

	<p>सीमाशुल्कआयुक्तकार्यालय, एनएस-II OFFICE OF THE COMMISSIONER OF CUSTOMS, NS-II केंद्रीकृतनिर्यातआकलनकक्ष, जवाहरलालनेहरूसीमाशुल्कभवन CENTRALIZED EXPORT ASSESSMENT CELL, JAWAHARLAL NEHRU CUSTOM HOUSE, न्हावाशेवा, तालुका-उरण, जिला- रायगढ़, महाराष्ट्र -400 707 NHAVA SHEVA, TALUKA-URAN, DIST- RAIGAD, MAHARASHTRA-400707</p>
<p>F. NO.- CUS/ASS/AMND/2516/2025-CEAC Dated:08 .01.2026</p>	

DIN: 20260178NT0000010351	
आदेश की तिथि Date of Order	: 08 .01.2026
जारी किए जाने की तिथि Date of Issue	: 09 .01.2026
आदेश सं. Order No.	: 351 /2025-26/ आयुक्त/एनएस-II/ सीएसी/जेएनसीएच 351/2025-26/Commissioner/NS-II /CAC /JNCH
पारितकर्ता Passed by	: श्री गिरिधर जी. पई Sh. Giridhar G. Pai आयुक्त, सीमाशुल्क (एनएस-II), जेएनसीएच, न्हावाशेवा Commissioner of Customs (NS-II), JNCH, Nhava Sheva
पक्षकार (पार्टी)/नोटिसी का नाम Name of Party/Noticee	: मै. माइलेजइंटरनेशनल, 0302056513, M/s. MILEAGE INTERNATIONAL (IEC No. 0302056513)

मूलआदेश

ORDER-IN-ORIGINAL

1. इस आदेश की मूल प्रति की प्रतिलिपि जिस व्यक्ति को जारी की जाती है, उसके उपयोग के लिए निःशुल्क दी जाती है।

The copy of this order in original is granted free of charge for the use of the person to whom it is issued.

2. इस आदेश से व्यथित कोई भी व्यक्ति सीमा शुल्क अधिनियम, एक हजार नौ सौ बासठ की धारा 129A के तहत इस आदेश के विरुद्ध सीईएसटीएटी, पश्चिमी प्रादेशिक न्यायपीठ (वेस्ट रीजनल बेंच), चौतीस, पी. डी. मेलो रोड, मस्जिद (पूर्व), मुंबई-400009 को अपील कर सकता है, जो उक्त अधिकरण के सहायक रजिस्ट्रार को संबोधित होगी।

Any Person aggrieved by this order can file an Appeal against this order to CESTAT, West Regional Bench, 34, P D Mello Road, Masjid (East), Mumbai - 400009 addressed to the Assistant Registrar of the said Tribunal under Section 129 A of the Customs Act, 1962.

3. अपील दाखिल करने संबंधी मुख्य मुद्दे:-

Main points in relation to filing an appeal:-

फॉर्म Form	: फॉर्म नं. सीएतीन चार प्रतियों में तथा उस आदेश की चार प्रतियाँ, जिसके खिलाफ अपील की गई है (इन चार प्रतियों में से कम से कम एक प्रति प्रमाणित होनी चाहिए)। Form No. CA3 in quadruplicate and four copies of the order appealed against (at least one of which should be certified copy)
समयसीमा Time Limit	: इस आदेश की सूचना की तारीख से तीन महीने के भीतर Within 3 months from the date of communication of this order.
फीस Fee	: (क) एक हजार रुपये—जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्ति की रकम पाँचलाख रुपये या उससे कम है। (a) Rs. One Thousand - Where amount of duty & interest demanded & penalty imposed is Rs. 5 Lakh or less. (ख) पाँचहजाररुपये— जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्ति की रकम पाँच लाख रुपये से अधिक परंतु पचासलाख रुपये से कम है। (b) Rs. Five Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 5 Lakh but not exceeding Rs. 50 lakh (ग) दस हजार रुपये—जहाँ माँगे गये शुल्क एवं ब्याज की तथा लगायी गयी शास्ति की रकम पचास लाख रुपये से अधिक है। (c) Rs. Ten Thousand - Where amount of duty & interest demanded & penalty imposed is more than Rs. 50 Lakh.
भुगतान की रीति Mode of Payment	: क्रॉस बैंक ड्राफ्ट, जो राष्ट्रीयकृत बैंक द्वारा सहायक रजिस्ट्रार, सीईएसटीएटी मुंबई के पक्ष में जारी किया गया हो तथा मुंबई में देय हो। A crossed Bank draft, in favour of the Asstt. Registrar, CESTAT, Mumbai payable at Mumbai from a nationalized Bank.
सामान्य Genera l	: विधि के उपबंधों के लिए तथा ऊपर यथा संदर्भित एवं अन्य संबंधित मामलों के लिए, सीमा शुल्क अधिनियम, एक हजार नौ सौ बासठ; सीमा शुल्क (अपील) नियम, एक हजार नौ सौ बयासी; तथा सीमा शुल्क, उत्पादन शुल्क एवं सेवा कर अपील अधिकरण (प्रक्रिया) नियम, एक हजार नौ सौ बयासी का संदर्भ लिया जाए। For the provision of law & from as referred to above & other related matters, Customs Act, 1962, Customs (Appeal) Rules, 1982, Customs, Excise and Service Tax Appellate Tribunal (Procedure) Rules, 1982 may be referred.

4. इस आदेश के विरुद्ध अपील करने के लिए इच्छुक व्यक्ति अपील अनिर्णीत रहने तक उसमें माँगे गए शुल्क अथवा उद्गृहीत शास्ति का सात दशमलव पाँच प्रतिशत (7.5%) जमा करेगा और ऐसे भुगतान का प्रमाण प्रस्तुत करेगा। ऐसा न

किए जाने पर अपील सीमा शुल्क अधिनियम, एक हज़ार नौ सौ बासठ की धारा 129 के उपबंधों की अनुपालना न किए जाने के लिए नामंजूर किए जाने की दायी होगी।

Any person desirous of appealing against this order shall, pending the appeal, deposit 7.5% of duty demanded or 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 the provisions of Section 129 of the Customs Act 1962.

Subject: - Request for Conversion of 13 nos. of Shipping Bills from Scheme- Duty Free Replenishment Certificate (DFRC)to Scheme-DEPB by M/s.MILEAGE INTERNATIONAL (IEC No. 0302056513) - Reg.

----- M/s. MILEAGE INTERNATIONAL (IEC No. 0302056513), located atD-1, Bharat Nagar, Grant Road, Mumbai-07 (hereinafter referred to as 'the exporter') has requested for conversion of 13 nos. of Shipping bills from Scheme-DFRC to Scheme-DEPB vide their letters dated 18.07.2025 (received in this office on 01.08.2025), details of which are tabulated below:-

TABLE -I

Sl. No.	Shipping Bill No.	Shipping Bill date	FOB Value (in INR)	Leo Date	Inv No & date	Container NO	Examination Report Dated	Date of BRC realization
1	2398204	24.10.2003	1501907.83	28.10.2003	MI/11 dt 23.10.2003	TEXU2562285	Not Available	21.11.2003
2	2400697	28.10.2003	1075799.31	29.10.2003	MI/12 DT 24.10.2003	MSCU2299330	Not Available	21.11.2003
3	2416517	06.11.2003	1470354.9	10.11.2003	MI/13 DT 05.11.2003	MLCU3457062	Not Available	21.11.2003
4	2416657	06.11.2003	1866072.08	10.11.2003	MI/14 DT 05.11.2003	IALU2001369	05.11.2003	25.11.2003
5	2430010	14.11.2003	1500050.06	16.11.2003	MI/15 DT 13.11.2003	FSCU3709262	13.11.2003	25.11.2003 & 16.12.2003
6	2431072	15.11.2003	1070190.45	16.11.2003	MI/16 DT 14.11.2003	FSCU3085124	Not Available	16.12.2003
7	2440629	21.11.2003	1946416.5	22.11.2003	MI/17 DT 20.11.2003	LAIU9520848	20.11.2003	16.12.2003, 30.01.2004 & 05.02.2004
8	2442727	22.11.2003	1877481.48	27.11.2003	MI/18 DT 21.11.2003	MAEU6802612	21.11.2003	09.12.2003
9	2476583	12.12.2003	1976918.9	15.12.2003	MI/19 DT 11.12.2003	CRXU1313306	11.12.2003	12.02.2004
10	2476729	12.12.2003	1873932.5	15.12.2003	MI/20 DT 11.12.2003	CRXU2815654	11.12.2003	05.02.2004
11	2500192	26.12.2003	2157875.5	27.12.2003	MI/22 DT 24.12.2003	IALU2200099	24.12.2003	31.03.2004 & 23.06.2004
12	2578885	06.02.2004	2180041.2	06.02.2004	MI/022 DT 05.02.2004	SCXU6934473	Not Available	19.02.2004
13	2581527	07.02.2004	2149531.2	09.02.2004	MI/23 DT 06.02.2004	ICSU4725831	Not Available	25.02.2004

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Note: All SBs filed under DFRC and conversion is being sought to DEPB scheme.

2. The exporter has requested the conversion of 13 shipping bills from the DFRC scheme to the DEPB scheme. They have stated that these shipping bills were originally filed under DFRC scheme. The exporter further explained that their firm, M/s Mileage International, was placed on the Customs alert list, which prevented the issuance of a DFRC License to them by the DGFT. As a result, the exporter has been unable to benefit from the DFRC scheme and has formally requested the conversion of these shipping bills to the DEPB scheme.

3. It is further stated by the exporter that the exporter's other consignments covered under Shipping Bill Nos. 2585558 dated 09.02.2004 and 2588766 dated 11.02.2004 were placed on hold by SIIB (Exports), JNCH. A Show Cause Notice bearing F. No. SG/Misc-09/2004 dated 12.08.2004 was issued by the Joint Commissioner of Customs, SIIB (Export), JNCH. The matter was adjudicated vide Order-in-Original F. No. SG/Misc-09/2004/SIIB(X)/JNCH dated 30.04.2007, passed by the Commissioner of Customs (Exports), JNCH, wherein the goods were confiscated, and penalties were imposed on the exporter.

4. Aggrieved by the said Order-in-Original, appeals were filed before the Hon'ble CESTAT, West Zonal Bench, Mumbai, by the three parties on whom penalties had been imposed. The Hon'ble Tribunal, vide its order dated 06.09.2007, set aside the penalties imposed on all three parties and ordered release of the goods on payment of redemption fine. The Department's appeal against the said order before the Hon'ble High Court was dismissed vide order dated 29.08.2008.

5. The exporter, vide their letter dated 18.07.2025, submitted that they were unable to locate the original copies of the shipping bills. Consequently, they filed a police complaint on 25.10.2005 at the Bhilad police station. After the documents were traced in 2010, the exporter submitted the original shipping bills to the Commissioner of Customs (Exports), JNCH, on 08.03.2010, along with supporting documents, for conversion from DFRC to DEPB.

6. Further, vide letter F.No.8/6-Gen-204/2015-16/P Con X dated 24.09.2015 from Assistant Commissioner of Customs, Punjab Conware, JNCH had rejected the conversion citing non-fulfillment of the condition 3(a) of the Boards Circular No. 36/2010 dated 23.09.2010 which stipulated that the request for conversion should be made by the exporter within three months from the date of the Let Export Order(LEO). Aggrieved by the department's rejection the exporter filed an appeal before the Commissioner of Customs (Appeals) Mumbai -II JNCH Nhava Sheva. However, the appeal filed by the exporter was dismissed as non-maintainable under section 128 of the Customs Act on 21.09.2016.

7. Thereafter, the exporter filed an appeal before the Hon'ble CESTAT, Mumbai. The Hon'ble Tribunal, vide Final Order No. 85475-85476/2025 dated 24.03.2025, passed the following order:

"7. In these circumstances, the impugned Order stands invalidated and the application are restored to the jurisdiction of the Commissioner of Customs for taking a decision on the conversion in accordance with the provisions of law and without being bound by the impugned Circular'."

8. Additionally, the exporter has submitted a copy of Hon'ble Tribunal's West Zonal Bench, Ahmedabad Order No. A/995/WZB/AHD/2012 dated 21.06.2012 wherein the conversion was granted for five shipping bills exported in 2003 by M/s Rajguru Impex (India) Pvt. Ltd. from the DFRC scheme to the DEPB scheme. The Hon'ble Tribunal, through Order No. A/995/WZB/AHD/2012 dated 21.06.2012, issued the following ruling:

"9. The next issue to be considered is that when the request was made for conversion of shipping bills from one scheme to another, such conversion can be allowed only where it is possible to verify eligibility of the application for the scheme on the basis of existing documents and records. Learned counsel submits that entry No. 354 In the product group 'Engineering Products' of DEPB reads as "Stainless Steel cutlery with or without handle Irrespective of material the handle may be made of". After going through the copies of shipping bills produced before us, we find that the description of the goods exported is exactly the same as mentioned in the DEPB schedule. In the case of DFRC scheme, the appellant was required to give technical characteristics of the material used by them so that the replenishment of those materials used by importation could be allowed. This is not a case in the case of DEPB scheme. There is no dispute that the goods exported tally with the description given in the schedule. Further, when the shipping bill is filed for DFRC' scheme, the Customs authorities would have verified the description of the goods exported that the goods as mentioned in the shipping bill. In this case the goods have been exported by stuffing in the factory under Central Excise supervision and therefore, the description of the goods mentioned in the shipping bill has to be taken as one covering the goods which are exported. Since the description of goods exported in the shipping bills, in respect of which conversion is sought are exactly as mentioned in the DEPB schedule, we consider that this is a case where, in the Interest of Justice, the case of the appellant should have been considered sympathetically.

10. In view of the above, we find that the request of the appellant for conversion of the shipping bill to DEPB scheme is justifiable and it cannot be said that the circular issued by the Board in 2004 bars the claim of the appellant. Moreover, we also take note of the fact that the Board has issued circular in 2010 which has further liberalised such conversions. While taking this decision to hold that appellant is eligible, we have to take note of the fact that the policy is designed to encourage the exports and therefore, in the facts and circumstances of this case a liberal view is called for.

Accordingly, the appeal is allowed and it is ordered that the request of the appellants for conversion of shipping bills be allowed."

9. Now, in light of the application dated 18.07.2025, additional submissions made by the exporter, Tribunal order dated 21.06.2012 and the Tribunal's Order dt. 24.03.2025, the issue before the competent authority is to decide whether the conversion of afore-mentioned 13 Shipping Bills from Scheme DFRC to Scheme DEPB is allowed or not in accordance with law as prevailing at the relevant time.

10. In adherence to the principles of natural justice, personal hearing was granted on 10.12.2025. Sh. Ramesh Bafna, General Manager of M/s Mileage International, accompanied by their advocate, appeared before the undersigned and requested to allow the amendment. The exporter vide letter dated 22.12.2025 has submitted copies of Shipping bills, invoice, packing list, Examination report duly

endorsed by the Central Excise Superintendent, Bill of lading and BRC realized for the said shipping bills.

DISCUSSION AND FINDINGS

11. I have carefully gone through the request made by the exporter vide their letter dated 18.07.2025 (received in this office on 01.08.2025), the Hon'ble Tribunal orders dated 24.03.2025 and dated 21.06.2012, the submissions made by the exporter at the time of the personal hearing, the Customs and Central Excise Duties Drawback Rules, 2017 and the relevant provisions of Customs Act, 1962, which govern the amendment of shipping bills.

12. I find that all the above-mentioned Shipping bills were filed under DFRC, but, as mentioned by the exporter, due to Customs alert on their other firm, they were unable to effectively utilize or derive any benefit under the DFRC scheme, and have therefore sought conversion of these shipping bills from DFRC to the DEPB scheme.

13. Amendment of shipping bills is governed by Section 149 of the Customs Act, 1962. Section 149 of the Customs Act, as amended with effect from 01.08.2019, reads as under:

Section 149. Amendment of documents- Save as otherwise provided in section 30 and 41, the proper officer may, in his discretion, authorize any document, after it has been presented in the custom house to be amended in such form and manner, within such time, subject to such restrictions and conditions, as may be prescribed:

Provided that no amendment of a bill of entry or a shipping bill or bill of export shall be so authorized to be amended after the imported goods have been cleared for home consumption or deposited in a warehouse, or the export goods have been exported, except on the basis of documentary evidence which was in existence at the time the goods were cleared, deposited or exported, as the case may be"

14. Further, I find that the said shipping bills were exported during the period of Oct 2003 to Feb 2004 and the exporter had submitted the conversion request/application from DFRC to DEPB to the Commissioner of Customs (Export), JNCH on 08.03.2010. Accordingly, I find that the legal regime applicable to such post-export conversion is contained in Circular No. 06/2003-Cus dated 28.01.2003, read with Circular No. 40/2003-Cus dated 12.05.2003 and Circular No. 04/2004-Cus dated 16.01.2004, which collectively prescribe the conditions for conversion of shipping bills from one export promotion scheme to another on merits. The relevant provisions of the regulations are as under:

a) **Circular No.06/2003-Cus dated 28.01.2003:** Conversion of free shipping bills into Advance License/DEPB/DFRC/ Drawback shipping bills and conversion of shipping bills from one export promotion scheme to another Para 3 and 4 of the Circular are reproduced below.

Para 3: The issue has been examined in Board. Export Promotion Schemes viz. Advance License/DFRC/DEPB/Drawback are in operation so that the exporter can avail its benefit. Therefore, in cases where the exporter wanted to avail benefit of a particular export promotion scheme but he was forced to file a free shipping bill by Customs or in cases where benefit of an export promotion scheme was denied to the exporter by Customs or DGFT, in all such cases conversion of shipping bill may be allowed, subject to the condition laid down below.

Para 4. It is, therefore, clarified that in the following types of cases conversion of shipping bill may be allowed:

i) Where the exporter wanted to avail benefit of an export promotion scheme (including Drawback) but he was forced to file free shipping bill.

ii) Where the exporter had filed shipping bill under a particular export promotion scheme but benefit of that scheme was denied to him by DGFT or Customs.

Conversion in the aforesaid types of cases may be allowed by the Commissioner on case-to-case basis subject to the following conditions:

(a) On the basis of available export documents etc., the fact of use of inputs is satisfactorily proved in the resultant export product for the purpose of allowing conversion into Advance License/DFRC/DEPB/Drawback Schemes.

(b) The examination report and other endorsements made on the shipping bill / export documents prove the fact of export of the export product and the export product is clearly covered under relevant SION and DEPB Schedule as the case may be.

(c) On the basis of S/Bill/export documents the exporter is fulfilling all conditions of the said Scheme & is eligible for its benefit.

b) **Circular No.40/2003-Cus. Dated 12.05.2003:** Conversion of free shipping bills into Advance License/DEPB/DFRC/Drawback shipping bills and conversion of shipping bills from one export promotion scheme to another. Para 2 and 3 of the Circular are reproduced below:

Para 2. Trade has been representing that in cases where the exporter was forced to file free shipping bill by Customs at the time of export of goods, for the purpose of seeking conversion at a later date it becomes difficult for them to prove this fact. This is because generally no written denial is issued by Customs.

Para 3. The issue has been re-examined in consultation with DGFT/MOC and it is clarified that conversion of free shipping bills into Advance License/ DEPB/DFRC/Drawback shipping bills and conversion of shipping bills from one export promotion scheme to another (where the benefit of that Scheme has been refused by Customs/DGFT – vide para 4(i) of DOR Circular No.6/2003-Cus.) may be permitted on merits by the Commissioner on case to case basis subject to the conditions specified in Para 4(a),(b) and (c) of DOR Circular No.6/2003-Cus. dated 28.1.2003 and also subject to the following condition: -

“the exporter has not availed benefit of any export promotion scheme and no fraud/or suspected manipulation and no investigations have been initiated against the party in respect of such exports under these shipping bills”.

c) **Circular No. 04/2004-Cus dated 16.01.2004:** Conversion of free shipping bills into Advance License/ DEPB/DFRC/Drawback shipping bills and conversion of shipping bills from one export promotion scheme to another Para 3.2 and 4 of the Circular are reproduced below.

Para 3.2. As regards permitting conversion of free shipping bills into Advance License /DEPB/DFRC shipping bills is concerned, it is true over a period of time, with liberalization having been ushered in the Customs administration, clearance of goods is being permitted mostly on the basis of self-declaration made by the exporters on the shipping bills. Such self-assessment scheme necessarily casts the responsibility on the exporter to make up his mind at the time of filing shipping bills as to which export promotion incentive he likes to avail. With the introduction of the system of on-line assessment, such request for conversion at a later date creates difficulties and it is not advisable to encourage such conversion.

It is, therefore, clarified that conversion of free shipping bills into Advance License/DEPB/DFRC shipping bills should not be allowed. As regards permitting conversion of shipping bills from one export promotion scheme to another is concerned, it is clarified that such conversion should only be allowed where the benefit of an export promotion scheme claimed by the exporter has been denied by DGFT/MOC or customs due to any dispute. Such conversion may be permitted on merits by the Commissioner on case to case basis subject to the following conditions:

- a) The request for conversion is made by the exporter within one month of the denial/rejection of the benefit claimed.*
- b) On the basis of available export documents etc., the fact of use of inputs is satisfactorily proved in the resultant export product.*
- c) The examination report and other endorsements made on the shipping bill/export documents prove the fact of export and the export product is clearly covered under relevant SION and or DEPB Schedule as the case may be.*
- d) On the basis of S/Bill/export documents the exporter is fulfilling all conditions of the Export Promotion Scheme into which he is seeking conversion.*
- e) The exporter has not availed benefit of the export promotion Scheme under which the goods were exported and no fraud/ misdeclaration /manipulation/investigation is initiated against him in respect of such exports.*

14.1. A conjoint reading of these provisions indicates that the regulations apply only to such shipping bills where SB was filed under a particular export promotion scheme but benefit of that scheme was denied to him by DGFT or Customs. In the instant case, conversion is sought from DFRC to DEPB Scheme but the DFRC benefits were not availed by the exporter. Therefore, in the instant case, I find that the conversion is covered under Circular No.06/2003-Cus dated 28.01.2003 read with Circular No.40/2003-Cus. Dated 12.05.2003 and Circular No. 04/2004-Cus dated 16.01.2004.

15. Considering the fact that the said Shipping Bills were granted LEO between Oct 2003 to feb2004, a conjoint reading of Section 149 of the Customs Act, 1962 and the subsequent regulatory framework discussed above relating to post-export conversion, provides for the following criteria for conversion of the said shipping bills-

- A. The application for conversion is filed by the exporter within one month of denial/rejection of the benefit claimed

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- B. On the basis of available export documents etc., the fact of use of inputs is satisfactorily proved in the resultant export product for the purpose of allowing conversion into Advance License/DFRC/DEPB/Drawback Schemes Examination report and other endorsements prove the fact of export and product is clearly covered under relevant SION and/or DEPB Schedule
 - C. Exporter has not availed benefit of the export promotion scheme under which goods were exported and no fraud/misdeclaration/manipulation/investigation initiated against him.
 - D. On the basis of shipping bill/export documents, exporter is fulfilling all conditions of the export promotion scheme
 - E. On payment of a fee in accordance with Levy of fees (Customs Documents) Regulations, 1970, as amended,
 - F. All conditions relating to shipping bill have been complied with,
 - G. No contravention noticed against the shipping bill,

16. Now, I proceed to examine the present case in terms of each of the criteria as given above.

A. The application for conversion shall be filed in writing within a period of one of the benefit claimed:

(a) As discussed above, I find that the conversion for the subject shipping bill was rejected vide letter F.No.8/6-Gen-204/2015-16/P Con X dated 24.09.2015 from Assistant Commissioner of Customs, Punjab Conware, JNCH citing non-fulfillment of the condition 3(a) of the Boards Circular No. 36/2010 dated 23.09.2010 which stipulated that the request for conversion should be made by the exporter within three months from the date of the Let Export Order(LEO). The Hon'ble Tribunal, vide Final Order No. 85475-85476/2025 dated 24.03.2025, passed the following order:

"7. In these circumstances, the impugned Order stands invalidated and the application are restored to the jurisdiction of the Commissioner of Customs for taking a decision on the conversion in accordance with the provisions of law and without being bound by the impugned Circular."

(b) In view of the above, I find that the objection regarding time bar stands wholly overruled in light of the CESTAT's binding directions, and the matter requires adjudication purely on merits under the applicable legal framework of Section 149 and Circular No. 06/2003-Cus dated 28.01.2003, read with Circular No. 40/2003-Cus dated 12.05.2003 and Circular No. 04/2004-Cus dated 16.01.2004.

(c) Nevertheless, I find that the issue related to the time limit for making conversion application has already been regularised in the Export Entry (Post export conversion in relation to instrument based scheme) Regulations, 2025 have been notified vide Notification No. 21/2025-Customs (N.T.) dated 03.04.2025. Regulation 3(2) of the said Regulations provides that where an export entry is filed before the 22nd February, 2022, the period of one year specified under sub-regulation (1) shall be reckoned from the date on which these regulations have come into force i.e., 03.04.2025. In the instant case, since the export entry in respect of the Shipping bills mentioned in Table-I above is prior to 22.02.2022 and the application is being considered within the period of one year from the date on which the Export Entry Regulations, 2025 have come into force, i.e., 03.04.2025, the application is well within the prescribed time limit in terms of Regulation 3(2) of the said Regulations.

B. On the basis of available export documents etc., the fact of use of inputs is satisfactorily proved in the resultant export product for the purpose of allowing conversion into Advance Licence/DFRC/DEPB/Drawback Schemes Examination report and other endorsements prove the fact of export and product is clearly covered under relevant SION and/or DEPB Schedule

(a) From plain reading of Section 149 of the Customs Act, 1962, it may be seen that the exporter cannot be allowed to claim amendment by way of conversion in a routine and as a matter of right. Such conversion/amendment can only be allowed on a case-to-case basis if the conditions in Section 149 of the Customs Act, 1962 including the fact that documentary evidence was in existence at the time of clearance of goods for export, are fulfilled. The exporter has requested the conversion of 13 shipping bills from the DFRC scheme to the DEPB scheme. They have stated that their application for the DFRC license against the 13 shipping bills were not accepted by the DGFT because of alert on the company due to litigation booked by the SIIB(X), JNCH on other shipping bills. Hence, the exporter was not able avail the benefit of DFRC license.

(b) In the subject case, the exporter has shown intention to export the goods covered under above mentioned shipping bills in DFRC scheme by putting the SION/ Import/Export quantity and same is also detailed in the goods description of all the shipping bills. But as discussed above, the exporter was not able to avail the benefits of DFRC.

(c) The invoices accompanying the shipping bills clearly describe the exported goods as “Stainless steel Cutlery with or without handle irrespective of what material the handle may be made of stainless/Stainless Steel Top Set 6/9pc Set/Stainless Steel Glass Big/Stainless Steel Anarkali/Desert Spoon/Mug/Table kitchen & other Household articles made of stainless steel with/without handle irrespective been made of”. The relevant SION Codes 61/832 and 61/819 have been explicitly mentioned in the shipping bills. The description and nature of the goods match the DEPB Schedule.

(d) The exporter has submitted copies of the examination reports relating to seven shipping bills –Nos. 2416657 dated 06.11.2003, 2430010 dated 14.11.2003, 2431072 dated 15.11.2003, 2440629 dated 21.11.2003, 2442727 dated 22.11.2003, 2476583 dated 12.12.2003, 2476729 dated 12.12.2003, and 2500192 dated 26.12.2003. In respect of these seven shipping bills, the examination reports were duly endorsed by the Central Excise Range, Sarigam, certifying that the goods were examined and stuffed under the supervision of Central Excise authorities. The reports explicitly record that the goods were stuffed and sealed with the departmental bottle seal, and no adverse remarks were noted at the time of examination. Accordingly, I find that although examination reports in respect of six shipping bills are not available on record, the seven examination reports submitted by the exporter confirm that the examination was duly carried out by the Central Excise officers and no adverse findings were recorded, indicating that the examination process for all the subject shipping bills appears to be in order.

A representative examination report pertaining to one of the shipping bills is reproduced below for reference:

REPORT

VERIFIED PARTICULARS AS PER INVOICE AND PACKING LIST, INSPECTED
CONTAINER NO. IALU 220009(9)
 AND FOUND EMPTY BEFORE STUFFING, INSPECTED LOT, CHECKED EXPORT
 MARKS AND NOS. ON THE PACKAGES EXAMINED 10% AFTER SELECTION
 CHECKED DESCRIPTION, QUALITY, WEIGHT, VALUE, VERIFIED P.M.V. & F.O.B.
 VALUE FOR STAINLESS STEEL UTENSILS, NON MAGNETIC GRADE
 MANUFACTURED OUT OF PRIME MATERIAL DECLARED AS PER INPUT OUTPUT
 NORMS C-832 & C-819
 EXPORT UNDER DFRC SCHEME GROUP ENGINEERING GOODS (61)

THE CONTAINER IS STUFFED AS PER STUFFING PERMISSION LETTER NO.
 F.NO. S/6 - FST 2609/ 2003 DFRC (X) DATED: 16/09/03
 SIGNED BY DEPUTY COMMISSIONER OF CUSTOMS, NAVASHEVA

DETAILS OF 10% MATERIAL EXAMINED

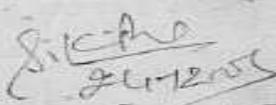
DETAILS OF OPENED CASES
 5 17 24 51 77 95 100 111 124
 131 138 146 153 164 179 200
 207 215 228 232 246 274 289
 300 307 321 345 364 470 394
 412 417 421 426 430 442 450

CERTIFIED THAT THE GOODS HAVE BEEN STUFFED INTO THE CONTAINER
IALU 220009(9)
 WITH DEPARTMENTAL BOTTLE SEAL BEARING NO. AS BELOW
 CENTRAL EXCISE COMM. VALSAD 006504
 SHIPPING CO SEAL NO. 204216

IN RESPECT OF ABOVE FURTHER CERTIFIED THAT THE BENEFIT ARE NOT
 AVAILABLE AT THE INPUT STAGES UNDER CENVAT CREDIT RULE 2002
 AND THE BENEFIT ARE NOT AVAILABLE UNDER RULE (3) (1)
 OF CENVAT CREDIT RULE 2002

PLACE: SARIGAM
 DATE: 24/12/03


G. N. Patel
 Inspector
 Central Excise Range
 SARIGAM


S. K. Jha
 Superintendent,
 Central Excise Range,
 SARIGAM

(e) Based on the available export documents, examination reports, and endorsements, the fact of export and use of inputs in the resultant export product is satisfactorily established. Since the impugned shipping bills declare exports of stainless-steel utensils/kitchenware corresponding to SION C832 and C819, which mirrors the DEPB description for stainless-steel table and kitchen articles covered under DEPB rate schedule via the PUBLIC Notice No. 62 (RE2002)/2002-2007 New Delhi, 17th February, 2003. The exported goods were clearly covered under the relevant SION and DEPB Schedule.

C. Exporter has not availed benefit of the export promotion scheme under which goods were exported and no fraud/misdeclaration/manipulation/investigation initiated against him.

(a) The exporter has requested for conversion of the above said shipping bills from Scheme-DFRC to DEPB. I find that the exporter filled the shipping bills under DFRC scheme as discussed above. I further find that the DEPB was available on these goods under the relevant DEPB Schedule discussed

above. Further, the exporter has stated that their application for the DFRC license against the 13 shipping bills were not accepted by the DGFT because of alert on the company due to litigation booked by the SIIB(X), JNCH on other shipping bills. Further, as per the examination report from Central Excise, I find that nothing adverse has been mentioned against the said shipping bills.

(b) This fact substantiates that no DFRC licences have been issued by DGFT for the subject shipping bills. Further, as evident from Condition of the relevant Board Circular, conversion of scheme is permissible where:-

“The exporter has not availed benefit of the export promotion scheme under which the goods were exported and no fraud/mis-declaration /manipulation has been noticed or investigation initiated against him in respect of such exports.

(c) To ensure that the exporter do not claim benefits of both the scheme, it is directed that sanction and disbursal of DEPB credit, though otherwise found admissible, shall remain subject to verification by the DGFT authority that no DFRC license issued against the said shipping bills by the DGFT authority.

D. On the basis of shipping bill/export documents, exporter is fulfilling all conditions of the export promotion scheme to which conversion is being sought should be fulfilled:

As discussed in the preceding paragraphs, the exporter has requested conversion of the subject shipping bills from the DFRC Scheme to the DEPB Scheme. From the available records, it is evident that the shipping bills listed in Table-I pertain to exports originally made under the DFRC Scheme. However, it is also observed that the exporter has stated that they have not availed any benefit under the DFRC Scheme, as DGFT has not issued any DFRC license against the subject shipping bills.

(b) In view of the above, the exporter has requested conversion of the subject shipping bills to the DEPB Scheme. I find that the said shipping bills declared exports of stainless-steel utensils/kitchen ware corresponding to SION C832 and C819, which mirrors the DEPB description for stainless-steel table and kitchen articles covered under DEPB rate schedule via the PUBLIC Notice No. 62 (RE-2002)/2002-2007 New Delhi, 17th February, 2003. Accordingly, the only condition required to be fulfilled is verification by the DGFT authority that no DFRC license issued against the said shipping bills by the DGFT authority.

E. On payment of a fee in accordance with Levy of fees (Customs Documents) Regulations, as amended:

The amendment, if approved, in this regard shall be allowed only after payment of applicable amendment fees as prescribed under Levy of Fees (Customs Documents) Amendment Regulation, 2017.

F. All conditions relating to shipping bill have been complied with:

As discussed in the preceding paragraphs, although the exporter has filed the said shipping bills under DFRC, this is evident in the Shipping Bills copies and other supporting documents submitted by the exporter. Further, the exporter was not able to avail the benefits of DFRC and the goods exported vide above mentioned shipping bills are equally eligible for DEPB.

G. No contravention noticed against the shipping bill:

On perusal of the documents submitted by the exporter and the examination report from the Central Excise Superintendent, I find that nothing adverse has been mentioned against the said shipping bills. Also, the exporter has submitted an **Indemnity Bond dated 19.12.2025** (received in this office on 22.12.2025), indemnifying the declarations and information submitted by the exporter.

17. In view of the above discussions, I hold that 13 shipping bills as mentioned in Table-I are eligible to be considered for conversion from Scheme-DFRC to DEPB scheme. Accordingly, I pass the following order:

Order

(i) I allow conversion from Scheme-DFRC to DEPB, in respect of 13 shipping bills as detailed in Table-I above. The disbursal of DEPB benefits shall be subject to verification by the DGFT that no DFRC certificate had been issued for the said shipping bills.

(ii) An amendment in this regard shall be carried out as per the procedure laid down in Circular No. 06/2003-Cus dated 28.01.2003, read with Circular No. 40/2003-Cus dated 12.05.2003 and Circular No. 04/2004-Cus dated 16.01.2004, after payment of amendment fee as prescribed under Levy of Fees (Customs Documents) Amendment Regulation, 2017.

Digitally signed by
GIRIDHAR GOPALKRISHNA PAI
Date: 08-01-2026 18:32:39
(Giridhar G. Pai)
Commissioner of Customs, NS-II
JNCH, Nhava Sheva.

To:

- I. M/s. MILEAGE INTERNATIONAL (IEC No. 0302056513), located at D-1, Bharat Nagar, Grant Road, Mumbai-07

Copy to:

- I. The Assistant Commissioner of Customs, CEAC, JNCH, Nhava Sheva,
- II. The Assistant Commissioner of Customs, CCO, JNCH, Nhava Sheva
- III. The Assistant Commissioner of Customs, CAC, JNCH, Nhava Sheva,
- IV. The Assistant Commissioner of Customs, Drawback, JNCH, Nhava Sheva
- V. The Assistant Commissioner of Customs, License Section, JNCH, Nhava Sheva
- VI. DGFT, Mumbai, CGO Office, New Building, SE Wing, New Marine Lines, Church gate, Mumbai- 400020
- VII. Directorate General of Systems and Data Management 4th and 5th floor, Hotel Samrat, Chanakyapuri, New-Delhi-110021
- VIII. The Additional Director General of Foreign Trade (Policy & Licensing Division), DGFT, Udyog Bhawan, H-Wing, Gate No. 2, Maulana Azad Road, New Delhi - 110011, India (for further necessary action)
- IX. EDI Section, for uploading on website,
- X. Office Copy.