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Grace Enterprises Vs. Commissioner of C. Ex. and Customs

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Court : Customs Excise and Service Tax Appellate Tribunal CESTAT Mumbai

Decided On : Oct-20-2000

Reported in : (2001)(127)ELT160Tri(Mum.)bai

Appellant : Grace Enterprises

Respondent : Commissioner of C. Ex. and Customs

Judgement :

1. On the submission made by the advocate for the appellant that, he only wishes to raise the ground relating to the quantum of redemption fine and no other aspect of the matter, with the consent of the departmental representative, the appeal has been taken up for disposal.

2. In the impugned order, the Commissioner has found the declared value of the consignment of assorted consumer goods imported by the appellant, such as toasters, calculators etc. valued at Rs. 7.81 lacs was far too low and enhanced the value to Rs. 25.65 lacs. He has ordered confiscation of the goods under Clause (m) of Section 111 of the Act and given the importer an option to redeem them on payment of fine of Rs. 9.00 lacs.

3. The plea advanced in support of the prayer for reduction of the redemption fine is that the goods have been under detention by the Customs from May, 2000 till now after they were imported in May. The show cause notice was issued in July, replied to the notice on the next day and the matter adjudicated five days later. It is contended that in view of the long storage, there has been drop in the value of the

goods. The loss caused to the appellant as a result of the capital being tied up and the detention charge incurred is around Rs. 1.50 lacs and the goods in question imported under the provisions of the Open General Licence.

4. The departmental representative points out that the redemption fine imposed is only about 30% of the value and does not call for any further reduction.

5. Taking note of the demurrage charges incurred by the appellant, and the other factors claimed, we reduce the fine from Rs. 9.00 lacs to Rs. 7.00 lacs.

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