IN THE CUSTOMS, EXCISE AND SERVICE TAX APPELLATE TRIBUNAL
WEST ZONAL BENCH AT MUMBAI

APPEAL NOS: E/88274 to 88277/2014

[Arising out of Order-in-Appeal No: 585-588/PD/14 dated 22nd May 2014 passed by the Commissioner of Central Excise & Service Tax (Appeals – IV), Mumbai Zone – I.]

Healthy Life Pharma Pvt Ltd …***Appellant***

versus

Commissioner of Central Excise
Thane – II …***Respondent***

Appearance:

Shri JN Tiwari, Consultant for appellant

Shri C Singh, Assistant Commissioner (AR) for respondent

CORAM:

Hon'ble Shri C J Mathew, Member (Technical)

Date of hearing: 28/07/2017
Date of decision: 28/07/2017

ORDER NO: A/ 92332-92335 / 2017

Four appeals are disposed off by this common order.

2. Impugned are orders-in-appeal no. 585 to 588/PD/14 dated 22nd May, 2014 which confirmed the order of the lower authority demanding duty of ₹ 152,698, ₹ 9,200, ₹42,112 and ₹ 1,12,651 on

goods that were claimed to have exported under bond owing to failure to produce proof of export. The goods in question, *viz.*, patent and propriety medicines were supplied to various exporters and it is contended on behalf of the appellant that they were not required to comply any such condition and that proof of completion of the export is obligated o with the issuers of CT-1 certificate.

3. It is contended by Learned Counsel for appellant that the original demand was for an amount of ₹ 16,22,786 of which ₹ 13,06,125 was dropped owing to production of proof of export. It is further contended that they are now able to produce proof of exports of ₹1,52,000 and that ₹1,64,661, pertaining to appeal no. E/88274/2014 for an amount of ₹ 34,176, in appeal no. E/88276/2014, for an amount of ₹ 17,426 and ₹ 1,13,059 in appeal no. E/88277/2014 are yet not available.

4. Learned Authorised Representative places reliance on the mandatory requirements in the procedure laid down in notification no. 42/2001-CE(NT) dated 26th June 2001 which requires export within six months from the date of clearance from the factory of production.

5. The procedure prescribes that the merchant-exporter is required to obtain CT-1 certificate from the Central Excise officers concerned against which goods are supplied without payment of duty and for which bond is required to be furnished for this purpose. It is by the

merchant-exporters who are required to pay the duty on such goods, along with interest, if the same are not exported.

6. For the above reasons, the contentions of the appellant that they are not responsible for failure to comply with procedure on the part of the merchant-exporter is tenable and, consequently, the duty liability does not sustain.

7. The impugned orders are set aside and the appeals are allowed.

(Pronounced in Court)

(C J Mathew)
Member (Technical)

**/as*