brief fact of the case is that the appellant had exported certain consignment of Iron Ore Fines of 63.5% Fe content @ USD 167.25 PDMT FOB to China. At the time of export, the declared unit value was provisional value and therefore, it was assessed provisionally by the Department. Subsequently, the said shipping bill was finalized adopting the same unit value @ USD 167.25 PDMT (FOB) as declared. However, certain re-calculations

were made on the total duty applicable at the time of finalization of shipping bills based on the report of the CRCL concerning moisture content which was 4.2% as compared to the initial declaration of 10% and subsequent declaration at the time of furnishing final invoice, as 6.56%. This factor of lower percent of moisture content resulted in calculation of higher duty payable by the appellant and squarely affect the total amount required to be refunded to them at the time of finalization of shipping bill.

3. The Advocate for the appellant has submitted that the matter is squarely covered by various judgments of the Tribunal including the recent decisions of Hyderabad Bench itself. He has relied on the various judgments including the following:

i) Feegrade & Co Pvt Ltd., Vs CC, Visakhapatnam [Final Order No. A/30427-30430/2025 dated 17.10.2025]

ii) Bonai Industrial Co. Pvt Ltd, Rungta Mines, Feegrade & Co. Pvt Ltd & Others Vs CC, Visakhapatnam [Final Order No. A/30317-30324/2024 dt.21.06.2024]

4. Learned AR reiterates the findings of the Commissioner (Appeals).

5. Heard both the sides and perused the records.

6. We find that the issue covered in the present appeal has been examined in detail in the case of M/s Arihant Tiles & Marbles Pvt Ltd., & Others vide Final Order No. A/30491-30506/2025 dated 21.11.2025. Therefore, we find that the method of calculation of duty payable at the time of finalization of shipping bill on the basis of moisture content as determined by CRCL is not proper and correct. Further, there is no dispute that the export has not taken place in terms of written contract, wherein, certain terms and conditions relating to price, Fe content, moisture content etc., have been provided and

certain tolerance limits have also been provided relating thereto and mutually agreed. It is also not in dispute that the appellants have not received any additional consideration over and above the BRC amount or the amount reflected in the final invoice submitted at the time of finalization of shipping bills. Therefore, the final assessment has to be made based on the final invoice duly supported by BRC and accordingly the impugned order is set aside.

7. The matter is remanded back to the original authority for re-determination of the total refund amount keeping in view of the observations above.

8. Appeal allowed by way of remand.

(Operative part of this order was pronounced in court
on conclusion of the hearing)

(A.K. JYOTISHI)
MEMBER (TECHNICAL)

(ANGAD PRASAD)
MEMBER (JUDICIAL)