भारत सरकार / GOVERNMENT OF INDIA
वित्त मंत्रालय / MINISTRY OF FINANCE
सीमाशुल्क आयुक्त का कार्यालय/
OFFICE OF COMMISSIONER OF CUSTOMS (EXPORT)
हवाई माल संकुल, सहार, अंधेरी (पू),
मुंबई, ४०० ०९९. /
AIR CARGO COMPLEX, SAHAR, ANDHERI (E), MUMBAI-400 099
E-mail ID: accdbk-xos@gov.in

F.No:- CUS/DBK/MISC/4599/2022- DBK(XOS) Date of Order: 11.2026

Order Passed by: -Shri SINGARAJU VENKATARAJASHEKHARARAO,

Assistant Commissioner of Customs, Adjudication(X), Air Cargo Complex, Mumbai

आदेश संख्या/ **Order No.**: AC/SVR/807/2026-27/DBK (XOS)/ACC

निर्यातक का नाम/Name of the Exporter: M/s. CUREWORTH DRUGS & INTERMEDIATES PRIVATE LIMITED (IEC: 0316940909) ----------

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मूलआदेश:

1. यह प्रति जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए नि:शुल्क दी जाती है।

2 . इस आदेश के विरुद्ध अपील सीमाशुल्क अधिनियम 1962 की धारा 128 (1) के तहत इस आदेश की संसूचना की तारीखसे साठ दिनों के भीतरसीमाशुल्क आयुक्त (अपील), मुंबई-III, आवास कॉर्पोरेट पॉइंट (पाँचवीं मंजिल), मकवाना लेन, एस.एम. केंद्र, अंधेरी-कुर्ला रोड, मरोल, मुंबई-400059 कोकी जा सकती है।

3. अपील दो प्रतियों में होनी चाहिए और सीमाशुल्क(अपील) नियमावली, 1982 के संलग्नक सीए-1 प्रपत्र में दायर की जानी चाहिए। अपील परन्यायालय फी सके रूप में 2 रुपये मात्र का स्टांप न्यायालय फीस अधिनियम 1870 की अनुसूची , के अंतर्गत निर्धारित किया गया है।

4. इस निर्णय या आदेश के खिलाफ अपील करने का इच्छुक कोई भी व्यक्ति, अपील के लंबित होने पर, मांगे गए शुल्क या उसमें लगाए गए जुर्माने की राशि का 7.5 प्रतिशत जमा करेगा और अपील के साथ ऐसे भुगतान का सबूत पेश करेगा, जिस में विफल रहने पर,सीमाशुल्क अधिनियम, 1962 की धारा128 के प्रावधानों के अनुपालन में अपील खारिज कर दी जाएगी।

ORDER-IN-ORIGINAL

1. This copy is granted free of charge for the use of the person to whom it is issued.

2. An appeal against this order lies with the Commissioner of Customs (Appeal), Mumbai-III, Awas corporate point (5th floor), Makwana Lane, Behind S.M. Centre, Andheri-Kurla Road, Marol, Mumbai- 400059 under section 128(1) of the Customs Act, 1962 within sixty days from the date of communication of this order.
3. The appeal should be in duplicate and should be filed in Form CA-1 Annexure on the Customs (Appeal) Rules, 1982. The Appeal should bear a Court Fee stamp of Rs.2 only as prescribed under Schedule 1 of the Court Fee Act, 1870.

4. Any person desirous of appealing against this decision or order shall, pending the appeal, deposit 7.5 % the duty demanded or the penalty levied therein and produce proof of such payment along with the appeal, failing which the appeal is liable to be rejected for non-compliance with provisions of Section 128 of the Customs Act, 1962.

BRIEF FACTS OF THE CASE

1 . M/s. CUREWORTH DRUGS & INTERMEDIATES PRIVATE LIMITED (IEC: 0316940909), hereinafter referred to as "the Exporter", having their address at Plot N 49, Additional Ambernath MIDC, Ambernath, Thane, Maharashtra – 421506, had obtained a drawback amount of **₹37,078/-** (Rupees Thirty Seven Thousand and Seventy Eight Only) for the exports made under the Shipping Bills (as mentioned in Table-A below). The Exporter had not furnished the proof of realization of foreign exchange for the goods exported under the said Shipping Bills as per Public Notice No. 76/2024 dated 21.09.2024. As the Exporter had failed to realize the sale proceeds (foreign exchange) within the time limit prescribed under the Foreign Exchange Management Act, 1999, the said drawback amount, already disbursed, was liable to be recovered along with applicable interest as per the Second Proviso to Section 75(1) of the Customs Act, 1962 read with Rule 18, Sub-Rule (1) & (2) of the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017 and Section 75A(2) of the Customs Act, 1962.

2. The details of the exported goods under the Shipping Bills are as below: -

Table-A

Sr. No.	Shipping Bill No.	Shipping Bill Date	Drawback Amount (₹)
1.	8052234	21-01-2021	9,023.04
2.	4621160	16-09-2021	11,972.21
3.	5441474	21-10-2021	2,908.33
4.	6953583	23-12-2021	3,069.57
5.	3450200	11-08-2022	10,104.59
Total (as per SCN, rounded off)			**₹37,078**

Further, the drawback was sanctioned to the Exporter under the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017. As per Rule 18, Sub-Rule (1) & (2) of the said Rules, the Exporter is under obligation to produce evidence to show that the sale proceeds (foreign exchange) in respect of the goods exported have been realized within the time limit prescribed under the Foreign Exchange Management Act, 1999 (i.e. nine months from the date of export under Regulation 9 of the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015).

3. Accordingly, a Demand-cum-Show Cause Notice No. 263/AC/DBK(XOS)/ADJ(X)/2025-26 ACC dated 23.02.2026 was issued vide F. No. CUS/DBK/MISC/4599/2022-DBK(XOS) (hereinafter referred to as "the said Notice") to the Exporter, wherein the Exporter was called upon to show cause, within 30 days of receipt of the said Notice, as to why:

(i) the drawback amount of ₹37,078/- (Rupees Thirty Seven Thousand and Seventy Eight Only), as detailed in Annexure-I to the said Notice, should not be demanded from them as ineligible drawback under the Second Proviso to Section 75(1) of the Customs Act, 1962 read with Rule 18, Sub-Rule (1) & (2) of the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017;

(ii) interest should not be demanded from them under Section 75A(2) of the Customs Act, 1962 on the drawback amount demanded at (i) above; and

(iii) penalty under Section 117 of the Customs Act, 1962 should not be imposed on them.

LEGAL PROVISIONS

4 . The scheme of Duty Drawback has been incorporated in Chapter X of the Customs Act, 1962 along with the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017, and the relevant provisions thereof are mentioned below:

(i) *Second proviso to Section 75(1) of the Customs Act, 1962 stipulates that:*

Provided further that where any drawback has been allowed on any goods under this sub-section and the sale proceeds in respect of such goods are not received by or on behalf of the exporter in India within the time allowed under the Foreign Exchange Management Act, 1999, such drawback shall [except under such circumstances or such conditions as the Central Government may, by rule, specify,] be deemed never to have been allowed and the Central Government may, by rules made under sub-section (2), specify the procedure for the recovery or adjustment of the amount of such drawback.

(ii) *Relevant part of Rule 18 of the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017 stipulates that:*

(1) Where an amount of drawback has been paid to an exporter or a person authorized by him (hereinafter referred to as the claimant) but the sale proceeds in respect of such export goods have not been realized by or on behalf of the exporter in India within the period allowed under the Foreign Exchange Management Act, 1999 (42 of 1999), including any extension of such period, such drawback shall, except under circumstances or conditions specified in sub-rule (5), be recovered in the manner specified below: Provided that the time-limit referred to in this sub-rule shall not be applicable to the goods exported from the Domestic Tariff Area to a special economic zone.

(2) If the exporter fails to produce evidence in respect of realization of export proceeds within the period allowed under the Foreign Exchange Management Act, 1999, or any extension of the said period by the Reserve Bank of India, the Assistant Commissioner of Customs or the Deputy Commissioner of Customs, as the case may be, shall cause notice to be issued to the exporter for production of evidence of realization of export proceeds within a period of thirty days from the date of receipt of such notice and where the exporter does not produce such evidence within the said period of thirty days, the Assistant Commissioner of Customs or Deputy Commissioner of Customs, as the case may be, shall pass an order to recover the amount of drawback paid to the claimant and the exporter shall repay the amount so demanded within thirty days of the receipt of the said order: Provided that where a part of the sale proceeds has been realized, the amount of drawback to be recovered shall be the amount equal to that portion of the amount of drawback paid which bears the same proportion as the portion of the sale proceeds not realized bears to the total amount of sale proceeds.

(3) Where the exporter fails to repay the amount under sub-rule (2) within said period of thirty days referred to in sub-rule (2), it shall be recovered in the manner laid down in rule 17.

(iii) *As per Regulation 9 of the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015 read with the Foreign Exchange Management Act, 1999, the amount representing the full export value of goods/software/services exported shall be realised and repatriated to India within nine months from the date of export, provided that the Reserve Bank, or subject to directions issued by that Bank in this behalf, the authorised dealer may, for a sufficient and reasonable cause shown, extend the said period.*

(iv) Section 75A(2) of the Customs Act, 1962 provides that where drawback has become recoverable under the provisions of the Act or the Rules made thereunder, the exporter is liable to pay, in addition to the amount to be recovered, interest at the rate fixed under Section 28AA, from the date of payment of such drawback till the date of recovery.

(v) Section 117 of the Customs Act, 1962 provides for penalty, not exceeding four lakh rupees, on any person who contravenes any provision of the Act or fails to comply with any provision with which it was his duty to comply, where no express penalty is elsewhere provided for such contravention or failure.

WRITTEN SUBMISSIONS & PERSONAL HEARING

5 . In reply to the said Notice, the Exporter vide letter dated 30.03.2026 signed by their Authorised Signatory, submitted that they had obtained the drawback amount of ₹37,078/- for the exports made under the Shipping Bills mentioned in Annexure-I to the said Notice, furnished the proof of realization of foreign exchange for the goods exported under the said Shipping Bills in the form of e-BRC details (as tabulated in their letter), and requested to resolve the matter and issue a closure letter in respect of the said Notice.

6 . Along with the reply, the Exporter furnished the Statements of Bank Realisation (e-BRC) generated from the DGFT website on 28.03.2026, in respect of Shipping Bill Nos. 8052234, 4621160, 5441474, 6953583 and 3450200, issued by Bank of India, wherein the amounts realised are reflected in USD with nil deductions towards commission, discount, insurance, freight or other charges.

7. In terms of Para 7 of the said Notice, the Noticee was required to indicate whether they intended to be heard in person. The reply dated 30.03.2026 does not indicate any such request.

DISCUSSION AND FINDINGS

8 . I have carefully gone through the facts of the case, the Demand-cum-Show Cause Notice issued by the Drawback (XOS) Section under Rule 18, Sub-Rule (1) & (2) of the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017 read with Section 75A(2) of the Customs Act, 1962, and the submission of the Exporter. The issue to be decided is whether the sale proceeds (foreign exchange) in respect of the goods exported under each of the Shipping Bills mentioned in Table-A were realised within the time limit prescribed under the Foreign Exchange Management Act, 1999, and whether proof of such realisation has been furnished by the Exporter.

9 . I find that reasonable time was given for submission of documents regarding realisation of export proceeds against the Shipping Bills for the subject period. Public

Notice No. 76/2024 dated 21.09.2024 was issued, whereby exporters were requested to provide information on receipt of export proceeds by 20th October, 2024 to obviate the chances of issuance of Show Cause Notice for recovery of drawback amount and other incentives. Since the Exporter failed to provide details regarding receipt of remittances for the exports made by them, the Demand-cum-Show Cause Notice was issued, calling upon the Exporter to furnish the requisite documents within 30 days of its receipt, with an opportunity of personal hearing.

10. As per Rule 18, Sub-Rule (1) & (2) of the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017 read with Section 75A(2) of the Customs Act, 1962, the Exporter is under obligation to produce evidence to show that the sale proceeds (foreign exchange) in respect of the goods exported have been realized within the time limit prescribed under the Foreign Exchange Management Act, 1999.

11. In relation to realisation of export proceeds, I take into consideration that the Board, vide Circular No. 33/2019 dated 19.09.2019, has clarified that short realisation on account of agency commission, bank charges etc. is permissible within the overall limit of 12.5% of the FOB value, and that duty drawback may be permitted on the realised FOB value without deducting bank charges up to that limit.

12. From the submission of the Exporter, and as verified from the e-BRC details, I find that the export remittances in respect of all the five Shipping Bills mentioned in Table-B below have been realised within the time limit prescribed under the Foreign Exchange Management Act, 1999: -

TABLE-B

Sr. No.	Shipping Bill No.	Shipping Bill Date	Drawback Amount (₹)	FOB Value as per ICES (in USD)	Realised Amount as per e-BRC (in USD)	Realisation date as per e-BRC	e-BRC No. / e-BRC Date	Realisation after 09 Months
1.	8052234	21-01-2021	9,023.04	10350	10,173.80	12-02-2021	BKID0000044210151631 (BRC date: 15-02-2021)	NO
2.	4621160	16-09-2021	11,972.21	13600	13,427.00	13-10-2021	BKID0000044210273981 (BRC date: 14-10-2021)	NO
3.	5441474	21-10-2021	2,908.33	3350	3,335.00	17-11-2021	BKID0000044210291194 (BRC date: 18-11-2021)	NO
4.	6953583	23-12-2021	3,069.57	3450	3,370.10	11-02-2022	BKID0000044220330125 (BRC date: 25-02-2022)	NO
5.	3450200	11-08-2022	10,104.59	10350	10,183.80	08-09-2022	BKID0000044220425750 (BRC date: 09-09-2022)	NO
		Total	**37,077.74**					

13. I find that the export proceeds against all the five Shipping Bills in Table-B were realised by the bank within about one to two months from the dates of the respective Shipping Bills, which is well within the nine months period prescribed under Regulation 9 of the Foreign Exchange Management (Export of Goods and Services) Regulations, 2015. The Shipping Bill numbers and dates, IEC (0316940909) and port (INBOM4) shown in the e-BRCs correspond to the particulars furnished by the Exporter. Where the realisation date mentioned in the Exporter's letter differs marginally from the e-BRC (Shipping Bill No. 4621160), the date as per the e-BRC has been taken, as the e-BRC is the system-generated record available on the DGFT portal.

14. I also find that in all the five e-BRCs the net realised value is equal to the total realised value, with nil commission, discount, insurance, freight or other deductions, and that the realised values, on comparison with the FOB values as per ICES, are within the

permissible limit of 12.5% of FOB value in terms of Circular No. 33/2019 dated 19.09.2019.

15. Therefore, as per Rule 18, Sub-Rule (1) & (2) of the Customs, Central Excise Duties and Service Tax Drawback Rules, 2017 read with Section 75A(2) of the Customs Act, 1962 and the Second Proviso to Section 75(1) of the Customs Act, 1962, I find that the Exporter has fulfilled all the obligations required under the said provisions in respect of all the Shipping Bills. Hence, the demand of drawback of ₹37,078/- is liable to be dropped. Consequently, the question of demanding interest under Section 75A(2) or imposing penalty under Section 117 of the Customs Act, 1962 does not arise.

16. In view of the above, I pass the following order:

ORDER

I, hereby drop the demand of Drawback of ₹37,078/- (Rupees Thirty Seven Thousand and Seventy Eight Only) from M/s. CUREWORTH DRUGS & INTERMEDIATES PRIVATE LIMITED (IEC: 0316940909) issued vide Demand-cum-Show Cause Notice No. 263/AC/DBK(XOS)/ADJ(X)/2025-26 ACC dated 23.02.2026 w.r.t. the Shipping Bills mentioned at Table-A, along with the proposed interest under Section 75A(2) and penalty under Section 117 of the Customs Act, 1962.

17. This Order is issued without prejudice to any other action(s) that may be taken against the Exporter or any other person(s) mentioned in the Notice, under the provisions of the Customs Act, 1962 or under any other law for the time being in force in India.

Digitally signed by Singaraju Venkatarajashekhararao
Date: 17-11-2026 12:41:15

(SINGARAJU VENKATARAJASHEKHARARAO)
Assistant Commissioner of Customs,
Adjudication(X) ACC, Mumbai.

To:
M/s. CUREWORTH DRUGS & INTERMEDIATES PRIVATE LIMITED (IEC: 0316940909)
PLOT N 49, ADDITIONAL AMBERNATH MIDC,
AMBERNATH, THANE, MAHARASHTRA – 421506

Copy for information and necessary action to:

1. AC/DC (Review Cell), ACC, Mumbai.
2. AC/DC Adjudication Cell, ACC, Mumbai.
3. AC/DC TRC(X), ACC, Mumbai.
4. Notice Board.
5. Office Copy.