

**Mega Exim P.Ltd Vs. Cc, Amritsar**

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**SooperKanoon Citation :** [sooperkanoon.com/942247](http://sooperkanoon.com/942247)

**Court :** Customs Excise and Service Tax Appellate Tribunal CESTAT Delhi

**Decided On :** Jun-01-2012

**Judge :** The Honourable Ms. Archana Wadhwa, Member (Judicial)

**Appeal No. :** Customs Appeal No.520 of 2011(SM)

**Appellant :** Mega Exim P.Ltd

**Respondent :** Cc, Amritsar

**Advocate for Pet/Ap. :** Present for the Appellants: Vikrant Kakria, Advocate.  
Present for Respondent: Ms. Renu Jagdev, AR.

**Judgement :**

**Per Ms. Archana Wadhwa:**

1. The challenge in the present appeal is to redemption fine of Rs.2.50 lakhs and penalty of Rs.1.50 lakhs imposed upon the appellant.
2. After hearing both the sides, I find that the appellant imported a consignment of heavy melting scrap and accordingly filed the bill of entry. The said bill of entry was assessed and duty of Rs.5,02,546/- was paid.
3. It is seen that the bill of entry was filed on 13.05.10. The appellant addressed a letter on 15.05.10 to the Revenue indicating that the imported consignment of heavy melting scrap may contain rerollable material to the extent of 80 MT as per

information received by them from supplier. Accordingly they made a request to re-assessment and the differential duty works out to the tune of Rs.6,46,734/- was paid by them on 01.06.10.

4. The said consignment was examined and as per the report of the Chartered Engineer (CE), based upon eye estimation, the rerollable scrap was found to be around 172 MT. The appellant accepted that the said consignment contain rerollable materials and accordingly paid the differential duties also.

5. On the above basis, proceedings were initiated for confiscation of the goods on the charges of mis-declaration and for imposition of penalty. Accordingly matter was adjudicated for confiscation of rerollable scrap with an option to the appellant to redeem the same on payment of redemption fine of Rs.2.50 lakhs and penalty of Rs.1.50 lakhs. The order of the lower authority was upheld by the Commissioner(Appeals). Hence the present appeal.

6. It is seen that it is the appellant themselves who came forward by way of filing a letter within a period of two days of filing bill of entry indicating that as per information received by them from the supplier, the goods imported were project demolition scrap and as such could contain rerollable scrap. The declaration in the bill of entry was made by the appellant based upon the description of the goods in the invoices as also in the packing list and based upon the certificate issued by the supplier. It is seen that vide their letter dtd. 11.06.10 addressed to Addl. Commissioner, Customs, Ludhiana, the appellant made a request that the goods be cleared after mutilation in as much as they have to use the same as melting scrap only. The said request was not accepted by the authorities.

7. In view of the above scenario, when the declaration was in accordance with the papers issued by the foreign supplier, the appellant himself came forward indicating presence of rerollable scrap and the appellant's request for mutilation of the same, I find no justifiable reasons for confiscation of the imported consignment or for imposition of penalty upon the appellant. The same is accordingly set aside and appeal is allowed with consequential relief.